

This instrument prepared by  
and upon recording return to:

Tune, Entrekin & White, P.C. (TCW)  
500 11<sup>th</sup> Ave., N., Suite 600  
Nashville, TN 37203

BK/PG:R3047/1018-1075  
25002146

58 PGS : RESTRICTIONS	
NANCY MCMEEN	345534 - 25002146
02/18/2025 - 08:25 AM	
VALUE	
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	290.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	292.00
STATE OF TENNESSEE, MAURY COUNTY	
JOHN FLEMING	
REGISTER OF DEEDS	

## DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR HILLCREST

This Declaration of Covenants, Conditions, and Restrictions for Hillcrest (this "Declaration") is made by **M/I Homes of Nashville, LLC**, a Delaware limited liability company ("Declarant"), effective as of the date of the recording of this Declaration in the Register's Office for Maury County, Tennessee so that the covenants, conditions, restrictions, easements, reservations, rights-of-way, equitable servitudes, and other provisions stated in this Declaration and any amendment or supplement hereto shall run with the land and shall be binding upon the real property further described herein and upon any parcels of property subsequently annexed hereto in accordance with the provisions of this Declaration and shall be binding upon and inure to the benefit of all parties now having or hereafter acquiring any right, title, or interest in such real property and parcels, their heirs, personal and legal representatives, successors, and assigns.

### RECITALS

WHEREAS, Declarant owns certain real estate in Maury County, Tennessee ("Development Property"), as more particularly described on **Exhibit A** attached hereto, and desires to subdivide, develop, and plat the Development Property into single-family residential dwellings, some of which are detached structures and some of which are attached structures upon zero lot line lots; and

WHEREAS, Declarant desires to provide for the protection and preservation of the values, desirability and character of the Development Property; and

WHEREAS, Declarant desires to provide a system of administration, operation, and maintenance of the Development Property; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the community, to create an agency to which should be delegated and assigned the powers of maintaining and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the Assessments (defined below) and charges hereinafter created; and

WHEREAS, Declarant has caused or will cause to be incorporated under the laws of the State of Tennessee, as a non-profit corporation, Hillcrest Owners Association, Inc. for the purpose of exercising the functions aforesaid; and

WHEREAS, Declarant shall have the unilateral right to annex additional areas from the Development Property and/or purchase additional property adjacent to the Development Property and add same to the Development Property as future phases of the proposed development thereon and subject any such annexed property to this Declaration; and

WHEREAS, Declarant desires to establish for its own benefit and for the benefit of all current and future Owners and Occupants of the Development Property or any portion thereof, certain rights, privileges and easements in, over and upon the Development Property, and to this end, desire to subject the Development Property to certain mutually beneficial covenants, restrictions, obligations, easements, charges and liens for the purpose of enhancing and protecting the value, desirability and attractiveness and well as the proper use, conduct and maintenance of the Development Property or any part thereof.

## **DECLARATION**

NOW, THEREFORE, for the purposes set forth herein above, Declarant, as legal title holder of the Development Property, declares as follows:

### **Article I** **DEFINITIONS**

The terms in this Declaration and the attached exhibits and other Governing Documents shall generally be given their commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

1. **"Administrative Functions"** shall mean and refer to all functions of, for, and on behalf of the Association that are necessary or proper under this Declaration, including, without limitation: (a) providing management and administration of the Association; (b) providing development review, control, and approval functions; (c) incurring reasonable attorneys' fees and accountants' fees; (d) obtaining insurance and bonds; (e) paying real estate, personal property, or other taxes levied against the Development Property; (f) incurring filing fees, recording costs, and bookkeeping fees; (g) obtaining and maintaining offices and office furniture and equipment; and (h) performing all other reasonable and ordinary administrative tasks associated with the operation of the Association.

2. **"Applicable Law"** means all statutes, public laws, ordinances, policies, rules, regulations and orders of all federal, state, county and municipal governments or their agencies having jurisdiction and control over the Development Property in effect at the time a provision of this Declaration, as may be amended from time to time, is applied and pertains to the subject matter of the provision of this Declaration, and all other ordinances and any other applicable building codes, zoning restrictions and permits, or other applicable regulations.

3. **"Appointment Period"** shall mean and refer to the period of time commencing as of the date of the recordation of this Declaration and continuing until the earlier of: (a) ten (10) years from the date of the recording of this Declaration; (b) the date one hundred percent (100%) of the Lots have been conveyed to Owners; or (c) any such earlier date as Declarant, in its sole discretion, elects to terminate the Appointment Period by written notice to the Association of such termination.

4. **"Assessment"** shall mean and refer to: (a) Common Assessments, (b) Individual Lot Assessments, (c) Working Capital Fund Assessments, (d) Special Assessments, (e) Supplemental Assessments, and (f) Reimbursement Assessments, all of which are further defined herein. Assessment shall include all costs and reasonable attorney's fees incurred in the enforcement thereof and shall additionally include interest thereon.

5. **"Assessment Year"** shall mean and refer to the calendar year or such other period of twelve consecutive calendar months selected by the Board for the levying, determining, or assessing of the annual Assessments under this Declaration.

6. "Association" shall mean and refer to Hillcrest Owners Association, Inc., a Tennessee non-profit corporation, its successors and assigns. Each Owner shall be a Member of the Association.

7. "Board" shall mean and refer to the body, regardless of name, designated in the Declaration to act on behalf of the Association.

8. "Budget" shall mean and refer to a written, reasonably itemized estimate of the expenses to be incurred by the Association in the performance of its functions under this Declaration. A Budget will be prepared each Assessment Year prior to the commencement thereof as further provided herein.

9. "Builder" shall mean and refer to any Person who is in the business of constructing single family residences and who acquires any Lot within the Development Property for the purpose of constructing homes upon any Lot for sale to a third-party customer of the Builder.

10. "By-Laws" shall mean and refer to the By-Laws of the Association attached hereto as **Exhibit B** and made a part hereof, as same may be amended from time to time.

11. "Charter" shall mean and refer to the Charter for the Association attached hereto as **Exhibit C** and made a part hereof, as same may be amended from time to time.

12. "Common Area" shall mean and refer to any and all property and/or facilities on or within the Development Property owned by and/or reserved for maintenance by the Association and such other property as shall become the responsibility of the Association through easements or otherwise, including all open space, walking trails, entrances, rights-of-way, sign easements, landscape easements, recreational areas, maintenance facilities, and surface water detention facilities or other bodies of water, as shown on any current and future Plat. All Common Areas shall be maintained and landscaped, including irrigation and electric service to light or otherwise power Common Area improvements, if applicable, by the Association and shall be reserved for the non-exclusive use, benefit, and enjoyment of the Owners and their family members, invitees, agents, and servants, subject to the conditions, restrictions, and limitations imposed by this Declaration.

13. "Community" or "Hillcrest" shall mean the all property that at any time has been subjected to the provisions of this Declaration, initially including all of the Development Property described in **Exhibit A** attached to this Declaration, and will include all property subjected to the provisions of the Declaration by amendment or supplement to the Declaration or by supplemental declaration, and all property owned by the Association, together with all easements and appurtenances

14. "Declarant" shall mean and refer to **M/I Homes of Nashville, LLC**, a Delaware limited liability company, its successors and assigns, provided such successors and assigns are designated in writing by Declarant as a successor or assign of the rights of Declarant set forth herein. Declarant may and shall have the right to assign all or a portion of its rights, powers, easements and privileges under this Declaration, as further set forth and reserved to Declarant. In the event of a partial assignment, the assignee shall not be deemed the Declarant but may and shall have the right to exercise such rights, powers, easements and privileges of the Declarant specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

15. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions, and Restrictions for Hillcrest applicable to the Development Property and all subsections thereof and recorded in the Register's Office for Maury County, Tennessee, as may be amended from time to time.

