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DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS

AND EASEMENTS

FOR

BAKERTOWN STATION PUD,

A PLANNED UNIT DEVELOPMENT



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201505200063282

THIS DECLARATION is made and executed in Knox County, Tennessee, as of the 7th day of May, 2015, by **BALL CAMP RESIDENTIAL PARTNERS**, a Tennessee general partnership, hereinafter referred to as "Developer."

WITNESSETH:

WHEREAS, the Developer is the owner of certain real property (hereinafter referred to as the "Acreage") located in Knox County, Tennessee, and more particularly described on **Exhibit A** attached hereto and incorporated herein by reference, and as part of a development plan, Developer has decided to develop a portion of that Acreage (this portion hereinafter referred to as the "Land") as depicted and shown as "Lots 25-48" and "Bakertown Station Way" on the Plat (defined below) attached hereto as **Exhibit B** and incorporated herein by reference.

WHEREAS, the Developer is planning to construct certain improvements thereon consisting of detached individual units and appurtenances and amenities thereto (the Land, together with all buildings, improvements, structures, rights of way and easements, whether now or hereafter located thereon or made appurtenant thereto, are collectively referred to hereinafter as the "Property"), and it is the desire and intention of the Developer to, in phases, divide the project into Lots (defined below) and to sell and convey the same to various purchasers, subject to the covenants, conditions, restrictions and easements herein reserved to be kept and observed.

WHEREAS, the Developer along with others are also the owners in fee simple of real property identified as the "Pre Existing Condominium Development" and "Lot 61" on the Plat, together with all buildings, improvements, structures, rights of way and easements, whether now or hereafter located thereon or made appurtenant thereto, which is currently a condo regime, containing both attached and detached units, subject to its own master deed ("Condo Property"). It is contemplated that, upon approval of the members in the condo regime and their mortgagees, the Condo Property will be added to the Development (defined below) and made subject to this Declaration, as amended.

NOW, THEREFORE, the Developer hereby declares that the Property shall be held, sold and conveyed subject to the following covenants, conditions, restrictions and easements, all of which are for the purpose of enhancing and protecting the value, desirability, function and attractiveness of the Property. The covenants, conditions, restrictions and easements shall run

with the Land and be binding on all parties holding or acquiring any right, title or interest in the Property, or any part thereof, whether or not so expressed in any deed or other conveyance, and shall inure to the benefit of each owner thereof.

ARTICLE I DEFINITIONS

Section 1. "Additional Land" means the Acreage, less and except the Land.

Section 2. "Architectural Committee" shall mean the committee more further described Article V.

Section 3. "Architectural Committee Rules and Regulations" shall mean the rules and regulations adopted by the Architectural Committee to carry out the provisions and intent of its duties.

Section 4. "Association" shall mean and refer to Bakertown Station PUD Owners' Association, a Tennessee nonprofit corporation, and its successors and assigns. The Charter of Bakertown Station PUD Owners' Association, Inc., as may be amended from time to time, shall be hereinafter referred to as the "Charter."

Section 5. "Association Rules and Regulations" shall mean the rules and regulations adopted by the Board of Directors (defined below) concerning the use of the Property and the operation and functions of the Association as from time to time are in effect.

Section 6. "Association Rules of Conduct" shall mean the rules and regulations adopted by the Members, pursuant to the Bylaws, concerning the use of the Property.

Section 7. "Bakertown Station PUD" or "Development" shall mean the Planned Unit Development to which this Declaration applies.

Section 8. "Board of Directors" shall mean the governing body of the Association with the powers and duties as set forth in the Association's Bylaws.

Section 9. "Bylaws" shall mean the bylaws for the administration of Bakertown Station PUD by the Association, as the same may be amended from time to time. The terms of the Bylaws are hereby incorporated into this Declaration, but this Declaration shall control in the event that any provision of the Bylaws shall conflict with any provision of this Declaration.

Section 10. "Common Areas" shall mean (a) all real property, including the improvements thereon, owned by the Association for the common use and enjoyment of the Owner(s), their respect successors and assigns, (b) areas designated as such upon any recorded subdivision Plat of the Property and (c) the roads and streets, unless and until they have been accepted by appropriate public authority for repair, maintenance and upkeep.

Section 11. "Declaration" shall mean this document as it may be amended from time to time as provided for herein.

Section 12. "Developer" shall mean Ball Camp Residential Partners, a Tennessee general partnership. The term "Developer" shall also mean successors in interest of Developer if (i) such successor in interest acquires all or any portion of Developer's interest in the Property for the purpose of development and/or sale and (ii) the successor in interest assumes the rights and duties of Developer as to the portion of the Property so acquired.

Section 13. "Developer Control Period" shall begin upon the recording of this Declaration and shall terminate upon the happening of any of the following events, whichever occurs first: (a) after seventy-five percent (75%) of the Lots in the Development have been conveyed to Lot purchasers not affiliated with Developer; (b) seven (7) years following the conveyance of the first Lot to a purchaser not affiliated with Developer; or (c) at the discretion of the Developer.

Section 14. "Dwelling Unit" or "Unit" shall mean and refer to any portion of a structure situated upon a Lot designed and intended for use and occupancy as a residence by a single family.

Section 15. "Land" shall mean the real property as depicted and shown as Lots 25-48 and Bakertown Station Way on the Plat attached hereto as **Exhibit B** and incorporated herein by reference. The Land is specifically included under this Declaration at the present time. However, Developer reserves the right, at any time, to (i) reduce the real property in the Development or (ii) add any additional real property (including, but not limited to, the Additional Land and the Condo Property) to this Development and make any such additional property subject to this Declaration or an amended or supplemental declaration.

Section 16. "Lot" shall mean and refer to one of the areas designated and enumerated as such upon the Plat, as may be amended from time to time, exclusive of any designated Common Areas, and such areas brought within the jurisdiction of the Development by the recordation of additional plats by the Developer, its successors or assigns. Notwithstanding the foregoing, "Lot 61" shown on the Plat is part of the Condo Property and shall not be included in the term "Lot" as used herein.

Section 17. "Member" shall mean and refer to those person(s) and entities entitled to membership as provided in Article III of this Declaration.

Section 18. "Owner(s)" shall mean and refer to the record owner(s), whether one or more persons or entities, of a fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation. The present Owner is the same party as the Developer.

Section 19. "PUD Documents" shall mean this Declaration, the Plat (defined below)(attached hereto as **Exhibit B** and incorporated by reference), any other Plat, the Charter (attached hereto as **Exhibit C** and incorporated by reference), the Bylaws (attached hereto as **Exhibit D** and incorporated by reference), the Rules and Regulations (defined below), and such other documents as may be applicable to Bakertown Station PUD.

Section 20. "Plat" means and refers to that certain plat entitled "Final Plat of Bakertown Station, PUD" of record under Instrument Number 201505200063281, in the Register's Office for Knox County, Tennessee, and any new plats or surveys showing a revised division of the Property into Lots, additional phases, or any reduction or addition of land (including, but not limited to, the Additional Land and the Condo Property) which may hereinafter be recorded in said Register's Office.

Section 21. "Reconstruction Assessment" shall mean the assessment to cover insufficient insurance proceeds for the repair and/or replacement of Property as more further described Article XII, Section 6.

Section 22. "Rules and Regulations" shall mean the Association Rules and Regulations, the Association Rules of Conduct, the Architectural Committee Rules and Regulations, and all other standards, codes and other procedures adopted by the Association, its Members or its authorized committees.

ARTICLE II PROPERTY RIGHTS

Section 1. Owner's Easements and Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Areas, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- a. the right of the Association to charge reasonable admission and other fees for the use of recreational facilities, if any, situated upon the Common Areas.
- b. the right of the Association to suspend the voting privileges of an Owner and right of use to any recreational facilities of an Owner, the Owner's family, such Owner's tenants, or such Owner's contract purchasers, who reside on the Property, for any period during which any assessment or fee against such Owner's respective Lot remains unpaid, and for a period to be determined in the discretion of the Board of Directors for any infraction of the Declaration, Bylaws or the Rules and Regulations.
- c. the right of the Association to levy assessments and other fines set forth in this Declaration.
- d. the right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility or any third party for such purposes and subject to such conditions as may be agreed to by the Members; provided that, any such dedication or transfer shall not be effective unless an instrument agreeing to or making such dedication or transfer (a) is approved by the affirmative vote of two-thirds (2/3) of each class of Members and (b) has been recorded.
- e. the right of the Association and Developer to grant and reserve easements and rights of way through, under, over and across the Common Areas.

f. the right of the Association to impose regulations for the use and enjoyment of the Common Areas and improvements thereon, which regulations may further restrict the use of the Common Areas.

g. The Developer's rights set forth in Article XIII.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Association's Bylaws, such Owner's right of enjoyment to the Common Areas and facilities to the members of such Owner's family, such Owner's tenants, or such Owner's contract purchasers, who reside on the Property.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot that is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment.

Section 2. The Association shall have two (2) classes of voting membership:

a. Class A Membership.

i. Class A Members shall be every Owner with the exception of the Developer (until Developer's membership converts as provided below).

ii. Except as may otherwise be provided in the Declaration, Charter or Bylaws, each Owner shall be entitled to one (1) vote for each Lot owned. When more than one person or entity owns an interest in any Lot, all such persons or entities shall be Members, but the vote for such Lot shall be exercised collectively as the co-owners may among themselves determine. In no event shall more than one (1) vote be cast with respect to any one Lot by Class A Members.

b. Class B Membership. The Class B Member shall be the Developer, and it shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership at the end of the Developer Control Period. Developer's exemption from paying assessments under Article IV, Section 13 shall not affect Developer's status as a Member of the Association.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. The Developer, for each Lot owned within the Property, hereby covenants (except as limited below), and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (a) annual assessments or charges, (b) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided, (c) assessments for noncompliance with the Declaration or

the Rules and Regulations, as hereinafter provided, and (d) any other assessment or fee allowed under the PUD Documents. All assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which the assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Owner of the Lot at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to the respective successor(s) in title unless expressly assumed by such successor(s).

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively (1) to promote the recreation, health, safety, and welfare of the residents in the Development, (2) to provide for the use and enjoyment of the Common Areas, (3) for the improvements to, and beautification and maintenance of the Common Areas and/or the utility and drainage easements situated within the Property, including, but not limited to the costs of repairs, maintenance, replacements, additions, compliance, management, operation, utilities, taxes, and insurance maintained in accordance with the Declaration and the Bylaws, (4) for all other maintenance obligations of the Association, (5) for the expenses incurred in enforcing this Declaration and the Rules and Regulations, and (6) for the employment of bookkeepers, accountants, and attorneys to represent the Association when the need arises (the "Common Expenses").

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be One Thousand Eighty Dollars (\$1,080) per Lot, payable in one lump sum payment. The Board of Directors may, at its option, establish an installment payment plan for the payment of the annual assessment over the course of the year and may also set processing fees or service fees that apply to such installment payment plans.

a. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year without a vote of the Members, if such increase is not in excess of five percent (5%) over the previous year's annual assessment.

b. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year above five percent (5%) by a vote of the Members with a two-thirds (2/3) affirmative vote of each class of Members who are eligible to vote, whether voting in person or by proxy, at a meeting duly called for the purpose of establishing said annual assessments as provided in Section 7 hereinbelow.

c. The Board of Directors may fix the annual assessments at an amount not in excess of the maximum set forth herein subject to the provisions of Section 7 and Section 8 hereinbelow.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, any unexpected expenses associated with the management or preservation of any portion of the

Property or the cost of any construction, reconstruction, repair or replacement of any capital improvement upon the Common Areas and/or the utility and drainage easements designated on the recorded Plat, including fixtures and personal property related thereto, provided that any such special assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are eligible to vote and are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected monthly. These special assessments shall be the "Capital Improvement Fund" and shall be maintained in a separate bank account in the name of the Association as the Capital Improvement Fund.

Section 5. Replacement Reserves.

a. The Association shall maintain in a separate bank account funds for "Replacement Reserves" for the use and benefit of the Association on unforeseen expenditures, excess Common Expenses, start-up costs of the Association, and such other items as determined by the Board of Directors. The Association shall not be obligated to expend all of the annual assessments collected in any accounting period, but must deposit any remaining funds into the Replacement Reserves.

b. Additionally, each Owner, excluding the Developer or an affiliate of Developer, shall pay in an amount equal to two (2) months' estimated annual assessments of each Lot to the Association at time of closing of the initial purchase of the Lot from the Developer (or an affiliate of Developer, if applicable). Such amount shall not be considered advance payment of annual assessments which are required to be paid by such Owner hereinabove. The Association shall maintain the amounts collected in the Replacement Reserves fund.