16. "Delinquency Interest Rate" shall mean and refer to an annual interest rate established by the Board; provided, however, in no event shall the Delinquency Interest Rate exceed the maximum contract rate of interest allowed to be charged under applicable law, as amended from time to time.

17. "Development Property" shall mean and refer to the real property shown and further described on **Exhibit A** attached hereto and made a part hereof.

18. "Governing Documents" shall collectively mean and refer to this Declaration and any applicable Supplemental Declaration, the By-Laws, the Articles, any architectural or design standards as provided for herein, and the Use Restrictions and Rules, as they may be implemented, amended, or supplemented from time to time.

19. "Home" shall mean and refer to the single-family dwelling structure to be constructed upon each Detached Lot (defined below) to comprise the Development Property. "Townhome" shall mean and refer to the single-family dwelling structure to be constructed upon each Attached Lot (defined below) to comprise the Development Property. It is hereby acknowledged that the Townhomes and the Detached Lots upon which same are to be constructed are not established under nor governed by the Horizontal Property Act of the State of Tennessee or the Tennessee Condominium Act of 2008. The foundation, wall(s), roof, or similar portions of each Townhome that are in common with and shared by the Townhome(s) attached thereto shall be collectively referred to herein as the "Demising Line." The Demising Line of each Townhome shall be centered on the shared Attached Lot line of the Attached Lots upon which each Townhome is to be constructed. If any portion of a Townhome shall actually encroach upon the Attached Lot of the adjoining Townhome due to engineering errors, errors in original construction, settlement, or shifting of a Townhome or any similar cause, there shall be deemed to be an easement in favor of the encroaching Townhome and the Owner thereof for the non-exclusive use and enjoyment of the area that is the subject of said encroachment so long as same exists; provided, however, in no event shall an easement for encroachment be created in favor of a Townhome or Owner, if said encroachment occurred due to the willful act of an Owner.

20. "Improvement" and mean and refer to all man-made or man-installed alterations to the Development Property which cause the Development Property to deviate from its natural condition, including but not limited to Homes, Townhomes, buildings, outbuildings, sheds, garages and other structures; overhead, aboveground and underground installations, including without limitation, utility facilities and systems, lines, pipes, wires, towers, cables, conduits, poles, antennae and satellite dishes; flagpoles; swimming pools, hot tubs, and spas; sport and all other recreational courts, fixtures, and facilities, whether permanent or portable, including but not limited to, basketball hoops and lacrosse and soccer goals; children's recreational equipment or structures, including playground equipment, swing-sets, playhouses, tree houses and forts; pet houses, runs, and enclosures; changing of colors or materials; exterior ornamentations; exterior lighting; slope and drainage alterations; roads, driveways, uncovered parking areas and other such areas; fences, mailboxes, trellises, walls, retaining walls, exterior stairs, decks, patios and porches, sidewalks and walkways; planted trees, hedges, shrubs and other forms of landscaping; and all other structures or improvements of every type.

21. "Lot" shall collectively mean and refer to Detached Lots and Attached Lots. "Detached Lot" shall mean and refer to any plot of land within the Development Property permitted to be used for single family residential purposes and so designated on the Plat or Plan by a lot number upon which a Home is constructed. "Attached Lot" shall mean and refer to any zero-lot-line plot of land within the Development Property permitted to be used for single family residential purposes and so designated on the Plat or Plan by a lot number upon which a Townhome is constructed. In the case of a portion of the

Community intended and suitable for subdivision into single family lots, but as to which no subdivision plat has been recorded in the land records, such property shall be deemed to contain the total number of Lots shown on Declarant's concept plan or site plan until such time as a subdivision plat is recorded with respect to all or a portion of the property. Thereafter, the portion encompassed by such plat shall contain the number of Lots shown on the plat and any portion not platted shall continue to be treated as set forth in this paragraph.

22. "Member" shall mean and refer to any Person(s) that shall be an Owner of a Lot.

23. "Mortgage" shall mean and refer to any a first priority mortgage encumbering a Lot held by a Mortgagee.

24. "Mortgagee" shall mean and refer to any bank, mortgage banker, savings and loan association or other financial institution, which is in the business of making mortgages to customers and which is the record holder of a recorded first priority Mortgage encumbering one or more Lots or property within the Development Property, which is not affiliated with the Owner and which has given written notice of its Mortgage to the Association.

25. "Occupant" shall mean and refer to any Person in possession of a Lot, regardless of whether said Person is an Owner.

26. "Owner" shall mean and refer to the Person(s) whose estates or interests, individually, or collectively, aggregate fee simple ownership of a Lot. "Owner" shall not mean the Mortgagee or beneficiary of a recorded Mortgage or deed of trust who holds a lien solely for security purposes and does not have possession of the Lot.

27. "Person" shall mean and refer to a natural person, as well as a corporation, partnership, firm, association, trust, or other legal entity capable of holding title to real property. The use of the masculine pronoun shall include neuter and feminine references, as applicable, and use of the singular shall include the plural where the context so requires.

28. "Plans" shall mean and refer to the detailed plans prepared for construction of any Improvement on or within the Development Property, which shall comply with the architectural control provisions, if any, of this Declaration.

29. "Plat" shall mean and refer to the plat(s) to be recorded in the Register's Office for Maury County, Tennessee subdividing the Development Property into Lots and reflecting thereon the private streets, common areas, utility easements, and other matters normally shown on subdivision plats.

30. "Record" and/or "Recording" shall mean and refer to the recording of an instrument in the Register's Office for Maury County, Tennessee.

31. "Rules and Regulations" shall mean and refer to the rules and regulations concerning the use of the Lots or the Common Areas, as adopted by the Board in accordance with this Declaration and By-Laws from time to time.

32. "Supplemental Declaration" shall mean and refer to any amendment to the Declaration whereby Declarant submits additional property to the terms of the Declaration or otherwise amends the Declaration as provided herein.

33. "Vote" shall mean and refer to the vote in the affairs of the Association to which each Member is entitled, as further set forth herein.

## **Article II**

### **PROPERTY SUBJECT TO DECLARATION**

1. **Property Subject to Declaration.** Declarant, for itself and its heirs, legal and personal representatives, successors, and assigns, hereby declares that the property located in Maury County, Tennessee, as is more particularly described and shown on **Exhibit A** attached hereto and made a part hereof shall be owned, held, transferred, leased, used, occupied, maintained, altered, and improved subject to the covenants, conditions, restrictions, limitations, reservations, exceptions, equitable servitudes, and other provisions set forth in this Declaration. The covenants and restrictions contained herein constitute covenants running with the land and shall be binding upon and shall inure to the benefit of all parties now owning or hereafter having or acquiring any right, title, or interest in any Lot within the Development Property or any portion thereof. Every Person hereafter acquiring such property, by acceptance of a deed thereto, shall accept such interest subject to the terms and conditions of this Declaration and the Governing Documents, and by acceptance of same shall be deemed to have consented to and be bound by the terms, conditions, and covenants of this Declaration and the Governing Documents.

2. **Purpose of Declaration.** This Declaration is executed: (a) in furtherance of a common and general plan for the Development Property and for those other parcels of land which may hereafter become part of the Development Property; (b) to protect and enhance the quality, value, desirability, and attractiveness of all land which is or becomes part of the Development Property; (c) to establish an Association to hold, maintain, care for, and manage the Development Property and to perform functions for the benefit of owners thereof; (d) to define the duties, powers, and rights of the Association; and (e) to define certain duties, powers, and rights of Owners within the Development Property.

3. **Common Area Rights.** Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to this Declaration as it may be amended from time to time and to any restrictions or limitations contained in any deed conveying such property to the Association. Any Owner may delegate his or her right of enjoyment to the members of his or her family residing within the Home constructed on the Lot, tenants, and social invitees, as applicable, subject to reasonable regulation by the Board and in accordance with procedures it may adopt. An Owner who leases his or her Lot shall be deemed to have delegated all such rights to the Owner's lessee.

4. **Acceptance of Development.** Except for Declarant, the acceptance of a deed to any Lot, or any portion thereof, such purchaser shall be deemed to have accepted and approved the entire plans for the Development Property and all Improvements constructed thereon by that date including, without limitation, the utilities, drains, roads, landscaping, fences, entrance, decorative masonry, and all other infrastructure and improvements of **Hillcrest**. Declarant reserves all rights, warranties, claims or other causes of actions related to or arising out of the development and construction of the Development Property. With respect to the conveyance of any Lot by Declarant to a subsequent Owner, **all such Development Property and all Improvements constructed thereon shall be accepted by such Owner "AS IS" without any representation or warranty, express or implied, in fact or by law, with respect thereto, and without any representations or warranties regarding future repairs or regarding the condition, construction, accuracy, completeness, design, adequacy of the size or capacity in relation to the utilization, date of completion, or the future economic performance or operations of, or the materials which have been or will be used in such property or repairs.**

### **NOTICE**

**The restrictions and other matters set forth in this Declaration are subject to change from time to time. By owning or occupying a Lot, you agree to remain in compliance with the provisions of this Declaration and Governing Documents, as they may change from time to time.**

### **Article III** **MEMBERSHIP AND VOTING RIGHTS**

1. **Owners Association.** There has been formed an Association having the name "Hillcrest Owners Association, Inc.", a Tennessee non-profit corporation, which shall be the governing body for all Owners and shall be operated to provide for the maintenance, repair, replacement, administration, operation, and care of the Development Property, as provided in this Declaration and the Governing Documents. The Articles of Incorporation for the Association are attached hereto as **Exhibit C**. The Association shall not be deemed to be conducting a business of any kind. All activities undertaken by the Association shall be for the sole benefit of Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of the Owners in accordance with the provisions of this Declaration and Governing Documents.

2. **Board.** The affairs of the Association shall be managed by the Board, which shall consist of not less than three (3) Directors. The Board shall be elected and serve in accordance with the provisions of the By-Laws. The By-Laws for the Association shall be the By-Laws attached to this Declaration as **Exhibit B** and made a part hereof. The fiscal year of the Association shall be determined by the Board, as may be changed from time to time by the Board. Except as to matters set forth herein as requiring a Vote of the Owners, the Board shall have full authority to make all decisions and take any and all actions on behalf of the Association. During the Appointment Period, the Declarant shall determine the number of Directors, and Declarant shall have the right to unilaterally appoint all of such Directors.

a. By resolution, the Board may delegate portions of its authority to an executive committee or to other committees, tribunals, officers of the Association or to agents and employees thereof, but such delegation of authority shall not relieve the Board of the ultimate responsibility for management of the affairs of the Association. Action by or on behalf of the Association may be taken by the Board or any duly authorized executive committee, officer, agent, or employee without a Vote of Owners, except as otherwise specifically provided in this Declaration.

b. The election of the Board by the Owners shall be those Persons receiving the highest number of Votes with each Owner allowed one (1) Vote per Lot owned for as many candidates as are there are Directors being elected at a meeting of the Owners for such purpose at which a quorum is present.

3. **Membership.** Each Owner of a Lot shall be a Member of the Association. Membership in the Association shall be appurtenant to and may not be separated from ownership of a Lot. An Owner's membership in the Association shall automatically terminate when such Person ceases to be an Owner. Upon the conveyance or transfer of an Owner's ownership interest to a new Owner, the new Owner shall succeed simultaneously to the former Owner's membership in the Association.

### **NOTICE**

**If you acquire a Lot, you automatically become a Member of the Association. Membership is Mandatory.**

4. **Voting.** The voting rights of the Members shall be appurtenant to their ownership of a Lot. Each Member shall be entitled to cast one (1) Vote for each Lot owned by such Member; provided, however, during the Appointment Period, the Declarant, its successors and assigns, shall have one (1) Vote for each Lot owned by the Declarant plus four (4) Votes of each Lot owned by any Person who is not the Declarant. When two or more Persons hold an interest (other than a leasehold or security interest) in a Lot, all such Persons shall be Members; but the Vote attributable to such Lot shall be exercised by one of such Persons as proxy and nominee for all such Members, and in no event shall more than one (1) Member be entitled to cast the Vote attributable to such Lot. Furthermore, neither the Declarant nor any other Person dealing with the Development Property shall have any duty to inquire as to the authorization of the Member casting the Vote for a Lot, but shall be entitled to rely upon the evidence of a Vote by such Person as conclusive evidence of such Member's authority to cast the Vote for such Lot.

5. **Effect of Delinquency.** Any Member, who is delinquent in the payment of any Assessment or other charge duly levied by the Association against a Lot owned by the Member, shall not be entitled to Vote until all such Assessments and charges, together with reasonable penalties, interest, and costs of collection, as the Board may impose or incur, have been paid to the Association. In addition, the Board may suspend the right of such Member to use the Common Areas or, as applicable, the Common Elements or any other facilities or services that the Association may provide until such delinquency is cured. The forgoing rights of the Board shall be in addition to all other rights set forth herein or available at law or in equity with respect to a failure to pay Assessments.

6. **Manner of Voting.** Except as specifically provided elsewhere herein, the Board shall have the authority to regulate the procedural rules governing Votes by the Members, the acceptance of proxies from Members, the validity of voice votes, ballot votes, or other manners of Voting and any regulation of the solicitation of Votes or proxies.

7. **Binding Determination.** In the event of any dispute or disagreement between any Owners relating to the Development Property, the use, right to use, or maintenance of any Common Area, or any other questions of interpretation or application of the provisions of this Declaration or the Governing Documents, the determination thereof by the Declarant during the Appointment Period and thereafter the Board shall be final and binding on each and all Owners.

### **Article IV** **RIGHTS AND OBLIGATIONS OF THE ASSOCIATION**

1. **General Powers and Duties.** The Association have been formed to further the common interests of the Owners. The Association, acting through the Board or through persons to whom the Board has delegated any authorized powers of the Board, shall have the duties and powers hereinafter set forth and, in general, the powers to perform its duties described in this Declaration, and subject to any limitation set forth herein, the powers to do anything that may be necessary or desirable to further the common interests of the Owners, to maintain, improve, and enhance the attractiveness and desirability of the Development Property or reasonably implied from or reasonably necessary to

effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board without a Vote of the membership.

2. **Assessments.** The Association shall levy and collect Assessments and other duly levied charges as elsewhere provided in this Declaration.

3. **Taxes.** The Association shall pay all ad valorem taxes and governmental assessments levied upon the Development Property to which the Association holds fee simple title and all taxes and assessments payable by the Association. Nevertheless, the Association shall have the right to contest in good faith any such taxes or assessments.