Section 6. Roof/Exterior Maintenance and Insurance Reserve Fund.

a. Prior to its inclusion into the Development, the Condo Property was subject to its own master deed which provided that the association governing the Condo Property maintained and provided insurance for the roofs and exterior building surfaces of the residential buildings. For a smoother transaction into this Development, the Association has agreed to undertake the additional maintenance obligations (roof and exterior building surface maintenance) listed in Article VI, Section 2(b) and the insurance obligations listed in Article XII, Section 1(c) for the Dwelling Units once part of the Condo Property.

b. Therefore, the following applies: in the event that the Condo Property is annexed into the Development, each Owner of a Lot that was formerly part of the Condo Property shall, in addition to the annual assessment (and any other assessments), pay an annual "Roof/Exterior Maintenance and Insurance Assessment" of Five Hundred Forty Dollars (\$540.00) per Lot, payable in one lump sum payment. The Board of Directors may, at its option, establish an installment payment plan for the payment of the Roof/Exterior Maintenance and Insurance Assessment over the course of the year and may also set processing fees or service fees that apply to such installment payment plans. This assessment shall be the "Roof/Exterior Maintenance and Insurance Reserve Fund" and shall be maintained in a separate bank account in the name of the Association as the Roof/Exterior Maintenance and Insurance Reserve Fund.

c. The Roof/Exterior Maintenance and Insurance Assessment provided for herein shall commence as to each Lot that was formerly part of the Condo Property on the first day of the month following the annexation of the Condo Property into the Development. The first Roof/Exterior Maintenance and Insurance Assessment shall be adjusted according to the number of months remaining in the calendar year.

d. Increases to the Roof/Exterior Maintenance and Insurance Assessment shall be made in accordance with the following:

i. Without Vote.

(1) From and after January 1 of the year immediately following the annexation of the Condo Property into the Development, the maximum Roof/Exterior Maintenance and Insurance Assessment may be increased each year without a vote of the Members owning Lots that were formerly part of the Condo Property ("Former Condo Property Member") if such increase is not in excess of five percent (5%) over the previous year's Roof/Exterior Maintenance and Insurance Assessment.

(2) In addition to the five percent (5%) or less increase provided in Article VI, Section 6(d)(i)(1) above, the Roof/Exterior Maintenance and Insurance Assessment may be increased each year without vote of the Former Condo Property Members to cover any increase in the insurance premiums the Association is obligated to pay under Article XII, Section 1(c).

ii. With Vote. From and after January 1 of the year immediately following the annexation of the Condo Property into the Development, the maximum Roof/Exterior Maintenance and Insurance Assessment (excluding any increase due to higher insurance premiums) may be increased each year above five percent (5%) by a two-thirds (2/3) affirmative vote of the Former Condo Property Members who are eligible to vote, whether voting in person or by proxy, at a meeting duly called for the purpose of establishing said Roof/Exterior Maintenance and Insurance Assessment as provided in Section 6(e) hereinbelow.

iii. The Board of Directors may fix the Roof/Exterior Maintenance and Insurance Assessment at an amount not in excess of the maximum set forth herein subject to the provisions of Section 6(e) and Section 6(f) hereinbelow.

e. Notice of any meeting called for the purposes of increasing the Roof/Exterior Maintenance and Insurance Assessment as authorized under Section 6 shall be given to each Former Condo Property Member stating the date, time, place of the meeting, and purpose for which the meeting is called. Such notice shall be in writing and shall be mailed or

delivered to each Former Condo Property Member at such Former Condo Property Member's address as it appears on the books of the Association not less than thirty (30) days or more than sixty (60) days prior to the date set for such meeting. At the first such meeting called, the presence of the Former Condo Property Members or of their proxies entitled to cast sixty percent (60%) of all the votes of membership of the Former Condo Property Members shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. Subsequent meetings called for such purposes shall not be held more than sixty (60) days following the preceding meeting.

f. The Roof/Exterior Maintenance and Insurance Assessment must be fixed at the uniform rate for all Lots that were formerly part of the Condo Property and may be collected on a monthly basis; provided that, during the continuation of construction and improvement the rate of assessment for unimproved Lots that were formerly part of the Condo Property shall be twenty-five (25%) of the rate of assessment for improved Lots that were formerly part of the Condo Property.

Section 7. Specific Notice and Quorum Requirements for Any Action Authorized Under Section 3 and Section 4. Notice of any meeting called for the purposes of either increasing the maximum annual assessment or levying special assessments as authorized under Section 3 or Section 4 hereinabove shall be given to each Member stating the date, time, place of the meeting, and purpose for which the meeting is called. Such notice shall be in writing and shall be mailed or delivered to each Member at such Member's address as it appears on the books of the Association not less than thirty (30) days or more than sixty (60) days prior to the date set for such meeting. At the first such meeting called, the presence of the Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. Subsequent meetings called for such purposes shall not be held more than sixty (60) days following the preceding meeting.

Section 8. Uniform Rate of Assessment. Both annual and special assessments must be fixed at the uniform rate for all Lots and may be collected on a monthly basis; provided that, during the continuation of construction and improvement the rate of assessment for unimproved Lots shall be twenty-five (25%) of the rate of assessment for improved Lots.

Section 9. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of such Lot to the Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 10. Effect of Nonpayment of Assessments. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate (per annum) of the lesser of (a) eighteen percent (18%) or the highest rate allowed by applicable law. The Association may bring an action at law against the Owner personally obligated to pay the same, record a lien in the Register of Deeds Office for Knox County, Tennessee, or foreclose the lien against the Lot for which assessments are due. An Owner may not waive or otherwise escape liability for the assessments provided for herein by claiming offsets, the abandonment of such Owner's Lot, or for non-use of the Common Areas or the utility and drainage easements.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which have become due prior to such sale or transfer. Extinguishment of the lien as provided under this Section has no effect on the Owner's personal liability for the assessments, which remains in full force and effect. A sale or transfer shall not relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12. Exempt Property. All property accepted by a local public authority and all properties owned by charitable or nonprofit organizations shall not be subject to the assessments provided for herein. However, in no event shall any Land or improvements devoted primarily to residential use and occupancy within the Property be exempt from said assessments.

Section 13. Developer Property. Notwithstanding anything to the contrary in this Article IV, during the Developer Control Period, Developer shall not pay any annual, special, Roof/Exterior Maintenance and Insurance Assessment or noncompliance assessments. Developer's exemption from paying assessments under the Declaration shall not affect Developer's status as a Member.

ARTICLE V ARCHITECTURE CONTROL

Section 1. Architectural Committee. There shall be an Architectural Committee to perform the duties set forth in this Article V and elsewhere in the PUD Documents.

a. The Architectural Committee shall be appointed by the Class B Member of the Association or the Developer itself may serve as the Architectural Committee. At such time as the Class B membership expires, the Architectural Committee shall be appointed by the Board of Directors of the Association. Members of the Architectural Committee need not be Owners while under Class B control.

b. The Architectural Committee is empowered to designate a representative to act for the Architectural Committee, and may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Architectural Committee, the remaining members shall have full authority to designate a successor. The members of the

Architectural Committee shall not be entitled to any compensation for services performed pursuant to this covenant.

Section 2. Purpose. It is the intention of the Developer for all improvements on the Property to be compatible in exterior appearance, exterior materials, architectural style and detail, topography and other aspects. In the event that the Condo Property is added to the Development, (a) the condos constructed at the time the Condo Property is added shall be deemed to be compatible and (b) Dwelling Units to be constructed on the Condo Property shall be compatible in exterior appearance, exterior materials, architectural style and detail, topography and other aspects as the Dwelling Units currently existing on the Condo Property.

Section 3. Powers.

a. Rules. The Architectural Committee shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this Article, the Declaration and all other duties assigned to it by the Board of Directors.

b. Inspection. The Architectural Committee, its agents and representatives, shall have the right during reasonable hours to enter upon and inspect any Lot and improvement thereon for the purpose of ascertaining whether the installation, construction, alteration or maintenance of any Lot or improvement thereon is in compliance with the provisions of this Declaration. The Architectural Committee, its agent and representatives, shall not be deemed to have committed a trespass or other wrongful act solely by reason of such entry or inspection.

c. Approval of Improvements.

i. Except for original and initial construction and subsequent modification of improvements by the Developer on any Lot or upon any other area of the Property, which such construction is and shall be exempt from the provisions of this Article, no building, wall, fence, driveway, landscaping, ornamentation, privacy inducing structure, berm or hedge which act as a fence, or other structure or improvements of any nature (each an "Improvement") shall be erected, placed, permitted to remain, removed, changed or altered (whether physically or appearance only) on any Lot until the construction plans and specifications (showing the location and details of the Improvement as may be required by the Architectural Committee) have been approved in writing by the Architectural Committee. Any Improvement shall be erected, placed, permitted to remain, removed changed or altered (whether physically or appearance only) upon the Property only in accordance with the plans and specifications so approved. The paint, coating, stain and other exterior finishing colors on all buildings may be maintained as that originally installed, without prior approval of the Architectural Committee, but prior approval by the Architectural Committee shall be necessary before any such exterior finishing color is changed.

ii. The Architectural Committee shall act on submissions to it within Sixty (60) days after receipt of same, or else the request shall be deemed approved. Requests and submissions shall, however, be in such form and contain such information as the Architectural Committee may require prior to its being required to act. Refusal to approve plans, specifications and plat plans, or any of them, may be based on any grounds, including purely

aesthetic grounds, which in the sole and uncontrolled discretion of said Architectural Committee deem sufficient.

iii. The Architectural Committee may establish a fee to cover the expense of reviewing the plans and other related data at the time plans are submitted for review in order to compensate any consulting architects, landscape architects, urban designers or attorneys.

iv. Any Owner may appeal the decision of the Architectural Committee provided that all parties involved comply with the decision of the Architectural Committee until such time, if any, as the Board of Directors amends or reverses the Architectural Committee's decision. Appeals petitions must be legibly written, state the grounds for appeal and be submitted to the Board of Directors within ten (10) days of the decision of the Architectural Committee. The Board of Directors shall act upon the appeal by amending, reversing or confirming the decision of the Architectural Committee within twenty (20) days of receipt of the petition. The Board of Directors' decision shall be by majority vote. Any Owner must exhaust this avenue of appeal prior to resorting to a court of law or equity for relief.

v. Following completion of construction, the applicant shall notify the Architectural Committee and a member thereof shall inspect the work to ascertain that it has been done in accordance with the Architectural Committee's approval. Work that is not completed in accordance with the approval shall not be approved and shall be corrected by Owner, at Owner's expense, to satisfy the Architectural Committee's requirements.

d. Compensation. The members of the Architectural Committee shall not be entitled to any compensation for services performed pursuant to this covenant except that such members are entitled to reimbursement of reasonable expenses incurred in performing their duties on the Architectural Committee.

ARTICLE VI MAINTENANCE

Section 1. Owner. Each Owner, at its sole cost and expense, shall be responsible for (a) except as provided in Section 2(b) below, the interior and exterior maintenance of its Dwelling Unit (including, but not limited to, roofs, gutters, downspouts, walls and exterior building surfaces), (b) the Improvements and other improvements on its Lot (including, but not limited to, driveways as well as the grass, trees, shrubs and other landscaping not originally installed by the Developer) and (c) all other items not maintained by the Association under Section 2 hereof. Such maintenance shall be in accordance with reasonable standards imposed by the Association in the Rules and Regulations and through the Architectural Committee.