4. **Borrowed Money.** The Association shall have the power to borrow money but not the power to encumber Development Property as security for such borrowing.

5. **Property and Facilities Transferred by Declarant.** The Association shall accept title to any property, including any Improvements thereon and personal property, transferred to the Association by Declarant, together with the responsibility to perform any and all Administrative Functions associated therewith, provided that such property and Administrative Functions are not inconsistent with the provisions contained in this Declaration. Property interests transferred to the Association by Declarant may include fee simple title, easements, leasehold interests, and licenses for use.

6. **Property Acquisition and Improvement Construction.** Other than property received from Declarant, the Association may acquire property or interests in property for the common benefits of Owners, including Improvements and personal property. The Association may construct Improvements on property and may repair, maintain, remodel, and demolish existing Improvements upon property.

7. **Development Property Use Regulation.** The Association shall have the power to regulate the use of Development Property by Owners, their family members, guests, agent, servants, or invitees to further and enhance the overall rights of use and enjoyment of all Owners, including imposing reasonable limits on the times of use and numbers of Persons permitted to use Development Property.

8. **Public Use.** The Association, acting through the Board, shall have the right to allow members of the general public to use Development Property.

9. **Public Dedication.** The Association shall have the power to grant, convey, dedicate, or transfer any Development Property or facilities to any public or governmental agency or authority for public use.

10. **Common Area Reconveyance.** Upon written request of Declarant, the Association shall reconvey to Declarant any unimproved portions of the Development Property originally conveyed by Declarant to the Association for no consideration, to the extent conveyed by Declarant in error or needed by Declarant to make adjustments in property lines or accommodate changes in the development plan.

11. **Property Management and Care.** The Association shall manage, operate, care for, maintain, and repair all Development Property and keep them in a reasonable condition for the use and enjoyment of the Owners. The Association shall have a reasonable right of entry upon all Development Property and any portion thereof to make emergency repairs and to do other work reasonably necessary under this Declaration or under any applicable Supplemental Declaration for the proper performance of its duties hereunder and the proper maintenance and operation of the Development Property. In addition,

the Association shall have the power to require that all Owners to manage, operate, care for, maintain, and repair their respective property and Improvements thereon and to keep them in an attractive and desirable condition and to otherwise enforce the provisions of this Declaration against all Owners.

a. *Managing Agent.* The Declarant during the Appointment Period and thereafter the Board shall have the authority to engage the services of an agent ("Managing Agent") to undertake any of the management duties and Administrative Functions for the efficient operation of the Development Property, or any part thereof, to the extent deemed advisable by the Declarant during the Appointment Period and thereafter the Board and to manage the affairs of the Association. The Managing Agent shall be required to have fidelity bond coverage on its employees handling Association funds, and the cost of such services shall be incurred by the Association.

b. *Employees, Agents, and Consultants.* The Association shall have the power to hire and discharge employees and agents and to retain and pay for accounting, legal, and other services as may be necessary or desirable in connection with performance of any duties or exercise of any powers of the Association.

c. *Common Areas.* The Association shall maintain and keep in good repair the Common Areas, which shall include, but need not be limited to: (i) the Common Area, as further show on any current or future Plat, including, but not limited to, open space, all landscaping and other flora, natural formations, signage, lighting, irrigation systems and equipment, fences, parks, walls and structures and improvements upon same; (ii) landscaping and any irrigation provided to such landscaping, signage, and sidewalks within public rights-of-way within or adjacent to the Development Property, except to the extent that such responsibility is assumed by a governmental or quasi-governmental body or public utility; (iii) any lakes, ponds, streams, and/or wetlands located within the Development Property and all drainage systems, storm water retention, or detention systems for the Development Property; (iv) all Development Property entry features and the expenses for landscaping and irrigation, if any, provided to such entry features, regardless of whether said entry features are located on a Lot, Common Area or public right-of-way; (v) all private Development Property streets, alleys and sidewalks (if any); and (vi) any property and facilities owned by Declarant and made available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members, such property and facilities to be identified by written notice from Declarant to the Association until such time as Declarant revokes such privilege of use and enjoyment by written notice. There may be certain improvements serving the Townhomes to the exclusion of the Home, and any such improvement specific to the Townhomes shall be a Common Expense assessed equally against the Attached Lots.

d. *Exclusive Landscaper.* The Declarant during the Appointment Period and thereafter the Board shall have the authority to engage the services of one exclusive landscaping company ("Exclusive Landscaper") for all routine landscaping maintenance needs of the Development Property, such as lawn mowing, mulching, hedging and limb / leaf removal. All costs incurred in connection with the services furnished by the Exclusive Landscaper shall be a Common Assessment. The Declarant during the Appointment Period and thereafter the Board shall have the authority to mow the yard areas abutting the Homes and install and maintain additional landscaping on the Attached Lots, the cost of which shall be a Common Expense assessed equally against all the Townhome Owners. If no Exclusive Landscaper is retained by the Association or if the Association elects not to maintain the yards and landscaping of the

Attached Lots, then all such mowing, landscaping and maintenance for each Lot shall be the responsibility of the Owner thereof.

e. *Exclusive Waste Services Provider.* The Declarant during the Appointment Period and thereafter the Board shall have the authority to engage the services of an "Exclusive Waste Services Provider" for garbage, recycling, and any other waste or debris collection and disposal. The cost of such services shall be the responsibility of the Owner receiving same and billed directly to such Owner. If the Association elects to have the costs of the Exclusive Waste Services Provider billed directly to the Association, then such costs shall be a Common Assessment. If no Exclusive Waste Services Provider is retained by the Association, then all such trash collection and disposal services for each Home or Townhome shall be the responsibility of and paid by each Owner thereof.

12. **Limitation on Liability.** The Association, the Board, any other committee established by the Board, the Declarant, and any member of the Board or any committee, officer, agent, or employee of any of them (collectively the "Indemnitees") shall not be liable to any Person for any mistake of judgment, whether negligent or otherwise, or for any action or any failure to act under this Declaration, any Supplemental Declaration or the Governing Documents. In addition, the Indemnitees shall have no personal liability with respect to any contract or other commitment made by them, on behalf of the Association (except to the extent that such Indemnitees may also be Owners); and the Association, as an Administrative Function, shall indemnify, hold harmless and defend Indemnitees from any and all expense, loss, or liability to others on account of any such contract or commitment. In addition, Indemnitees shall be indemnified and held harmless by the Association, as an Administrative Function, from any expense, loss, or liability to others by reason of having served in such capacity, against all expenses, losses, and liabilities, including court costs and reasonable attorney's fees incurred by or imposed upon such Person in connection with any proceeding to which he may be a party or may have become involved by reason of holding such position, whether or not he holds such position at the time such expenses are incurred, except in cases in which the expenses, losses, and liabilities arise from a proceeding in which such Person is adjudicated guilty of willful misfeasance, gross negligence, or bad faith in the performance of his duties and for which indemnification is prohibited by law under the Tennessee Not For Profit Corporation Act. In the event of a settlement of any such proceedings, the indemnification provided hereby shall apply only when the Board approves such settlement and reimbursement as being in the best interests of the Association. Any right of indemnification provided in this Section shall not be exclusive of any other rights to which an Indemnitee may be entitled.