Section 2. Association.

a. Generally. In addition to maintenance of the Common Areas, the utility and drainage easements and the structures and improvements located thereon (including, without limitation, common mailboxes, if applicable, wherever located), the Association shall provide for

limited maintenance upon each Lot that is subject to assessment hereunder, as follows: mowing of the front, side and rear yards of the Lot and the maintenance of the aboveground portion of landscaping originally installed by the Developer; provided, however, in the event a Lot's rear yard has been enclosed or access to the rear yard is otherwise obstructed, the Owner of that Lot, at its sole cost and expense, shall be responsible for mowing and other maintenance (landscaping and otherwise) of its rear yard. In the event that the need for maintenance or repair of a Lot or the improvements thereon is caused through the negligent or willful acts of the family, guests, or invitees of its Owner, the costs of such maintenance shall be added to and become a part of the assessment to which such Lot is subject, and shall be collected in accordance with the terms of this Declaration.

b. **Condo Property.** The following only applies to Lots which were once part of the Condo Property:

i. The Association shall provide for the maintenance, repair and replacement of the (A) roofs on the Dwelling Units (ridges, shingles, sheathing, plywood, flashing, rafters, rakes, eaves, fascia and soffit) and (B) exterior building surfaces (excluding windows). Such maintenance, repair and replacement shall occur when, in the opinion of the Board of Directors or the Architectural Committee, such maintenance, repair or replacement is necessary. The determination of the need, quality, extent and cost of such maintenance and repairs shall be made by the Board of Directors. The costs of such maintenance, repair or replacement shall be paid out of the Roof/Exterior Maintenance and Insurance Reserve Fund.

ii. In the event the Owner or any person residing in the Dwelling Unit has any indication that there are leaks from or damage to the roof, Owner shall immediately notify the Board of Directors in writing.

c. **Negligent Acts.** In the event that the Developer or the Association determines that the need for such maintenance, repair or replacement provided for in Article VI, Section 2 is caused in whole or part through the negligent, willful or intentional acts or omissions of an Owner or the Owner's family, tenants, contract purchasers, guests, invitees or anyone permitted to be on a Lot by the Owner or the Owner's family, tenants, contract purchasers, guests or invitees, the costs of such maintenance, repair or replacement, to the extent such costs are not paid for by the insurance maintained by the Developer or Association, as applicable, shall be added to and become a part of the assessment to which such Lot is subject and shall be collected in accordance with the terms of this Declaration.

d. **Liability.** The Association shall not be liable to any Owner or the Owner's family, tenants, contract purchasers, guests, invitees or anyone permitted to be on the Lot by the Owner or the Lot Owner's family, tenants, contract purchasers, guests or invitees for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of an alleged failure of the Association to take some action or perform some function required to be taken or discomfort or interruption arising from the maintenance, repairs, replacements or other actions which are the responsibility of the Association. The Association shall repair incidental damage to any Lot resulting from performance of work which is the responsibility of the Association.

ARTICLE VII PARTY WALLS

This Article VII applies to each Lot upon which there exists a Dwelling Unit that is adjoined to a Dwelling Unit on a neighboring Lot and has a party wall:

Section 1. General Rules of Law to Apply. Each wall which is built as part of the original construction of the Dwelling Units upon the Property and placed on the dividing line between Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence, or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of the reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion of such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, any such Owner shall have the right to call for a larger contribution from other Owners under any rule of law regarding liability for negligent or willful acts or omissions. For purposes of determining if an Owner has used a wall, an Owner has used it if such Owner's family member, tenant, contract purchaser, guest or invitee has used it.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by its or its family member's, tenant's, contract purchaser's, guest's or invitee's negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from other Owners under this Article shall be appurtenant to the Land and shall pass to such Owner's respective successor(s) in title.

ARTICLE VIII RESTRICTIONS ON USAGE

Section 1. Land Use and Building Types. Lots shall not be used except for residential purposes. In the event that in a future annexation, phases or development, if any, certain plots of land are designated for "common areas" on recorded plats, then such plots may be used for any commercial purposes permitted by applicable municipal or zoning ordinances.

Section 2. Obstruction of General Common Areas and Utility and Drainage Easements. There shall be no obstruction of the Common Areas or the utility and drainage easements. Further, no waste shall be committed on the Common Areas or utility and drainage easements.

Section 3. Alteration and Subdivision of Lots. An Owner must have prior written approval of the Board of Directors before subdividing a Lot, combining Lots or altering in any way a boundary of a Lot.

Section 4. Nuisance. No nuisance shall be allowed upon the Property, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents. All parts of the Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate, or any fire hazard allowed to exist. No Owner shall permit any use of his or her Lot, the Common Areas, or the utility and drainage easements which will increase the rate of insurance upon the Property.

Section 5. Animals. No animals, livestock, or poultry of any kind shall be kept or maintained on any Lot or in any Dwelling Unit except household pets may be kept provided that said pet(s) are not kept for breeding or commercial purposes. Any such household pet shall not be allowed off the Lot of the Owner of said pet unless said pet is attended and on a leash. Owners shall be solely and absolutely liable for the acts of any pet kept on their Lot or in their Dwelling Unit and are responsible for the removal of solid waste caused by their pets from the Common Areas, and of sanitary disposal of such waste.

Section 6. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. No incinerators, recycling apparatus, or other disposal equipment shall be allowed on any Lot. Trash, garbage or other waste (a) shall not be burned or disposed of on any Lot and (b) shall be kept in sanitary containers approved by the Architectural Committee. All sanitary containers shall be kept in a clean and sanitary condition. The placement of the containers shall be approved by the Architectural Committee and, in any event, shall be kept in an enclosed area not subject to view from any person, from any direction. The Developer and Association reserve the right for themselves and their successors and assigns, to contract for garbage collection services for each Lot and the Owner shall be responsible for the payment of such garbage services to the company providing the same, or the Association may make such a Common Expense included in the annual assessments or an expense to a particular Owner.

Section 7. Lawful Use. No immoral, offensive or unlawful use shall be made of any Lot or Dwelling Unit within the Property. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the Property shall be the same as the responsibility for the maintenance and repair of the Property concerned.

Section 8. Commercial Business. All Lots shall be utilized for residential purposes only and no commercial business shall be permitted within the Property except for home offices approved in accordance with applicable zoning ordinances. Lot rentals or use by the Developer in accordance with the terms of the Declaration shall not be considered a commercial use.

Section 9. Vehicles and Parking. No vehicles of any type shall be permanently or semi-permanently parked or stored on any part of the Property for the purpose of accomplishing repairs thereto except as permitted by the Rules and Regulations adopted by the Association or the Members. This restriction shall also apply to all vehicles not in operating condition regardless of whether or not such vehicles are being repaired.

Section 10. Recreational Vehicles. No boats, personal watercraft, motor homes, campers, trailers, or any recreational vehicles shall be parked or stored on or about any part of the Property except as permitted by the Rules and Regulations adopted by the Association or the Members.

Section 11. Commercial Vehicles. The Association shall have the power and authority to adopt Rules and Regulations applicable to the parking of any commercial vehicles on any part of the Property.

Section 12. Mailboxes. There shall be no mailboxes located on individual Lots unless (a) the Developer, during the Developer Control Period, or the Association thereafter approves the construction and use of mailboxes on individual Lots, (b) the Metropolitan Planning Commission, or other agency with applicable jurisdiction, approves the construction and use of mailboxes on individual Lots and (c) a mailbox is constructed on each Lot in conformance with this Section. In the event individual mailboxes are so approved, the Architectural Committee reserves the right to approve the style, design, color and location prior to any original installation or replacement. Application shall be made to the Architectural Committee prior to installation or replacement. By accepting a deed to any subject property, Owner gives the Architectural Committee the right to remove any nonapproved mailbox in a reasonable manner; all costs for same shall be paid by Owner, and all damages against the Architectural Committee waived.

Section 13. Swimming Pools. Outdoor swimming pools, hot tubs, Jacuzzis, and other similar facilities may be located on a Lot only after the Architectural Committee approval, and shall be screened and fenced. All such improvements shall be subject to approval of and in compliance with all governmental laws and regulations.

Section 14. Fence Minimum Requirements. Approval of the Architectural Committee must be received prior to the construction of any fence, berm, hedge or other privacy inducing structure. No chain-link fences shall be constructed or allowed.

Section 15. Insurance. Nothing shall be done or kept on any Lot, the Common Areas, or on the utility and drainage easements which will increase the rate of insurance on the Common Areas without the prior written consent of the Association. No Owner shall permit anything to be done or kept in his or her Lot, the Common Areas, or on utility and drainage easements which will result in the cancellation of insurance on any Lot, the Common Areas, or the utility and drainage easements, or which would be in violation of any law.

Section 16. Rules and Regulations. The Association Rules and Regulations concerning the use of the Development may be made and amended from time to time by the Association. The Association Rules of Conduct concerning the use of the Development may be made and amended from time to time by the Members. The Architectural Committee Rules and

Regulations concerning architectural control of the Development may be made and amended from time to time by the Architectural Committee. Copies of such Rules and Regulations and amendments thereto shall be furnished by the Association to all Owners and residents of the Development, and such Rules and Regulations shall be of the same force and effect as the provisions of this Declaration.

Section 17. Variances. The Association may allow reasonable variances and adjustments of the restrictions set forth in this Declaration and the Rules and Regulations in order to overcome practical difficulties and prevent unnecessary hardships in the application of the provisions contained herein, provided, however, that any such variance granted must be done in conformity with the intent and purposes of the general development scheme and provided also that in every instance such variance or adjustment shall not materially be detrimental or injurious to other property or improvements within the Property.

Section 18. No Implied Waiver. The failure of the Board of Directors or the Architectural Committee to object to an Owner's or other party's failure to comply with the covenants or restrictions contained in this Declaration or any other of the PUD Documents (including, the Rules and Regulations) now or later promulgated will in no event be deemed a waiver by the Board of Directors, Architectural Committee or of any other party having an interest of its right to object to it and to seek compliance in accordance with the provisions of all of the PUD Documents.

ARTICLE IX VIOLATIONS

If an Owner, Lot or the improvements thereon are in violation of the Declaration (specifically including, but not limited to, architectural control, maintenance and restrictions on usage), as may be amended, or of any other of the PUD Documents (including, the Rules and Regulations) now or later promulgated, then the Architectural Committee or the Board of Directors shall provide written notice to the Owner by certified mail, setting forth in reasonable detail the nature of the violation and the specific action or actions required to remedy the violation. If Owner shall have not taken reasonable steps toward the required remedial action within twenty (20) days after the mailing of the aforesaid notice of violation, the following relief may be sought:

a. Upon the two-thirds (2/3) vote of the Board of Directors, the Board of Directors may levy a noncompliance assessment against the Owner and Lot for each month the violation continues. Any such noncompliance assessment shall be considered and shall be an additional assessment against the applicable Owner and Lot. Such monthly noncompliance assessment shall be in an amount determined by the Board of Directors as follows:

i. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the noncompliance assessments shall be: (A) Fifty Dollars (\$50.00) per month, per Lot for the first violation, (B) One Hundred Dollars (\$100.00) per month, per Lot for the second violation and (C) One Hundred Fifty Dollars (\$150.00) per month, per Lot for the third violation.

ii. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum noncompliance assessment may be increased each year without a vote of the Members, if such increase is not in excess of five percent (5%) over the previous year's noncompliance assessment.

iii. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum noncompliance assessment may be increased each year above five percent (5%) by a vote of the Members with a two-thirds (2/3) affirmative vote of each class of Members who are eligible to vote, whether voting in person or by proxy, at a meeting duly called for the purpose of setting the noncompliance assessment.

b. Upon the two-thirds (2/3) vote of the Board of Directors, the Board of Directors (through its agents, representatives and/or employees), shall have the right to enter upon the Lot, remove or remedy the violation, restore the Lot, and all costs associated therewith shall be added to and become part of the noncompliance assessment to which such Owner and Lot are subject.

c. The Board of Directors shall have the authority to bring a lawsuit to enjoin the Owner and any party claiming through the Owner from violating the PUD Documents without the necessity of posting a bond.

d. The Owner shall be responsible for all costs incurred by the Association (including the Architectural Committee and Board of Directors) for enforcing compliance, including the payment of professional fees of architects, engineers and attorney's fees and any court costs. All amounts shall become part of the noncompliance assessments to which such Owner and Lot are subject.

e. The exercise by the Architectural Committee or Board of Directors of any right or remedy under this section does not preclude the exercise of any other rights or remedies, all of which are cumulative.

ARTICLE X EASEMENTS

Section 1. Utilities and Drainage. A nonexclusive, perpetual easement is hereby created, granted and reserved for the Developer, the Association and their respective agents, employees, contractors, successors and assigns for the construction, installation, operation, maintenance, inspection, repair, replacement and removal of all utility and drainage facilities and the appurtenances thereto over, upon, across, along, under and through the areas shown or reserved on the Plat. Within these easements, no structures, vegetation, or other materials shall be placed or permitted to remain, which may (a) interfere with the installation and maintenance of utilities, (b) change the direction of flow of drainage channels in the easements, or (c) obstruct, alter, or retard the flow of water through drainage channels in the easements.