13. **Insurance.** The Board shall have the authority to obtain such insurance as it deems reasonably desirable or necessary, in such amounts, from such sources and in such forms as it deems desirable. Insurance obtained by the Declarant shall satisfy all insurance responsibilities of the Board. The Board may (but shall not be required to) require of those performing any maintenance, repair, or other work on the Development Property for which the Association is responsible, such liability or other insurance, including workmen's compensation, as it deems reasonably necessary or desirable given the nature, circumstances, and amount of the work to be performed. Insurance obtained by or through the Declarant shall satisfy all insurance responsibilities of the Board.

a. *Homes.* EACH OWNER OF A HOME SHALL BE RESPONSIBLE FOR OBTAINING INSURANCE FOR THAT OWNER'S HOME (including all improvements thereon) against loss or damage by fire, vandalism, malicious mischief, and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the Home, and any personal property of the Owner stored therein or elsewhere on the Development Property. In addition, each Home Owner shall be responsible for obtaining his own

insurance insuring said Owner personally from liability in connection with the ownership, possession, use, and occupancy of his Home. Such insurance shall not be the responsibility of the Association and by acceptance of a deed to a Home, each Owner acknowledges that such insurance is and shall be the sole responsibility of said Owner

b. *Townhomes.* The Association on behalf of the Owners of each Townhome shall obtain and maintain property insurance for the total replacement costs of the Townhomes comprising the Development Property, exclusive of contents, land, excavations, and other items normally excluded from property policies. Insurable replacement cost shall be deemed the cost of restoring the Townhome(s), or any part thereof, to substantially the same condition in which they existed prior to damage or destruction, normal wear and tear exempted. The Association shall have the right to hire and will coordinate with the contractor for the performance of restoration, repair, or other work in connection with a casualty on the Development Property.

i. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Board, as the trustee for each of the Owners of the Townhomes and shall include a standard mortgage clause or equivalent endorsement. The insurance policy shall be a "blanket" or "master" type of policy and should also contain a waiver of subrogation rights by the insurer against individual Owners of the Townhomes. The Association is hereby irrevocably appointed as attorney-in-fact for each Owner of a Townhome and for each holder of a Mortgage or other lien upon a Townhome and for each owner of any other interest in the Development Property for the purpose of purchasing and maintaining said insurance, including, the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purposes.

ii. The premiums for such insurance shall be a Common Assessment and shall be allocated equally among all Townhome Owners. If the insurance coverage for any casualty is insufficient to cover the loss, then any shortfall shall be the sole responsibility of the Owner or Owners affected thereby.

iii. The deductible for any loss shall to be paid by the Person(s) who would be liable for the loss or repair in the absence of insurance. If the loss affects more than one Townhome, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in proportion to each affected party's portion of the total cost of repair, or otherwise as the Board determines equitable. Notwithstanding the foregoing, if the insurance policy provides that the deductible will apply to each Townhome separately or to each occurrence, each Townhome Owner shall be responsible for paying any deductible pertaining to that Owner's Townhome. If any Owner fails to pay the deductible when required hereunder, then the Association may pay the deductible and assess the cost to such Owner. Notwithstanding anything to the contrary herein, in the event of an insured loss under the Association's policy for which the Association receives from the insurer payment for a loss sustained by an Owner who is delinquent in the payment of any Assessment or charge owed to the Association, then the Association may retain and apply such proceeds to the delinquency. Any surplus remaining after application of the proceeds to any delinquency shall be paid by the Association to the affected Owner.

iv. **Each Owner of a Townhome at their own expense shall be responsible for obtaining insurance for their personal property (contents insurance) and any**

portion of their Townhome not included in the policies obtained by the Association. In addition, each Owner of a Townhome shall obtain comprehensive personal liability insurance covering liability for damage to person or property of others located within that Owner's Townhome or in another Owner's Townhome resulting from the negligence of the insured Owner. Such insurance shall provide or have an endorsement: (i) precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any curable defect or violation without prior written notice to the Owner AND the Association of such defect or violation and allowance of a reasonable time for the Owner to cure same following the notice; and (ii) requiring at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal. Each Owner of a Townhome shall provide evidence of the required insurance to the Association at the time the Townhome is conveyed to the Owner. **EACH OWNERS' INSURANCE UNDER THIS SUBSECTION SHALL NOT BE THE RESPONSIBILITY OF THE ASSOCIATION AND BY ACCEPTANCE OF A DEED TO A TOWNHOME, EACH TOWNHOME OWNER ACKNOWLEDGES THAT SUCH INSURANCE IS AND SHALL BE THE SOLE RESPONSIBILITY OF SAID TOWNHOME OWNER.**

c. *Casualty Insurance.* To the extent deemed desirable by the Board, the Association shall obtain and keep in full force and effect at all times, to the extent reasonably obtainable, casualty, fire, and extended coverage insurance with respect to all Common Areas, Improvements and personal property owned by the Association.

d. *Liability Insurance.* To the extent deemed desirable by the Board, the Association shall obtain and keep in full force and effect at all times, to the extent reasonably obtainable, broad form comprehensive liability insurance covering public liability for bodily injury and property damage.

e. *Fidelity Coverage.* To the extent reasonably obtainable, the Association may obtain and keep in full force and effect at all times a fidelity policy or bond providing fidelity coverage against dishonest acts on the part of the Managing Agent, directors, officers, employees, and volunteers of the Association responsible for handling funds collected and held for the benefit of the Owners or otherwise belonging to or administered by the Association.

f. *Coverage Sufficiency and Deductibles.* The Association shall periodically review the sufficiency of insurance coverage. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon written request, to any Member. The policies may contain a reasonable deductible. In the event of an insured loss of the Association, the deductible shall be treated as part of the Common Assessments. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may levy an Assessment of the full amount of such deductible against such Owner(s) and their Lots, as applicable. The Board is authorized to obtain the insurance policies and coverage(s) specified in this Declaration through the Declarant and reimburse the Declarant for the cost thereof.

g. *Policy Requirements.* All insurance coverage obtained by the Board shall: (i) be written with a company authorized to do business in the State of Tennessee, which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate; (ii) be written in the name of the Association as trustee for the Owners, who shall be insured under such policy to the extent

of the Owners' interest; (iii) not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees, individually; (iv) contain an inflation guard endorsement; and (v) include an agreed amount endorsement, if the policy contains a co-insurance clause.

h. *Additional Requirements.* In addition, the Board shall use reasonable efforts to secure insurance policies which list the Owners as additional insureds and provide: (i) a waiver of subrogation as to any claims against the Association's Board, officers, employees, and its manager, and the Owners and their tenants, servants, agents, and guests; (ii) an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any one or more individual Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure; (iii) an endorsement requiring at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal; (iv) a cross liability provision; and (v) a provision vesting in the Board exclusive authority to adjust losses.

i. *General Provisions.* Insurance obtained by the Association may contain such deductible provisions as good business practice may dictate. Insurance obtained by the Association shall, to the extent reasonably possible without undue cost, contain a waiver of rights of subrogation as against the Association and each Owner as against any officer, director, agent, or employee of any of the foregoing. To the extent reasonably possible, and provided Declarant reimburses the Association for any additional premium payable on account thereof, insurance obtained by the Association shall name Declarant and any Managing Agent as an additional insured and contain a waiver of rights of subrogation as against Declarant, the Managing Agent, and any officer, director, agent, or employee of Declarant or Managing Agent. Casualty, fire, and extended coverage insurance may be provided under blanket policies covering the Development Property and/or property of Declarant. Each Owner hereby irrevocably appoints the Association as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: (a) the collection and appropriate disposition of the proceeds thereof; (b) the negotiation of losses and execution of release of liability; (c) the execution of all documents; and (d) the performance of all other acts necessary to accomplish such purpose.

j. *Premiums.* The premiums for insurance procured pursuant to this Declaration shall be a Common Assessment.