Section 2. Entryway Sign. In the event the Developer or the Association become obligated to maintain the entryway sign, a perpetual easement is hereby created, granted and reserved for a sign easement for the Developer, the Association and their respective agents,

employees, contractors, successors and assigns over, upon, across, along, under and through the Property for the perpetual right, privilege and authority to construct, reconstruct, repair, replace, inspect, trim, cut down, remove, and maintain, an entryway sign and landscaping appurtenant thereto as may be determined necessary by the Developer during the Developer Control Period and the Association thereafter.

Section 3. Maintenance. The Developer, the Association and their respective agents, employees, contractors, successors and assigns have a reasonable right of entry upon any Lot, the Common Area and any other part of the Property to (a) make emergency repairs, (b) fulfill the obligations set forth in Article VI, Section 2, (c) conduct any other maintenance, care, repair, replacement or other actions as authorized under this Declaration, (d) exercise the easement rights created, granted or reserved in this Declaration or the Plat, and (e) do such work as reasonably necessary for the proper maintenance, architectural continuity, welfare, safety and operation of the Development (but it shall have no duty to do so). A perpetual, non-exclusive easement for access, ingress and egress upon each Lot, the Common Area and any other part of the Property is hereby created, granted and reserved to the Developer, the Association and their respective agents, employees, contractors, successors and assigns for such purposes.

Section 4. Additional Easements. The Developer, until such time as the Developer has conveyed the Common Area to the Association, and the Association thereafter, have a right to grant permits, licenses and easements over the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Development.

Section 5. Ingress and Egress. The Developer, Association and each Owner and their successors, assigns, tenants, guests, invitees, agents and employees are granted an easement of ingress and egress to, through and over those portions of other Lots which are reasonably designed and constructed to provide access between the Lots and access to and from the Lot and public streets.

Section 6. Administrative Easements.

a. Association. The Association, and its agents, employees, contractors, successors and assigns have a perpetual, non-exclusive easement over, upon, across, along, under and through the Common Areas and a right to use the Common Areas to perform the duties and functions which it is obligated or permitted to perform pursuant to its Articles and this Declaration.

b. Developer. The Developer and its successors and assigns have a non-exclusive easement over, upon, across, along, under and through the Property (i) as may be necessary in Developer's opinion, for (I) discharging Developer's obligations relating to the Development, including any annexations thereto, and (II) exercising any special Developer rights and Developer's development rights under this Declaration or Tennessee law, including, but not limited to, all easements benefiting the Association, and (ii) for all purposes reasonably related to Developer's development, improvement, maintenance, management, marketing and sale of the Property.

**ARTICLE XI
DISCLOSURE**

Section 1. Owners and Lenders. The Developer, during the Developer Control Period, and the Association, at all times thereafter, shall make available to the Owners and lenders, and to holders, insurers or guarantors of any first mortgage, current copies of this Declaration, the Association's Bylaws, and the Rules and Regulations, concerning the Development and the books, records and financial statements of the Association. As used herein, the term "available" shall mean available for inspection, upon request, during normal business hours and under reasonable circumstances.

Section 2. Financial Disclosure. Any lender or holder of a first mortgage on any Lot in the Development is entitled, upon request, to a financial statement for the Association for the immediately preceding fiscal year.

Section 3. Notice to Lenders. Upon written request to the Association identifying the name and address of the holder, insurer or guarantor, and the Lot number or address, any mortgage holder, insurer or guarantor will be entitled to timely written notice of: (a) any condemnation or casualty loss that affects either a material portion of the project or the Lot securing its mortgage; (b) any sixty (60) day delinquency in the payment of assessments or charges owed by a respective Owner on which it holds the mortgage; (c) a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and (d) any proposed action that requires the consent of a specified percentage of mortgage holders.

**ARTICLE XII
INSURANCE**

Section 1. Insurance Required by the Association.

a. Common Areas. The Association shall obtain and maintain casualty and hazard insurance on all insurable improvements and fixtures within the Common Areas for the full replacement cost thereof and public liability insurance on the Common Areas and the utility and drainage easements within the Property in an amount not less than Two Million Dollars (\$2,000,000.00).

b. Optional. The Association may obtain insurance against such other hazards and casualties as the Association may deem desirable, including such other real and/or personal property owned by the Association.

c. Condo Property Units. The following only applies to Lots which were once part of the Condo Property: The Association shall obtain and maintain casualty and hazard insurance on the roofs and exterior walls of the Dwelling Units in an amount equal to the full replacement cost thereof.

d. Terms. The Association shall be the owner and beneficiary of all such insurance policies and fidelity bonds obtained pursuant to this Article. The insurance coverage



with respect to the Common Areas, the Lots located on the former Condo Property (as limited in Article XII, Section 1(c) above) and the utility and drainage easements shall be written in the name of the Association and the proceeds therefrom shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried.

e. Premiums. Premiums for the insurance carried by the Association under Article XII, Sections 1(a) and 1(b) are Common Expenses included in the annual assessments made by the Association as provided hereinabove. Premiums for the insurance carried by the Association under Article XII, Sections 1(c) shall be paid out of the Roof/Exterior Maintenance and Insurance Reserve Fund.

Section 2. Insurance Required by the Owners. Except as provided in Article XII, Section 1(c), the Owners shall obtain and maintain casualty and hazard insurance insuring their Lot, the Dwelling Unit and the improvements located on their Lot for the full replacement cost thereof, provided, that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by any Owner. Upon demand of the Association, the Owner shall submit to the Association its insurance declaration page or other evidence satisfactory to the Association showing compliance with this Article XII, Section 2. If an Owner fails to obtain and maintain the insurance required in this Section, the Association may, but is not obligated, to obtain and maintain the required insurance. Any amount expended by the Association for such insurance shall be considered and shall be an additional assessment against the applicable Owner and Lot.

Section 3. Fidelity Bonds. The Association shall obtain and maintain fidelity bonds on all officers and directors of the Association who are responsible for handling, receipting, and managing the monies and funds of the Association, which shall be carried for the protection of and in the name of the Association.

Section 4. Dwelling Unit Replacement Election. In addition to casualty insurance listed in Article XII, Section 1, the Association, through the Board of Directors, may elect to obtain and continue hazard and casualty insurance in such forms as the Board of Directors deems appropriate in an amount equal to the full replacement value, without deduction for depreciation or coinsurance, of all of the Dwelling Units, including the structural portions and fixtures thereof, owned by the Owners. Insurance premiums from any such blanket insurance coverage and any other insurance premiums paid by the Association shall be a Common Expense of the Association to be included in the regular annual assessments of the Owners, as levied by the Association in accordance with the provisions set forth hereinabove. The insurance coverage with respect to the Dwelling Units shall be written in the name of the Association and the proceeds therefrom shall be payable to the Association as Trustee for the Owners.

Section 5. Ratable Assessments by the Association. The Association is hereby empowered to assess each Lot ratably for an amount equal to the sum of the current premium for said blanket hazard and casualty insurance. Such premiums shall be held in a separate account and accumulated from monthly assessments and collected for the specific purpose of paying the premiums on such insurance as the premiums become due.

Section 6. Repair and Replacement of Property. In the event of damage to or destruction of any part of the Common Area improvements, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a "Reconstruction Assessment" against all Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other assessments made against such Owners as provided hereinabove. In the event that the Association is maintaining blanket or individual casualty and fire insurance on the Dwelling Units on the Lots, the Association shall repair or replace the same from the insurance proceeds available.

Section 7. Annual Review of Insurance Policies. All insurance policies held by the Association shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of such property which is covered by said insurance if subject to damage or destruction.

Section 8. Owner's Obligations to Rebuild. If the Association has not elected to obtain hazard and casualty insurance on the Dwelling Units as provided in Article XII above and all or any portion of a Dwelling Unit is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner, with all due diligence, to rebuild, repair or reconstruct the Dwelling Unit in a manner that will substantially restore it to its appearance and condition immediately prior to the casualty. All such rebuilding, repairing or reconstruction plans must be submitted to and approved by the Architectural Committee under Article V. Reconstruction shall be undertaken within two (2) months after the damage occurs, and shall be completed within eight (8) months after the damage occurs, unless prevented by causes beyond the control of the Owner.

ARTICLE XIII DEVELOPER'S RIGHTS

ANY AND ALL OF THE SPECIAL RIGHTS AND OBLIGATIONS OF THE DEVELOPER MAY BE TRANSFERRED TO OTHER PERSONS OR ENTITIES, PROVIDED THAT THE TRANSFER TO OTHER PERSONS OR ENTITIES NOT ENLARGE A RIGHT BEYOND THAT CONTAINED HEREIN, AND PROVIDED FURTHER, NO SUCH TRANSFER SHALL BE EFFECTIVE UNLESS IT IS IN A WRITTEN INSTRUMENT SIGNED BY THE DEVELOPER AND DULY RECORDED IN THE COUNTY IN WHICH THIS DECLARATION IS RECORDED. NOTHING IN THIS DECLARATION SHALL BE CONSTRUED TO REQUIRE DEVELOPER OR ANY SUCCESSOR TO DEVELOP THE PROPERTY SET FORTH IN EXHIBIT A IN ANY MANNER WHATSOEVER.

Notwithstanding any provisions contained in the Declaration or the other PUD Documents to the contrary the following applies:

Section 1. Lot Lines Changes. Developer may subdivide, change the interior design and arrangement of, and alter the boundaries of the Lots, as long as Developer owns such Lot(s). However, without an amendment to the Plat or Declaration to reflect such changes, no change shall increase the total number of Lots, nor substantially or materially alter the boundaries of the Common Areas. These actions may be taken without the consent of the Association or the Members, provided that Developer satisfies any applicable legal or governmental requirements, if any apply, including, without limitation, any requirements of the Federal Housing Administration or the Veterans Administration.

Section 2. Annexation, Dedication & Release of Land. Developer may (a) annex other real property to the Property (including, but not limited to, the Additional Land and the Condo Property) so that such annexed property is subject to this Declaration or an amended or supplemental declaration, (b) create Lots and Common Areas through phasing on the Land, Acreage or real property so annexed, (c) dedicate any Common Areas to any public agency, authority, utility or to any third party for such purposes and subject to such conditions as may be agreed to by the Developer, (d) release any part of the Land from the terms and conditions of this Declaration, make conveyances of such released land or develop such released land as a separate development subject to different or no covenants, conditions, restrictions and easements and (e) convey a portion of the Land to the Association. These actions may be taken without the consent of the Association or the Members, provided that Developer satisfies any applicable legal or governmental requirements, if any apply, including, without limitation, any requirements of the Federal Housing Administration or the Veterans Administration.

Section 3. Phasing. It is contemplated that the Development will be constructed in multiple phases. Any additional phase may be developed and subdivided into a separate planned unit development at a later time by Developer or included within this Development at the election of Developer.

Section 4. Use of Common Areas. It shall be expressly permissible for Developer to maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of Developer, successors and assigns, may be reasonably required, convenient or incidental to the sale, re-sale or rental of such Lots, including, but not limited to, business offices, signs, model units, and sales/rental offices. The Developer shall have an easement for access to such facilities and activities shall include specifically the right to use residences owned by the Developer, if any, and any which may be owned by the Association.

Section 5. Additional Rights. The Developer shall have the right (a) to use or grant use of a portion of the Common Areas for the purpose of aiding in the sale, or rental, or management of Lots; (b) to use portions of the Property for parking for prospective purchasers or lessees of Lots and such other parties as the Developer determines; (c) to erect and display signs, billboards and placards and store and keep the same on the Property; (d) to distribute audio and visual promotional material upon the Common Areas; (e) to use or permit to be used any Lot which it owns or leases as a sales and/or rental office, management office or laundry and maintenance facility; (f) to construct or grant easements for the construction of utility lines, pipes, wires, ducts and other facilities across the Land for the purpose of furnishing utility and other services to Property, (g) to withdraw and grant easements to public utilities, municipalities, and the State of Tennessee, (h) to maintain ingress and egress easements over and upon the

Common Areas for improvement, construction and repair purposes, and (i) the right to store and secure construction equipment and materials on the Common Areas (provided such use does not unreasonably disturb access to the Lots).