14. **Easements.** The Association shall have the power to grant permits and licenses, as well as easements for access, utilities, drainage, water facilities, and other matters, in, on, over, across, or under Development Property and any Common Areas, as may be reasonably necessary or useful for the proper maintenance of the Development Property or otherwise benefit the Association.

a. *Public and Private Utilities.* Easements for installation and maintenance of public and private utilities and drainage facilities are reserved as shown on any Plat concerning Development Property and as otherwise shown by public records. A blanket, perpetual, and non-exclusive easement in, upon, over, across, and through the Common Areas is hereby reserved for the purpose of the installation, maintenance, repair, service, and replacement of all sewer, water, power, telephone, cable television systems, pipes, mains, conduits, poles, or transformers as well as any and all other equipment or machinery necessary or incidental to the proper functioning of any utilities systems servicing the Development Property, which easement shall be for the benefit of the Declarant, the Association, and any governmental agency, utility company, or other entity (public or private) which requires same for the purpose of furnishing one or more of the foregoing services.

b. *Declarant.* During the Appointment Period, an easement is reserved to Declarant and Declarant's representatives or appointees in, over, under, across, and through the Common Areas in order to maintain such facilities and perform such operations as in the sole discretion of Declarant may be reasonably required, convenient, or incidental to construction and maintenance of Improvements of any kind, including, without limitation, a business or sales office(s), storage area(s), construction yards and signs.

c. *Association.* The Association, through its authorized agents, contractors, and representatives, shall have a right of entry and access to, over, upon, and through all of the Development Property subject to this Declaration, including without limitation the Lots and Courtyard Easements, but not the Dwellings, for the purpose of performing the Association's obligations, rights and duties pursuant to the Governing Documents with regard to enforcement of the covenants, restrictions and other provisions of the Declaration and the Governing Documents, and for the performance of the maintenance, repair, restoration and/or servicing of any items, things or areas for which the Association has responsibility or the right to perform. The Association may enter any Lot at any time to perform the Association's obligations under the Governing Documents. In addition, the Association may enter a Lot to remove or correct any violation of any provision of the Governing Documents, including but not limited to the provisions of the Declaration and the Rules and Regulations, but only during reasonable hours and after providing at least forty-eight (48) hours advance notice to the Owner, except in cases of emergency in which case such advance notice shall not be required. Further, Portions of the private water lines, equipment, apparatus, and infrastructure serving a Lot may be located on one or more of the other Lots or Common Areas. Accordingly, subject to the provisions of this Declaration and the Rules and Regulations, each Owner of a Lot whose private water lines, equipment, apparatus, and infrastructure are located on another Lot or Common Area shall have a non-exclusive easement and right of entry, appurtenant to such Owner's Lot, over such other Lot (but not the Dwelling constructed thereon) or on the Common Area for the purpose of accessing, maintaining, repairing, and replacing such Owner's utility components or infrastructure. Except in the case of an emergency, the easements and rights of entry created by this Article may only be exercised after notice to the other Owner in the case of a Lot, or to the Association in the case of the Common Areas, requesting permission to enter the Common Areas or the other Lot and the scheduling of the same. Such permission shall not be unreasonably withheld or denied. Upon exercise of such Owner's right of entry, the entering Owner shall promptly return any areas disturbed to their prior condition as soon as reasonably possible following such entry.

d. *Construction and Sale Easement.* Notwithstanding any provision contained in this Declaration or the Governing Documents, until the termination of the Appointment Period and thereafter so long as Declarant owns any property in the Development Property for development or sale, Declarant reserves an easement across the Development Property for Declarant and any builder or developer approved by Declarant to maintain and carry on development activities, upon such portion of the Development Property as Declarant may deem desirable or necessary. This reserved easement shall include an easement for such facilities and activities which, in the sole opinion of Declarant, may be required, convenient or incidental to the development, construction and sales activities related to property within or near the Development Property. This easement shall include, without limitation: (i) the right of access, ingress and egress for vehicular and pedestrian traffic and construction activities over, under, or in any portion of the Development Property as well as any Lot therein; (ii) the right to tie into any portion of the Development Property with driveways, parking areas and walkways; (iii); the right to tie into or otherwise connect and

use (without a tap-on or any other fee for so doing), replace, relocate, maintain, and repair any device which provides utility or similar services; (iv) the right (but not the obligation) to construct recreational facilities on Common Area; (v) the right to carry on sales and promotional activities in the Development Property; (vi) the right to place direction and marketing signs on any portion of the Development Property, including any Lot or Common Area; (vii) the right to construct and operate business offices, signs, construction trailers, model residences, and sales offices incidental to the construction, development and sales activities; and (viii) Declarant and any such builder or developer may use residences, offices, or other building owned or leased by Declarant or such builder or developer as model residences and sales offices, and may also use recreational facilities available for use by the Development Property as a sales office or for marketing purposes without charge. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, and reasonable steps shall be taken to protect such property from damage. Any damage shall be repaired by the Person causing the damage at its sole expense.

e. *Association Maintenance, Safety, and Security.* The Association shall have the right, but not the obligation, to enter upon any Lot for emergency, security and safety reasons, to perform maintenance as further set forth herein, and to inspect for the purpose of ensuring compliance with the Governing Documents. Such right may be exercised by any member of the Board, the Association's officers, agents, employees, and managers, and all police officers, firefighters, ambulance personnel and similar emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter upon any Lot to cure any condition which may increase the possibility of a fire, slope erosion or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after requested by the Board.

f. *Declarant Inspect and Right to Correct.* Declarant reserves for itself and others it may designate the right to inspect, monitor, test, redesign and correct any structure, improvement, or condition which may exist on any portion of the Development Property, including Lot, and a perpetual, nonexclusive easement of access throughout the Development Property to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Lot shall be only after reasonable notice to the Owner and no entry into a dwelling shall be permitted without the consent of the Owner. The Person exercising this easement shall promptly repair, at such Person's own expense, any damage resulting from such exercise.

g. *Federal, State and Local Entity.* An easement is hereby established for the benefit of any applicable federal, state, or local entity over all portions of the Development Property for the setting, removing, and reading of water meters; for maintaining and replacing water, sewage, and drainage facilities; for police protection, fire-fighting, and garbage collection; and rendering of such other services as are appropriate and necessary for the use and enjoyment of the Development Property.

h. *Fence Easement.* Declarant during the Appoint Period and thereafter the Board reserves an easement across any Lot which borders upon or contains a portion of any pond, lake, dam, water facility, detention pond, or retention pond for the purpose of access to such facility or pond, and for the purpose of erecting any fence which is either required by the subdivision development and construction plans or governmental regulation, rule, ordinance or plan approval requirement.

15. **Condemnation.** If any Common Areas or interests therein are taken under exercise of the power of eminent domain or by purchase under threat thereof, the award in condemnation or the price payable shall be paid to the Association, except to the extent payable to any other Person with an interest in such property. The Association, by and through the Board, shall have the exclusive right to participate in such condemnation proceedings as they pertain to the Common Areas and to represent the interests of all Owners in such proceedings. Each Owner hereby irrevocably appoints the Association and any such duly appointed trustee as such Owner's attorney-in-fact for such purposes. All condemnation compensation, damages, or other proceeds received by the Association shall be held by the Association as determined by the Board, as a reserve for future maintenance, repair, reconstruction, or replacement of Development Property, or may be used for improvements or additions to, or operation of, Development Property; provided, however, if an allocation of such condemnation compensation damages or other proceeds is already established in negotiation, judicial decree, or otherwise, then in allocating such condemnation compensation, damages, or other proceeds the Association shall employ such allocation.

16. **Rules and Regulations.** The Association, acting through the Board, or other appointed committee, may from time to time adopt, amend, repeal, and enforce Rules and Regulations as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration or any Supplemental Declaration, the operation of the Association and the use and enjoyment of Development Property. Any such Rules and Regulations shall be uniformly applied, but the applicability of a particular rule to a particular situation shall be in the sole discretion of the Board. Each Owner shall comply with such Rules and Regulations. In the event of any conflict between the Rules and Regulations and the provisions of this Declaration, the provisions of this Declaration shall prevail. A copy of the applicable Rules and Regulations in effect are maintained in the records of the Association and are available to Owner's upon written request.

17. **Enforcement.** The Association, acting through the Board, shall have the power to enforce the provisions of this Declaration, any Supplemental Declaration, and the Governing Documents and shall take such action as the Board deems necessary or desirable to cause such compliance by each Owner by any one or more of the following means: (a) by commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration, any Supplemental Declaration or the Governing Documents, by mandatory injunction or otherwise; (b) by commencing and maintaining actions and suits to recover damages for breach of any of the provisions of this Declaration, any Supplemental Declaration, or the Governing Documents and for all expenses incurred in connection therewith, including reasonable attorney's fees; (c) by levying and collecting reasonable and uniformly applied fines and penalties established for breach of this Declaration, any Supplemental Declaration, or the Governing Documents; (d) by taking such action as reasonably necessary to bring a Lot and any Improvements thereon into compliance with this Declaration, any Supplemental Declaration, or the Governing Documents, the costs of which shall be at the Owner's sole expense; (e) by suspending the right to vote and/or the right to use and enjoy the recreational facilities; and (f) by exercising any remedy for nonpayment of Assessments as provided herein. The Association shall have a lien on any Lot and any Improvement thereon to secure payment of the amounts described in this Section, and such lien may be enforced in the same manner and with the same priority as that of a lien for Assessments as provided herein. The Association, by contract or other agreement, may enforce county and city ordinances, if applicable, and local governments may enforce their ordinances within the Development Property.

18. **No Waiver.** The Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board reasonably determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the position is not

strong enough to justify taking enforcement action. Any such determination shall not be construed as a waiver of the right to enforce such provision under other circumstances or estop the Association from enforcing any other covenant, restriction or rule. The failure by the Declarant or the Board to enforce any covenant, restriction or Rule and Regulation provided in or by this Declaration, Supplemental Declaration or Governing Documents shall in no event be deemed a waiver of the right to do so thereafter.

19. **Safety and Security.** Each Owner and occupant of a Lot and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property within the Development Property. The Association may, but shall not be obligated to, maintain or support certain activities within the Development Property designed to enhance the level of safety or security which each Person provides for himself or herself and his or her property. Neither the Association, the Declarant nor their officers, agents, members or employees shall in any way be considered insurers or guarantors of safety or security within the Development Property, nor shall any of the foregoing be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. The obligation to provide security lies with each Owner individually. **No representation or warranty is made that any security system or measures, including any mechanism or system for limiting access to the Development Property, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended.** Each Owner acknowledges, understands, and shall be responsible for informing its guests, invitees, tenants and all occupants of a Lot that the Association, their Board of Directors and committees, and the Declarant are not insurers or guarantors of safety or security and that each Person within the Development Property assumes all risks of personal injury and loss or damage to property, including Lots and Improvements thereon and the contents upon Lots, resulting from acts of third parties.

20. **General Corporate Powers.** The Association shall have all of the ordinary powers and rights of a Tennessee nonprofit corporation, including without limitation, the power and right to enter into partnerships and other agreements, subject only to such limitations upon such powers as may be set forth in this Declaration or in the Articles of Incorporation for the Association or the By-Laws. The Association shall also have the power to do any and all lawful things which may be authorized, required, or permitted to be done under this Declaration, under any Supplemental Declaration, or under the Governing Documents, and to do and perform any and all acts which may be necessary or desirable for or incidental to, the exercise of any of the express powers or rights of the Association under this Declaration, under any Supplemental Declaration, or under the Governing Documents.

## **Article V**

### **DEVELOPMENT PROPERTY MAINTENANCE**

1. **Maintenance by the Association.** The Association shall repair, replace, maintain and keep in good repair the Common Areas in perpetuity with such maintenance to be funded as provided herein, subject to any insurance then in effect. The Association shall have the right to maintain property which it does not own, including, without limitation, property dedicated to the public, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard. The Association shall have a reasonable right of entry upon all of the Development Property and any portion thereof to make emergency repairs and to do other work reasonably necessary under this Declaration for the proper performance of its duties hereunder and the proper maintenance and operation of the Development Property. The Association shall not be liable for any damage, including personal injury or property damage, caused by or stemming from the Association's failure to maintain or repair, or properly maintain or repair, any item for which it has the maintenance and or repair obligation as set forth herein.

The Association shall have the power to require that all Owners manage, operate, care for, maintain, and repair their respective property and Improvements thereon and to keep them in an attractive and desirable condition and to otherwise enforce the provisions of this Declaration against all Owners. Except as otherwise specifically provided herein, all costs associated with the maintenance, repair and replacement of Common Areas shall be a common expense to be allocated among all Lots as part of the Common Assessment.

2. **Managing Agent.** The Declarant during the Appointment Period and thereafter the Board shall have the authority to engage the services of an agent ("Managing Agent") to undertake any of the management duties and Administrative Functions for the efficient operation of the Development Property, or any part thereof, to the extent deemed advisable by the Declarant during the Appointment Period and thereafter the Board and to manage the affairs of the Association. The Managing Agent shall be required to have fidelity bond coverage on its employees handling Association funds, and the cost of such services shall be incurred by the Association.

3. **Employees, Agents, and Consultants.** The Association shall have the power to hire and discharge employees and agents and to retain and pay for accounting, legal, and other services as may be necessary or desirable in connection with performance of any duties or exercise of any powers of the Association.

4. **Exclusive Landscaper.** The Declarant during the Appointment Period and thereafter the Board shall have the authority to engage the services of one exclusive landscaping company ("Exclusive Landscaper") for all routine landscaping maintenance needs of the Development Property, such as lawn mowing, mulching, hedging and limb/leaf removal. The cost of such services shall be charged directly to the Owner of the Lot for whom the services are provided. If the costs of such services are not billed separately and directly to the Owner of the Lot receiving the services, then the cost of such services shall be part of the Common Assessment incurred by the Association and allocated proportionally among the Lots benefitted by such services in the sole discretion of the Declarant during the Appointment Period and thereafter the Board. If no Exclusive Landscaper is retained by the Association, then all such lawn and landscape maintenance for each Home shall be the responsibility of and paid by each Owner.