Section 6. Amendments. The Developer shall have the right to amend this Declaration, the Charter, the Bylaws, and the Rules and Regulations and the right to file new plats or surveys showing additional phases and/or a revised division of the Property into Lots so as to: (a)(i) conform with applicable laws, governmental regulations, statutes, and municipal planning commission standards, (ii) meet the requirements of lending institutions and agencies associated with the Development so that the Development and said documents are "approved," (iii) to correct any inconsistencies or inadequacies therein, (iv) more particularly resubdivide the Property into Lots (by legal description if necessary), and (b) during the Developer Control Period: (i) in connection with the exercise of the rights of Developer as set forth in the PUD Documents, and (ii) to fulfill the best interest of the Development.

Section 7. Approval of Additional Restrictions. During the Developer Control Period, no person or entity shall record any declaration of restrictions and protective covenants or similar instrument affecting any portion of the Property without Developer's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of restrictions and protective covenants or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Developer.

Section 8. Written Consent. This Article may not be amended without the express written consent of the Developer.

ARTICLE XIV GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner shall have the right to enforce by a proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the PUD Documents. Failure by the Association or by any Owner to enforce any such restriction, covenant, reservation, lien or charge shall not in any event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of the restrictions, conditions, covenants, reservations, liens or charges set forth in the PUD Documents by judgment or court order shall not in any way effect any other provision, and all other provisions not so invalidated shall remain in full force and effect.

Section 3. Amendment. The covenants, conditions, restrictions, and easements of this Declaration shall run with and bind the Land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years each unless otherwise terminated by a vote of seven-five percent (75%) of the then record Owners of all Lots. Except that Article XIII may not be amended without the express written consent of the Developer, the Declaration may be amended by an instrument



approved by not less than Two Thirds (2/3) or sixty-six and sixty-seven one hundredths percent (66.67%) of the Owners at any meeting of the Association, quorum being present, duly held for such purpose, previous to which written notice shall have been sent. Any amendment will not be effective until it is recorded in the Register's Office for Knox County, Tennessee.

Section 4. Encroachments. It is understood that the Dwelling Units which adjoin each other and have a party wall built as part of the original construction of the said units, which is placed upon the dividing line between adjoining Lots, may encroach on such adjoining Lots or Common Areas due to construction or other reasons. Accordingly, an easement is reserved for such encroachments as are contained in the buildings, whether the same now exist or may be caused or created by construction, settlement, or movement of the buildings, or by permissible repairs, construction or alteration. With regard to any differences which may exist on the Plat or in any other lands which may hereafter be platted or annexed to the Property and the party walls and Lot lines which exist on the additional plats and annexations to the Property, the Lot lines and party walls which actually exist control over discrepancies in such plats and annexations.

Section 5. Contracts. The Association, prior to passage of the Developer Control Period is not bound either directly or indirectly to contracts or leases entered into by Developer, including management contracts, unless there is a right of termination of any such contract or lease, without cause, which is exercisable without penalty at any time after transfer of control from the Developer upon not more than ninety (90) days notice to the other party.

[Signature Page Follows]



IN WITNESS WHEREOF, the Developer has executed this Declaration as of the day and year first above written.

BALL CAMP RESIDENTIAL PARTNERS

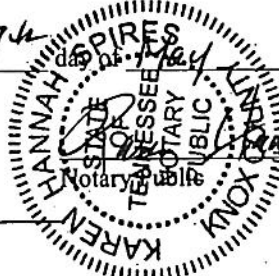
By: [Signature]
G. Todd Johnson, General Partner

By: [Signature]
John V. McBride, General Partner

STATE OF TENNESSEE)
)
COUNTY OF KNOX)

Before me, the undersigned authority, Karen Hannah Spires [name of notary], a Notary Public in and for said County and State, personally appeared G. TODD JOHNSON, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself to be a partner of BALL CAMP RESIDENTIAL PARTNERS, the within named bargainor, a Tennessee general partnership, and that he as such partner being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the general partnership by himself as partner.

Witness my hand and seal at office, this 7th day of May, 2015.



My Commission expires: 3/31/18



STATE OF TENNESSEE)
)
COUNTY OF KNOX)

Before me, the undersigned authority, Karen Hannah Spires [name of notary], a Notary Public in and for said County and State, personally appeared JOHN V. McBRIDE, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself to be a partner of BALL CAMP RESIDENTIAL PARTNERS, the within named bargainor, a Tennessee general partnership, and that he as such partner being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the general partnership by himself as partner.

Witness my hand and seal at office, this 7th day of May, 2015.



My Commission expires: 3/31/18

EXHIBIT A

Acreage Description

SITUATED in the Third (3rd) Civil District of Knox County, Tennessee, and without the corporate limits of the City of Knoxville, Tennessee and being known and designated as all of Lot 1 on the Subdivision Plat of Tracts I, II and III of Ball Camp Residential Partners Property of record in as Instrument No. 200610310037488 in the Register of Deeds Office for Knox County, Tennessee.

LESS AND EXCEPT the property known and designated as the "Pre Existing Condominium Development" and "Lot 61" as shown on the Final Plat of Bakertown Station, PUD of record in as Instrument No. ~~201505200063281~~ in the Register of Deeds Office for Knox County, Tennessee.

BEING a portion of the property conveyed to Ball Camp Residential Partners, a Tennessee general partnership, by Quitclaim Deed dated July 20, 2005 of record as Instrument No. 200507250007480 and by Quitclaim Deed dated April 10, 2012 of record as Instrument No. 201204110057008, both in the Register of Deeds Office for Knox County, Tennessee.


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201505200063282

EXHIBIT B

PLAT

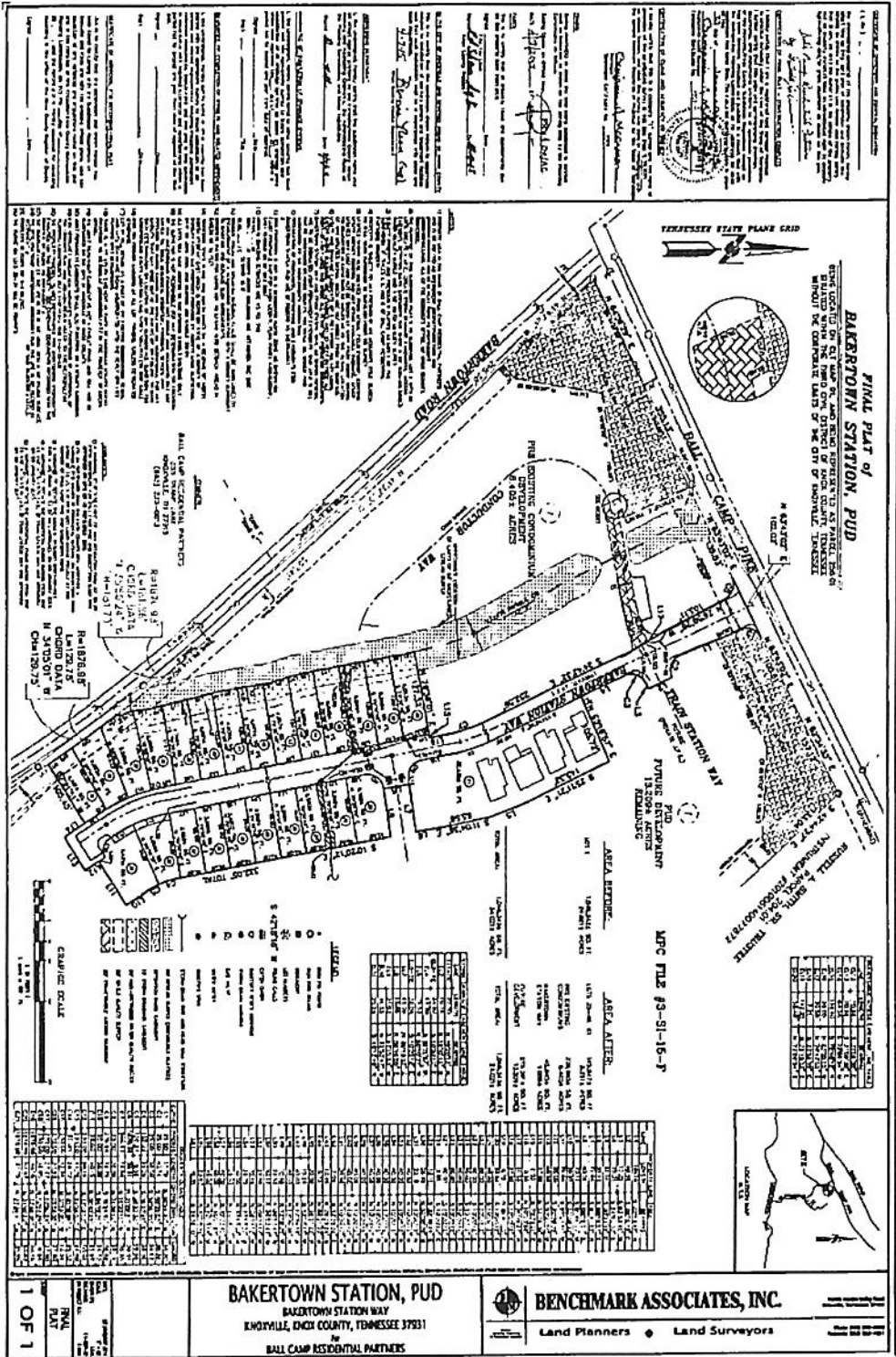


EXHIBIT C
CHARTER
OF
BAKERTOWN STATION PUD OWNERS' ASSOCIATION, INC.

The undersigned, acting as the incorporator of a nonprofit corporation under the Tennessee Nonprofit Corporation Act, Tennessee Code Annotated §48-51-101 *et seq.*, does hereby make and adopt the following Charter for such corporation:

1. **Name.** The name of the corporation is: Bakertown Station PUD Owners' Association, Inc. (the "Corporation").
2. **Mutual Benefit.** The Corporation is a mutual benefit corporation.
3. **Not a Religious Corporation.** This Corporation is not a religious corporation.
4. **Incorporator.** The name and address of the incorporator in Knox County, Tennessee, is G. Todd Johnson, 312 Nancy Lynn Lane, Suite 1, Knoxville, Tennessee 37919.
5. **Initial Registered Office and Agent.** The street address of the initial registered office of the Corporation in Knox County, Tennessee, is 5616 Kingston Pike, Suite 301, Knoxville, Tennessee 37919, and the name of its initial registered agent at that address is R. Scott Elmore, Esq.
6. **Principal Office.** The street address of the principal office of the Corporation is 312 Nancy Lynn Lane, Suite 1, Knoxville, Tennessee 37919.
7. **Not For Profit.** The Corporation is not for profit.
8. **Duration.** The Corporation shall continue to exist so long as the Planned Unit Development known as Bakertown Station PUD, located in Knox County, Tennessee, shall be in existence unless sooner dissolved or terminated.

9. **Members.** The Corporation shall have Class A and Class B members. Class A members shall be every Owner with the exception of the Developer (until Developer's membership converts) and, except as provided herein or in the Declaration or Bylaws, each Owner shall be entitled to one (1) vote for each Lot owned. When more than one person or entity owns an interest in any Lot, all such persons or entities shall be members, but the vote for such Lot shall be exercised collectively as the co-owners may among themselves determine. In no event shall more than one (1) vote be cast with respect to any one Lot by Class A members. The Class B member shall be the Developer, and it shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership at the end of the Developer Control Period which shall take place no later than the happening of any of the following events, whichever occurs first: (a) after seventy-five percent (75%) of the Lots in the development have been conveyed to Lot purchasers not affiliated with Developer; (b) seven (7) years following the conveyance of the first Lot to a purchaser not affiliated with Developer or (c) at the discretion of the Developer. The Developer and all Owners of Lots in Bakertown Station PUD located within Knox County, Tennessee, shall be members of the Corporation and no other persons or legal entities shall be entitled to membership.

10. **Purposes.** The Corporation is organized to operate and manage the Planned Unit Development for the use and benefit of the Owners of the Lots in the development as the agent of such Owners. A Declaration of Covenants, Conditions, Restrictions and Easements has been or will be recorded with the Register's Office for Knox County, Tennessee pursuant to the Tennessee Horizontal Property Act, Tenn. Code Ann. §66-27-101, *et seq.* (the "Declaration").

11. **Authority.** The Corporation shall be authorized to exercise and enjoy all of the powers, rights and privileges granted to or conferred upon corporations of a similar character by the provisions of the Tennessee Nonprofit Corporation Act, Tenn. Code Ann. §48-51-101, *et seq.*,

now or hereafter in force, and to do any and all things necessary to carry out its operations as a natural person might or could do.

12. **Funds.** All funds and the titles of all interests in properties acquired by this Corporation, whether fee simple or leasehold in nature and the proceeds thereof shall be held in trust for the Owners of the Lots in accordance with the provisions of the Declaration and its supporting documents.

13. **Declaration.** All of the powers of the Corporation shall be subject to and shall be exercised in accordance with the provisions of the Declaration together with its supporting documents which govern the use of the land to be operated and administered by this Corporation. Any capitalized term in this Charter shall have the same meaning as that set forth in the Declaration unless otherwise expressly stated or the context so requires.

14. **Transfer of Interests.** The interests of any member in any part of the real property or in the funds and assets of the Corporation cannot be conveyed, assigned, mortgaged, hypothecated or transferred in any manner, except as an appurtenance to a Lot.

15. **Amendments.** The provisions of this Charter may be amended, altered or repealed from time to time in accordance with the provisions of the Declaration and Bylaws and in the manner prescribed by the Tennessee Nonprofit Corporation Act, Tenn. Code Ann. §48-51-101 *et seq.*, and any additional provisions so authorized may be added hereto; provided that the provisions of this Charter shall not be changed, modified, repealed or expanded in such a manner as to be inconsistent with the purposes for which the Corporation is formed.


16. **Commencement of Corporate Existence.** The date which corporate existence shall commence is the date this Charter is filed by the Tennessee Secretary of State.

17. **Dissolution.** Upon dissolution of the Corporation, after all liabilities and obligations of the Corporation have been paid and discharged, all remaining assets of the Corporation

shall be distributed to the Members as determined by the Board of Directors in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, the undersigned has signed this Charter on this 7th day of May, 2015.

INCORPORATOR:



G. Todd Johnson

EXHIBIT D

BYLAWS

OF

BAKERTOWN STATION PUD OWNERS' ASSOCIATION, INC.

**ARTICLE I
ASSOCIATION**

Bakertown Station PUD Owners' Association, Inc. (the "Association") has been organized for the purpose of operating, managing and administering that certain Property made subject to the Declaration of Covenants, Conditions, Restrictions and Easements for Bakertown Station PUD, a Planned Unit Development, which has been or will be filed in the Register's Office for Knox County, Tennessee (the "Declaration"), for the use and benefit of the Owners of the Lots in Bakertown Station PUD, a Planned Unit Development, located in District Three of Knox County, Tennessee. The provisions of these Bylaws are subject to the terms, provisions, conditions and authorizations contained in the Charter of Bakertown Station PUD Owners' Association, Inc. (the "Charter") and the Declaration. The terms, provisions, conditions and authorizations of such Charter and Declaration are incorporated herein by reference and shall be controlling whenever the same may be in conflict with these Bylaws. Any capitalized term in these Bylaws shall have the same meaning as that set forth in the Declaration unless otherwise expressly stated or the context so requires.

**ARTICLE II
MEMBERSHIP AND VOTING RIGHTS OF OWNERS**

(a) Membership Eligibility. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

(b) Classes of Voting Membership. The Association shall have two (2) classes of voting membership:

Class A: Class A Members shall be every Owner with the exception of the Developer (until Developer's membership converts as provided below) and, except as otherwise provided below or in the Declaration or Charter, each Owner shall be entitled to one (1) vote for each Lot owned. When more than one person owns an interest in any Lot, all such persons or entities shall be Members, but the vote for such Lot shall be exercised collectively as the co-owners may among themselves determine. In no event shall more than one (1) vote be cast with respect to any one Lot by Class A Members.

Class B: The Class B Member shall be the Developer, and it shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership at the end of the Developer Control Period.

(c) Change of Membership. Change of membership shall be accomplished by recording a deed or other instrument evidencing the transfer of title to a Lot in the Register's Office for Knox County, Tennessee, and delivering a copy of such recorded instrument to the Secretary of the Association, whereupon, the membership of the prior Owner shall terminate.

(d) Suspension of Rights. The membership and voting rights of any Member may be suspended by the Board of Directors for any period during which any assessment against the Lot to which its membership is appurtenant remains unpaid; but upon payment of such assessment, its rights and privileges shall be restored as of the date of payment. Further, if the Rules and Regulations governing the use of the Property and the conduct of persons thereon have been adopted and published as authorized in these Bylaws and the Declaration, the rights and privileges of any person in violation thereof or in violation of the provisions hereof may be suspended at the discretion of the Board of Directors.

(e) Proxies. Proxy ballots shall be permitted with respect to all elections of Directors, and all amendments to the Charter, the Declaration or these Bylaws, or any other matter which is come before a meeting of the Members of the Association. All proxies shall be in writing, signed by the individual Owner or Owners (or in the case of joint Owners, by the persons named in the certificate of authority), or by his or her duly authorized representative, and delivered to the Secretary of the Association, or such other person as the President may designate, at least twenty-four (24) hours prior to the commencement of the meeting at which ballots are to be cast.

ARTICLE III MEETINGS OF MEMBERS

(a) Place of Meeting. All meetings of the Members of the Association shall be held at the Property or at such other place convenient to the Members as may be designated by the Board of Directors or the President.

(b) Regular Annual Meetings. All annual Members' meetings shall be held on the day and month of the year to be established by the Board of Directors. At such meeting, the election of Directors shall take place and the Members may transact such other business as may properly come before them.

(c) Special Meetings. Special meetings of Members may be called by the President whenever he or she deems such a meeting advisable or shall be called by the Secretary when ordered by a majority of the Board of Directors, or upon the written request of Members representing at least twenty percent (20%) of all votes entitled to be cast at such meeting. Such request shall state the purpose of such meeting and the matters proposed to be acted upon.

(d) Notice. Except for specific notice requirements for (i) any action increasing the maximum annual assessment or levying special assessments as provided for in Article IV,

Section 7 of the Declaration or (ii) any action for increasing the Roof/Exterior Maintenance and Insurance Assessment as provided for in Article IV, Section 6(e) of the Declaration, notice of all Members' meeting shall be given to each Member stating the date, time and place of the meeting (and in the case of special meetings, the purpose for which the meeting is called). Such notice shall be in writing and shall be mailed or delivered to each Member at such Member's address as it appears on the books of the Association not less than ten (10) days not more than thirty (30) days prior to the date set for such meeting. Proof of such mailing or delivery may be given by the written statement of the Secretary or other person giving the notice. Written waiver of notice of the meeting may be given before, at or after the meeting. Attendance at any meeting shall be deemed a waiver by the Member of any notice except where the Member attends for the express purpose of objecting to the transaction of business and makes such objection at the start of the meeting or immediately upon his or her arrival.

(e) Quorum and Adjournment of Meetings. Except for specific quorum requirements for (i) any action increasing the maximum annual assessment or levying special assessments as provided for in Article IV, Section 7 of the Declaration or (ii) any action for increasing the Roof/Exterior Maintenance and Insurance Assessment as provided for in Article IV, Section 6(e) of the Declaration, a quorum at any Members' meeting shall consist of persons entitled to cast a majority of the votes of each class of Members who are eligible to vote and are voting in person or by proxy at a meeting duly called for this purpose. In the absence of quorum, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum shall be present and represented.

(f) Action by Written Consent. Whenever Members are required or permitted to take any action by vote, such action may be taken without a meeting, on written consent, or otherwise as allowed under Tennessee law. Action may be taken on written consent if all Members entitled to vote on the action consent in writing to taking such action without a meeting. If all Members entitled to vote consent in writing to taking such action without a meeting, then the affirmative vote of the number of Members as would have been required to approve the action had the question been put to a vote at a meeting shall be the action of the Members. The action must be evidenced by one or more written consents describing the actions taken, signed by each Member entitled to vote (in one or more counterparts) indicating each signing Member's vote or abstention on the action.

(g) Presiding Officer. The President shall preside over all meetings of the Association. The Secretary shall act as the Secretary at all meetings of the Association and shall take and keep the minutes and the minute book of such meetings wherein duly adopted resolutions shall be recorded.

(h) Voting. Following the Developer Control Period, the Owner or Owners of each Lot shall collectively have one (1) vote in the affairs of the Association. Except as otherwise required by the Charter, the Declaration or applicable law, the affirmative vote of a majority of the votes represented at any duly called Members' meeting at which a quorum is present shall be binding upon the Members.

(i) Member in Good Standing. A Member shall be deemed to be in good standing and entitled to vote at any meeting only if all assessments appertaining to his or her Lot(s) have

been paid, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him or her and to his or her Lot(s), at least three (3) days prior to the date fixed for such meeting.

(j) Order of Business. To the extent that such business is applicable to the meeting of the Members, the order of business for such meeting shall be as follows:

- Roll call
- Proof of notice of meeting or waiver of notice
- Reading of the minutes of last preceding meeting
- Establish number and term of membership of Board of Directors (if required and noticed)
- Reports of committees
- Election of Directors (if required and noticed)
- Unfinished business
- New business
- Ratification of budget (if required and noticed)
- Adjournment

ARTICLE IV BOARD OF DIRECTORS

(a) Number and Qualification. The Board of Directors shall consist of three (3) persons (each a "Director"). At least a majority of the Board of Directors shall be Members of the Association, or shall be authorized representatives, officers or employees of the Developer. During the Developer Control Period, the Developer shall have the right to designate and select the persons who shall serve as members of the Board of Directors. Thereafter, the Board of Directors shall be elected by a majority of the votes and the Developer shall be entitled to vote for election of Directors in proportion to the number of Lots it owns in the same manner as other Owners are allowed under these Bylaws, which is one (1) vote per Lot.

(b) Term. During the Developer Control Period, the Directors shall serve such term as the Developer specifies. For the first Board of Directors elected by the Owners after the expiration of the Developer Control Period, the initial term of office of the two (2) directors receiving the highest number of votes shall be established at two (2) years, and the terms of office of the remaining elected Directors shall be established at one (1) year. After the expiration of the initial term of office of each member of the Board of Directors elected by the Owners, his or her successors shall be elected to serve a term of two (2) years, which term shall expire at the second annual meeting following their election, or until their successors are duly elected and qualified, or until removed in the manner elsewhere provided or as may be provided by law.

(c) Organizational Meeting. The organizational meeting of a newly elected Board of Directors shall be held within fourteen (14) days of their election at such time and at such place as shall be fixed by the Directors as the Association meeting at which they were elected, and no further notice of the organizational meeting shall be necessary in order to legally constitute such a meeting, providing that a quorum of the Board of Directors shall be present.

(d) 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 the Directors, but at least one (1) such meeting shall be held each fiscal year. Notice of regular meetings shall be given by the Secretary to each Director personally or by mail or telephone at least three (3) days prior to the date set for such meeting, unless notice is waived.

(e) Special Meetings. Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of any two (2) Directors. Notice of special meetings shall be given to each Director personally or by mail or telephone at least three (3) days prior to the date set for such meeting, unless notice is waived, and shall state the purpose for which the meeting is called.

(f) Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by a Director at any meeting shall be deemed a waiver of notice by him or her. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting. In the discretion of the Board of Directors, meetings of the Board of Directors, or portions thereof, may be open to Members of the Association for observation or participation in such manner and to the extent the Board of Directors may deem appropriate.

(g) Quorum and Adjourned Meetings. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business and acts of the majority of Directors present at a meeting at which a quorum is present shall be acts of the Board of Directors, unless otherwise provided in the Charter and/or the Declaration. If any Directors' meeting cannot be organized because a quorum has not attended, the Directors who are present may adjourn the meeting from time to time until a quorum is present.

(h) Removal of Members of the Board of Directors. During the Developer Control Period, a Director may be removed at any time by the Developer with or without cause, and a successor may then be appointed by the Developer to fill the vacancy thus created. Following the expiration of the Developer Control Period, any one or more Directors may be removed with or without cause at a duly held regular or special meeting of the Association by a majority of the votes held by the Members of the Association, and a successor may be then and there elected to fill the vacancy thus created. Each person so elected shall be a Director for the remainder of the term of the Director whose term he or she is filling and until his or her successor is duly elected and qualified. Any Director whose removal has been proposed shall be given at least ten (10) days' notice of the calling of the meeting and an opportunity to be heard at the meeting.

(i) Vacancies. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the Members of the Association shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy; provided, however, in the event that the vacancy on the Board of Directors results in one (1) or fewer Directors remaining on the Board of Directors, a special meeting of the Association shall be called by the President or remaining Director in order to fill such vacancies. Each person so elected at a special meeting shall serve as a Director the remainder of the term of the Director whose term he or she is filling

and until his or her successor is duly elected and qualified. If the vacancy has been filled by a vote of the remaining Directors, each person so elected shall be a Director until his or her successor is elected at the next meeting of the Association.

(j) Action without a Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the Directors consent in writing to such action without a meeting. Such written consent shall be filed with the minutes of the Board of Directors. If all Directors consent in writing to taking such action without a meeting, then the affirmative vote of the number of Directors as would have been required to approve the action had the question been put to a vote at a meeting shall be the action of the Board of Directors. The action must be evidenced by one or more written consents describing the actions taken, signed by each Director (in one or more counterparts) indicating each signing Director's vote or abstention on the action.

(k) Powers and Duties. The Board of Directors may act in all instances on behalf of the Association, except as provided in the Declaration, these Bylaws, or applicable law. The limitations, powers and duties necessary for the administration of the affairs of the Association and of Bakertown Station PUD, shall include, but not be limited to, the following:

(1) To make, levy and collect assessments against Members and Members' Lots to defray the costs of the Common Expenses and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Association hereunder or in the Charter, Declaration or under applicable law.

(2) To take such maintenance actions according to accepted standards established by the Association and as set forth in the Declaration;

(3) To make and amend Association Rules and Regulations governing the use of the Property for the benefit of the Members so long as such Association Rules and Regulations do not conflict with the Charter or the Declaration;

(4) To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, as may be necessary or convenient in the operation and management of the Development and in accomplishing the purposes set forth in the Charter;

(5) To contract for the management of the Association, and to delegate to such manager all of the powers and duties of the Association, subject to the limitations of the Declaration, with the cost of employing such manager to be a part of the Common Expenses included in the annual assessments made by the Association;

(6) To comply with and to enforce by legal means all terms and conditions of the Declaration, the Charter, these Bylaws, and any Rules and Regulations hereafter promulgated governing the use of the Development;

(7) To pay all taxes and assessments which are liens against any part of the Property and to assess the same against any part of the Members and their respective Lots;

(8) To carry insurance for the protection of the Members and the Association as provided for in the Declaration;

(9) To employ personnel (including, without limitation, attorneys and accountants) for reasonable compensation to perform the services required for proper administration of the Association, with such costs to be a part of the Common Expenses included in the annual assessments made by the Association;

(10) To borrow money for any legitimate purposes which may be necessary for the improvement, maintenance, and well-being of the Property, the repayment of which a part of the Common Expenses included in the annual assessments made by the Association;

(11) To cause to be kept a complete record of all its acts and corporate affairs and to present a summary report thereof to the Members at the annual meeting or at any special meeting;

(12) To delegate to Members responsibilities concerning the maintenance, repair, and replacement and insurance of portions of the Property; and

(13) To exercise any other power necessary and proper for the governance of the Association.

(l) Eligibility of Directors. Nothing contained in these Bylaws shall prohibit a Director from being an officer, nor preclude the Board of Directors from employing a Director as an employee of the Association or contracting with a Director for the management of the Development, subject, however, to the limitations contained herein and in the Declaration.

ARTICLE V OFFICERS

(a) Designation. The executive officers of the Association shall be a President, who shall be a Director, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of Directors at any meeting. The Board of Directors may also appoint such officers as in its judgment may be necessary to manage the affairs of the Association. Any person may hold two or more offices, except that the President shall not also be the Secretary or an Assistant Secretary.

(b) Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the first Board of Directors' meeting following each annual meeting of the Members and such officers shall hold office at the pleasure of the Board of Directors.

(c) Removal of Officers. Upon any affirmative vote of a majority of the full number of Directors, any officer may be removed, either with or without cause, after opportunity for a hearing, and his or her successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for that purpose.

(d) Duties and Responsibilities of Officers. The duties and responsibilities of the officers of the Association shall be as follows:

(1) The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and the Board of Directors. He or she shall have all the 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 Members from time to time, as he or she in his or her discretion may determine appropriate, to assist in the conduct of the affairs of the Association.

(2) The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He or she shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

(3) The Secretary shall keep the minutes of all proceedings of the Board of Directors and the Members and shall keep the minute book and record all proceedings therein. He or she shall attend to the giving and serving of all notices to the Members and Directors, and such other notices as are required by law. He or she shall keep the books and records of the Association, except those of the Treasurer, and shall perform all other duties which are usually vested in the office of the secretary of an association and as may be prescribed by the Directors or President.

(4) The Treasurer shall have custody of all of the property of the Association, including funds, securities, and evidences of indebtedness. He or she shall keep the assessment rolls and accounts of the Members, shall keep the books of the Association in accordance with good accounting practices, and shall perform all other duties usually vested in the office of the treasurer of an association.

ARTICLE VI
**COMPENSATION, INDEMNIFICATION AND EXCULPABILITY
OF OFFICERS, DIRECTORS AND COMMITTEE MEMBERS**

(a) Compensation. No compensation shall be paid to the President or Vice President or any director or committee member for acting as such officer or director. The Secretary and/or Treasurer may be compensated for their services if the Board of Directors determines that such compensation is appropriate. Nothing herein stated shall prevent any officer, director or committee member from being reimbursed for out-of-pocket expenses or compensated for services rendered in any other capacity to or for the Association; provided, however, that any such expenses incurred or services rendered shall have been authorized in advance by the Board of Directors.

(b) Indemnification. Each director, officer, committee member, employee or agent of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of his or her being or having been a director, officer, committee member, employee or

agent of the Association or in any settlement thereof, whether or not he or she is a director, officer, committee member, employee or agent at the time such expenses are incurred, except in such cases where he or she is adjudicated guilty of willful malfeasance or gross negligence in the performance of this or her duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director, officer, committee member, employee or agent may be entitled.

(c) Exculpability. Unless acting in bad faith, neither the Board of Directors as a body nor any director, officer, committee member, employee or agent of the Association shall be personally liable to any Member in any respect for any action or lack of action arising out of the execution of his or her office. Each Member shall be bound by the good faith actions of the Board of Directors, officers, committee members, employees or agents of the Association, in the execution of the duties of said directors, officers, committee members, employees or agents.

ARTICLE VII FISCAL MANAGEMENT

(a) Annual Assessments.

(1) The Board of Directors shall adopt a budget for each fiscal year of the Association and such budget shall contain estimates of the amount of monies deemed necessary for the Common Expenses, the manner of expenditure thereof and the proposed assessments against each Owner. In addition to any assessment levied against an individual Lot in accordance with the Declaration, each Owner shall be obligated to pay his or her proportionate share of the Common Expenses assessed against his or her Lot by the Board of Directors in accordance with the Declaration, the Charter, these Bylaws and applicable law. The time and due dates of such payments shall, subject to the terms of the Declaration, be established by the Board of Directors.

(2) The Board of Directors shall give notice to each Owner in writing, and, if requested, to any eligible lender, of the amount estimated by the Board of Directors for Common Expenses for the management and operation of the Association for the next ensuing budget period and the proposed annual assessments, directed to the Owner and, if requested, eligible lender at their last known address by ordinary mail or hand delivery. Said notice shall be conclusively presumed to have been delivered five (5) days after deposit in the United States mail.

(3) The omission by the Board of Directors, before the expiration of any year, to fix the assessment thereunder for that or the next year shall not be deemed to be a waiver or modification in any respect to the provisions of the Declaration or these Bylaws, a release of any Owner from the obligation to pay the assessments, or an installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

(b) Special Assessments. In addition to the annual assessments authorized hereinabove and in the Declaration, the Board of Directors may levy, in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, any unexpected expenses associated with the management or preservation of any portion of the Property or the cost of any construction, reconstruction, repair or replacement of any capital improvement upon the Common Areas and/or the utility and drainage easements designated on the recorded Plat, including fixtures and personal property related thereto, provided that any such special assessment shall have the assent of two-third (2/3) of the votes of each class of Members who are eligible to vote and are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected monthly. These special assessments shall be the "Capital Improvement Fund" and shall be maintained in a separate bank account in the name of the Association as the Capital Improvement Fund.

(c) Replacement Reserves.

(1) The Association shall maintain in a separate bank account funds for "Replacement Reserves" for the use and benefit of the Association on unforeseen expenditures, excess Common Expenses, start-up costs of the Association, and such other items as determined by the Board of Directors. The Association shall not be obligated to expend all of the assessments collected in any accounting period, but must deposit any remaining funds into the Replacement Reserves.

(2) Additionally, each Owner, excluding the Developer or an affiliate of Developer, shall pay in an amount equal to two (2) months' estimated annual assessments of each Lot to the Association at time of closing of the initial purchase of the Lot from the Developer (or the affiliate of Developer, if applicable). Such amount shall not be considered advance payment of annual assessments which are required to be paid by such Owner hereinabove. The Association shall maintain the amounts collected in the Replacement Reserves fund.

(d) Roof/Exterior Maintenance and Insurance Reserve Fund. The Association shall maintain in a separate bank account funds for "Roof/Exterior Maintenance and Insurance Reserve Fund" for the purposes and as set forth in the Declaration.

(e) Depository. The depository of the Association shall be a federally insured banking institution designated by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be by such persons as authorized by the Directors.

(f) Annual Review. A review of the accounts of the Association shall be made annually by a certified public accountant, the cost of which shall be deemed a Common Expense included in the annual assessments made by the Association, and a copy of the annual audit report shall be furnished to each Member no later than April 1 of the year following the year for which the report is made. In addition, any holder of a first mortgage on a Lot shall, upon written request, be entitled to a copy of the review report provided it pays for any reasonable expenses of the Association incurred in rendering such copy.

(g) Examination of Books and Records. The Board of Directors shall keep a book with a detailed account, in chronological order, of the receipts and expenditures affecting the Development and its administration and specifying the maintenance and repair expense of the Common Areas and the utility and drainage easements, and any other Common Expenses incurred. Such book, the vouchers accrediting the entries made thereon, copies of the Declaration, these Bylaws, the Rules and Regulations and other books, records and financial statements of the Association shall be maintained at the principal office of the Association and shall be available for inspection by Members or by holders, insurers and guarantors of mortgages that are secured by Lots in the Development during normal business hours or under any other reasonable circumstances.

(h) Management Contracts. The Association may enter into professional management contracts or other agreements; provided, however, that each such contract or other agreement shall contain a right of termination with or without cause that the Association can exercise at any time after the end of the Developer Control Period; such right to be exercised without penalty on advance notice of more than ninety (90) days.

(i) Fidelity Bonds. The Association shall, subject to the provisions of the Declaration, maintain blanket fidelity bonds for all persons who either handle or are responsible for funds held or administered by the Association, whether or not they receive compensation for such services. Any management agent that handles funds for the Association shall also be covered by a fidelity bond.

(j) Interest and Attorneys' Fees. The Board of Directors shall have the option, in connection with the collection of any charge or assessment from an Owner, to impose a late fee, or an interest charge at the rate (per annum) of the lesser of (a) eighteen percent (18%) or the highest rate allowed by applicable law, from the date the charge or assessment was due until paid (if not paid within thirty (30) days of the due date). In the event attorneys' fees are incurred by the Board of Directors in the collection of such charges, the Owner shall be responsible for the payment of all reasonable attorneys' fees, in addition to such costs allowable by law.

ARTICLE VIII ASSOCIATION RULES OF CONDUCT

In order to assure the peaceful and orderly use and enjoyment of the Lots, the Common Areas, and the utility and drainage easements, the Owners may, from time to time, adopt, modify and revoke in whole or in part, subject to the provisions of the Declaration, reasonable rules and regulations, to be called the Association Rules of Conduct, governing the conduct of said persons on the Property as the Association may deem necessary, by a vote of the Members present in person or represented by proxy whose aggregate interest in the Property constitutes two-third (2/3) of the total interest, at any meeting duly called for that purpose. Such Association Rules of Conduct, upon adoption, and every amendment, modification and revocation thereof, shall be delivered promptly to each Owner, and shall be binding upon all Owners and occupants of Lots in the Development.

ARTICLE IX
INSURANCE

(a) By the Board of Directors. The Board of Directors shall be required to obtain and maintain such insurance as is provided for and required in the Declaration to be carried by the Association.

(b) By the Owners. The Owners shall be required to obtain and maintain such insurance as is provided for and required in the Declaration to be carried by the Owners.

ARTICLE X
ENFORCEMENT

(a) Enforcement. The Board of Directors shall have the power, at its sole option, to enforce the terms of the PUD Documents or any rule or regulation promulgated thereto, by any and all of the following: lawful self-help; sending notice to the offending party to cause certain things to be done or undone; restoring the Association to its original position and charging the breaching party with the entire cost or any part thereof; complaint to the duly constituted authorities; by taking any action authorized in the PUD Documents; or by taking any other action before any court, summary or otherwise, as may be provided by law. Exercise of any right or remedy does not preclude the exercise of any other rights or remedy, all of which are cumulative.

(b) Fines. Without limiting Article X, Section (a) in any way, the Board of Directors shall also have the power to levy fines against any Owner for violation of any covenants and restrictions contained in the PUD Documents in accordance with the PUD Documents and applicable law. Any such fine shall be considered and shall be an additional assessment against the applicable Owner and Lot. Fines shall not be considered part of the annual assessments.

(c) Waiver. No restriction, conditions, obligation or covenant contained in these Bylaws or the other PUD Documents shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

ARTICLE XI
AMENDMENTS

Subject to the provisions contained in the Declaration, these Bylaws may be altered or repealed, or new association bylaws may be made, at any meeting of the Association duly held for such purpose, previous to which written notice shall have been sent, a quorum being present, by the affirmative vote of not less than two-thirds (2/3) of the Owners voting in person or by proxy.

ARTICLE XII
CONFLICT AND SEVERABILITY

(a) Conflict. Anything to the contrary herein notwithstanding, if any provision of these Bylaws is in conflict with or contradiction to the Declaration or the Charter, or with the

requirements of any law or regulation, then the requirements of the Declaration, Charter, law or regulation shall be deemed controlling.

(b) Severability. The invalidity of any part of these Bylaws shall not impair or affect in any manner the enforceability of effect of any remaining provisions of these Bylaws.



Sherry Witt
Register of Deeds

This Instrument Prepared By:
R. Scott Elmore
Elmore, Stone & Caffey, PLLC
5616 Kingston Pike, Suite 301
Knoxville, Tennessee 37919

Knox County Amends Declaration of Covenants,
Conditions, Restrictions and Easements for
Bakertown Station PUD, a Planned Unit
Development of record as Instrument No.
201505200063282.

**FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS FOR BAKERTOWN STATION PUD, A PLANNED
UNIT DEVELOPMENT**

WHEREAS, BALL CAMP RESIDENTIAL PARTNERS, is the original Developer of Bakertown Station PUD as set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Bakertown Station PUD, a Planned Unit Development of record as Instrument No. 201505200063282 (hereafter referred to as the "Declaration");

WHEREAS, the Declaration contemplated that the planned unit development project would be constructed in phases;

WHEREAS, the Developer desires to incorporate into the Development certain real property, which was part of the Additional Land, described on the Final Plat of Subdivision of Bakertown Station, PUD, Phase II of record as Instrument No. 201706290079803 in the Register's Office of Knox County, Tennessee, as it may be amended from time to time ("Phase II Plat");

WHEREAS, Article XIII, Sections 2 & 3 of the Declaration provide that the Developer may (acting alone and without joinder of the Association or Members) create Lots and Common Areas on the Additional Land through phasing, annex all or a portion of the Additional Land to the Property and provide for the incorporation of the Additional Land, or any part thereof, and all improvements thereon into the Development subjecting such property to the Declaration; and

WHEREAS, the Developer now desires to amend the Declaration pursuant to Article XIII, Sections 2 & 3 to create Lots and Common Areas on the Additional Land, to add all property described on the Phase II Plat to the Development, and to subject all property described on the Phase II Plat to the Declaration.

NOW, THEREFORE, in consideration of the premises and for the mutual benefit and valuable consideration, the Developer, pursuant to Article XIII, Sections 2 & 3 of the Declaration hereby amends the Declaration as follows:

1. The Developer exercises its rights to (a) create Lots and Common Areas on the Additional Land, (b) to incorporate all the property described on the Phase II Plat, and all improvements thereon, into the Development and (c) subject all the property described on the Phase II Plat, and all improvements thereon, to all of the covenants, conditions, restrictions and easements of the Declaration in the same manner as if it was originally covered by the Declaration.

2. The Phase II Plat is attached hereto and incorporated herein by reference and becomes new **Exhibit B-1** of the Declaration.

3. The Property, Common Areas and Lots described in and shown on new **Exhibit B-1**, and all improvements thereon, are hereby submitted to the provisions of the Declaration and shall be held and conveyed subject to the provisions of the Declaration as Phase II of Bakertown Station PUD.



Knox County Page: 1 of 3
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M. TAX: \$0.00 T. TAX: \$0.00

201708300013899

4. As used in the Declaration, the term Land shall include both (a) the real property depicted and shown on **Exhibit B** and (b) the real property depicted and shown on the new **Exhibit B-1**. For purposes of clarity, Exhibit B-1 is in addition to and does not replace Exhibit B.

5. As used in the Declaration, the term Plat shall also include the Phase II Plat.

6. Except as amended herein, all of the terms and conditions contained within the original Declaration shall remain in full force and effect.

7. Capitalized terms used herein shall have the same meaning as in the Declaration, unless specifically defined herein.

8. This First Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements for Bakertown Station PUD, a Planned Unit Development, is made by Developer pursuant to the provisions and authority of Article XIII, Sections 2 & 3 of the Declaration.

IN WITNESS WHEREOF, Developer has executed this instrument on the 28 day of August, 2017.

DEVELOPER:

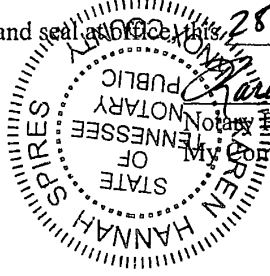
Ball Camp Residential Partners

By: [Signature]
John V. McBride
Its: Managing Partner

STATE OF TENNESSEE)
)
COUNTY OF KNOX)

Before me, the undersigned authority, a Notary Public in and for said County and State, personally appeared **JOHN V. McBRIDE**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Managing Partner of **Ball Camp Residential Partners**, the within named bargainer, a Tennessee general partnership, and that he as such Managing Partner being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the general partnership by himself as Managing Partner.

WITNESS my hand and seal as Notary Public, this 28 day of August, 2017.
[Signature]
Notary Public
My Commission expires: 3/31/18



Page: 2 OF 3
201708300013899

3107.001, Unketown Station, Amendment to Declaration

1 OF 1
 MAP

**FINAL PLAT OF SUBDIVISION OF
 BAKERTOWN STATION, PUD, PHASE II**

BENCHMARK ASSOCIATES, INC.
 Land Planners ♦ Land Surveyors

GRAPHIC SCALE

LEGEND

NOTES

GENERAL NOTES

RECORDING INFORMATION

ADDITIONAL NOTES

PLAT FILE #2-SN-17-F

**GENE LOCATED ON MAP IS, AND BEING REPRESENTED AS PART OF PARCEL 106.011
 BAKERTOWN STATION, PUD, PHASE II
 FINAL PLAT OF SUBDIVISION OF**

APPROVED

RECORDED

FILED

NOTARIAL PUBLIC

STATE OF MISSISSIPPI

EXHIBIT "B-1"
 Phase II Plat

Sherry Witt
Register of Deeds
Knox County

This Instrument Prepared By:
R. Scott Elmore
Elmore, Stone & Caffey, PLLC
5616 Kingston Pike, Suite 301
Knoxville, Tennessee 37919

Amends Declaration of Covenants, Conditions, Restrictions and Easements for Bakertown Station PUD, a Planned Unit Development of record as Instrument No. 201505200063282, as previously amended by that First Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Bakertown Station PUD, a Planned Unit Development, of record as Instrument No. 201708300013899, both in the Register of Deeds Office for Knox County, Tennessee.

SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR BAKERTOWN STATION PUD, A PLANNED UNIT DEVELOPMENT

WHEREAS, BALL CAMP RESIDENTIAL PARTNERS, is the original Developer of Bakertown Station PUD as set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Bakertown Station PUD, a Planned Unit Development of record as Instrument No. 201505200063282, as amended by that First Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Bakertown Station PUD, a Planned Unit Development, of record as Instrument No. 201708300013899 (collectively, hereafter referred to as the "Declaration");

WHEREAS, the Declaration contemplated that the planned unit development project would be constructed in phases;

WHEREAS, the Developer desires to incorporate into the Development certain real property, which was part of the Additional Land, described on the Final Plat of Subdivision of Bakertown Station, PUD, Phase III of record as Instrument No. 201801220043465 in the Register's Office of Knox County, Tennessee, as it may be amended from time to time ("Phase III Plat");

WHEREAS, Article XIII, Sections 2 & 3 of the Declaration provide that the Developer may (acting alone and without joinder of the Association or Members) create Lots and Common Areas on the Additional Land through phasing, annex all or a portion of the Additional Land to the Property and provide for the incorporation of the Additional Land, or any part thereof, and all improvements thereon into the Development subjecting such property to the Declaration; and

WHEREAS, the Developer now desires to amend the Declaration pursuant to Article XIII, Sections 2 & 3 to create Lots and Common Areas on the Additional Land, to add all property described on the Phase III Plat to the Development, and to subject all property described on the Phase III Plat to the Declaration.

NOW, THEREFORE, in consideration of the premises and for the mutual benefit and valuable consideration, the Developer, pursuant to Article XIII, Sections 2 & 3 of the Declaration hereby amends the Declaration as follows:

1. The Developer exercises its rights to (a) create Lots and Common Areas on the Additional Land, (b) to incorporate all the property described on the Phase III Plat, and all improvements thereon, into the Development and (c) subject all the property described on the Phase III Plat, and all improvements thereon, to all of the covenants, conditions, restrictions and easements of the Declaration in the same manner as if it was originally covered by the Declaration.

2. The Phase III Plat is attached hereto and incorporated herein by reference and becomes new **Exhibit B-2** of the Declaration.



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M TAX \$0.00 T TAX \$0 00

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3. The Property, Common Areas and Lots described in and shown on new Exhibit B-2, and all improvements thereon, are hereby submitted to the provisions of the Declaration and shall be held and conveyed subject to the provisions of the Declaration as Phase III of Bakertown Station PUD.

4. As used in the Declaration, the term Land shall include (a) the real property depicted and shown on Exhibit B, (b) the real property depicted and shown on Exhibit B-1, and (c) the real property depicted and shown on the new Exhibit B-2. For purposes of clarity, Exhibit B-2 is in addition to and does not replace Exhibit B or Exhibit B-1.

5. As used in the Declaration, the term Plat shall also include the Phase III Plat.

6. Except as amended herein, all of the terms and conditions contained within the original Declaration shall remain in full force and effect.

7. Capitalized terms used herein shall have the same meaning as in the Declaration, unless specifically defined herein.

8. This Second Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements for Bakertown Station PUD, a Planned Unit Development, is made by Developer pursuant to the provisions and authority of Article XIII, Sections 2 & 3 of the Declaration.

IN WITNESS WHEREOF, Developer has executed this instrument on the 9th day of February, 2018.

DEVELOPER:

Ball Camp Residential Partners



By: G. Todd Johnson
G. Todd Johnson
Its: Partner

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, the undersigned authority, a Notary Public in and for said County and State, personally appeared **G. TODD JOHNSON**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be a Partner of **Ball Camp Residential Partners**, the within named bargainor, a Tennessee general partnership, and that he as such Partner being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the general partnership by himself as Partner.

WITNESS my hand and seal at office, this 9th day of February, 2018

Wanda H. McWilliam
Notary Public
My Commission expires: 3/31/2018

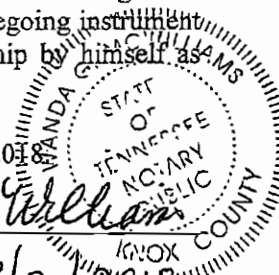


EXHIBIT "B-2"
Phase III Plat

SEE ATTACHED



Page 3 OF 4

201802120047415