5. **Exclusive Waste Services Provider.** The Declarant during the Appointment Period and thereafter the Board shall have the authority to engage the services of an "Exclusive Waste Services Provider" for garbage, recycling, and any other waste or debris collection and disposal. The cost of such services shall be charged directly to the Owner of the Lot for whom the services are provided. If the costs of such services are not billed separately and directly to the Owner of the Lot receiving the services, then the cost of such services shall be part of the Common Assessment incurred by the Association and allocated proportionally among the Lots benefitted by such services in the sole discretion of the Declarant during the Appointment Period and thereafter the Board. If no Exclusive Waste Services Provider is retained by the Association, then all such trash collection and disposal services for each Home shall be the responsibility of and paid by each Owner.

6. **No Partition.** No Owner shall have the right to partition or seek partition of the Development Property or any part thereof.

7. **Owner Liability for Damage.** Each Owner and any tenant, occupant, family member, guest, agent, servant, or invitee thereof shall be liable to the Association for any damage to the Development Property or for any expense or liability incurred by either Association, to the extent not covered by insurance, which may be sustained by reason of the negligence or willful misconduct of such Owner or tenant, occupant, family member, guest, agent, servant, or invitee of such Owner and for any

violation by such Owner or tenant, occupant, family member, guest, agent, servant, or invitee of this Declaration, any Supplemental Declaration, or the Governing Documents. The Board shall have the power, as elsewhere provided in this Declaration to levy and collect Reimbursement Assessments against an Owner to cover the costs and expenses incurred by the Association on account of any such damage or any such violation of this Declaration or Governing Documents, or for any increased insurance premiums directly attributable to any such damage or any such violation.

8. **Damage, Destruction, or Required Improvements.** In the event of damage to Common Areas by fire or other casualty or in the event any governmental authority shall require any repair, reconstruction, or replacement of any Development Property, the Association shall have the duty to repair, reconstruct, or replace the same. Any insurance proceeds payable by reason of damage or destruction of Development Property by fire or other casualty shall be paid to the Association and shall be used and disbursed as provided herein. If funds from insurance proceeds or available reserves are insufficient to pay all costs of repair, reconstruction, or replacement of Improvements damaged or destroyed, or if the Association is required to make repairs, replacements, or Improvements by governmental authorities, the Association may, in order to make up any deficiency in the insurance proceeds or to pay for the required repair, replacement, or Improvement, levy a Special Assessment as provided herein, or if an Owner or group of Owners is liable or responsible for such damage, levy a Reimbursement Assessment against the Owner or group of Owners responsible therefor, to provide the additional funds necessary as elsewhere provided in this Declaration. Repair, reconstruction, or replacement of Development Property shall be done under such contracting and bidding procedures as the Board shall reasonably determine are appropriate.

9. **Detached Lot / Home: Damage or Destruction, or Maintenance.** In the event of damage or destruction to any Home upon on a Detached Lot, the respective Owner thereof agrees as follows:

a. In the event of total destruction, the Owner shall promptly clear the Detached Lot of debris and leave same in a neat and orderly condition. To the extent the Owner desires to reconstruct the Home and related Improvements, any such reconstruction shall be accomplished in conformity with the Plans and specifications of the original structure so destroyed, subject to any changes or modifications as approved by the Board or the IRC (defined below).

b. In the case of partial damage or destruction, the Owner shall promptly clear the Detached Lot of debris and cause the damage or destruction to be repaired and restored in a first-class condition in accordance with the Plans and specifications of the original structure. Any change or alteration must be approved by the IRC. In no event, shall any damaged structure be left unrepaired and unrestored in excess of ninety (90) days.

c. If the correction of a maintenance or repair problem incurred on one Detached Lot necessitates construction work or access on another Detached Lot, the Owner shall have an easement on the property of the other Owner for the purpose of this construction. The Home Owner performing said construction or repairs shall be responsible for the cost of restoration on any such other Detached Lot necessitated by the use of the easement thereon.

10. **Maintenance by Owner.** Each Owner of a Lot, his/her family, guest, invitees, or other Persons using or occupying his/her Lot and Improvements thereon shall maintain same in a manner consistent with the Community-Wide Standard and all applicable provisions of the Governing Documents, unless such maintenance responsibility is otherwise assumed by or assigned to the Association. Subject to the Exclusive Landscaper provisions herein above, every Owner of a Lot shall be responsible for the

maintenance, repair, and replacement of lawns, landscaping, trees, shrubs, walking paths, or similar Improvements located upon said Owner's Lot and extending to the public right-of-way or private street or private alley fronting or otherwise contiguous to the Lot, together with all costs related thereto. For clarity, these maintenance, repair, and replacement obligations extend to landscaped strips, if any, lying between the platted boundary of a Lot and the public right-of-way or private street or private alley fronting or otherwise contiguous to the Lot. Lot Owners (and the Builder of a home and related Improvements upon any Lot) shall be responsible for the final grading of the Lot. By the acceptance of the deed to a Lot, the Lot Owner acknowledges and agrees that said Lot is being purchased and acquired AS IS, WHERE IS with all faults, if any. Further, each Lot Owner acknowledges and agrees that after the conveyance of the Lot to said Owner, neither the Declarant nor any of its contractors, agents, successors or assigns shall have any obligation or responsibility with respect to the grade of the Lot and/or the drainage and stormwater conditions affecting such Lot.

11. **Remedies for Failure to Maintain.** If the Board determines that any Owner has failed or refused to properly maintain and keep in good repair and free of debris and rubbish, the Owner's Lot, and otherwise generally perform his or her maintenance responsibility, then the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's cost and expense. Unless the Board determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days and diligently pursue such maintenance or repair to completion. If the Board determines that: (i) an emergency exists or (ii) that an Owner has not complied with the demand given by the Association, then the Association may perform such maintenance, repair, or replacement and assess all costs and expenses incurred by the Association against the Lot and the Owner thereof, which assessment shall be a lien against said Lot and Owner. If, during the course of performing the maintenance of an Owner's Lot, the Association discovers that maintenance, repair or replacement is required of an item which is the Owner's responsibility, and such maintenance, repair or replacement must be performed for the Association to properly complete its maintenance project, then the Association may perform such work on behalf of the Owner and at Owner's expense without prior notice to the Owner. The Board may alternatively enforce this Article through monetary fines against the Lot and Owner and each day the maintenance, repair, or replacement is not completed shall constitute a separate violation for which fines may be assessed on a daily basis

12. **Title to Association Properties upon Dissolution.** In the event of the dissolution of the Association, the Development Property shall, to the extent reasonably possible, be conveyed or transferred to an appropriate public or governmental agency or agencies, or to a non-profit corporation, association, trust, or other organization, to be used, in any such event, for the common benefit of Owners for purposes similar to those for which the Development Property was held by the Association. To the extent the foregoing is not possible, the Development Property and the proceeds from the sale or disposition shall be distributed equally to the Owners.

## **Article VI**

### **DECLARANT'S RIGHTS AND RESERVATIONS**

1. **Applicability and Term.** Declarant shall have and hereby retains and reserves certain rights set forth in this Declaration with respect to the Association and the Development Property. Declarant's rights and reservations set forth herein shall be deemed excepted and reserved in each recorded Supplemental Declaration, in each conveyance of property by Declarant to the Association, and in each deed or other instrument by which any property within the Development Property is conveyed, whether or not specifically stated therein. The rights, reservations, and easements of Declarant set forth

in this Declaration during the Appointment Period may not, without Declarant's prior written consent, be modified, amended, rescinded, or affected by any amendment hereto, including any amendment of this Article. Declarant's consent to any such amendment shall not be construed as consent to any other or subsequent amendment. In the event of any conflict between the rights reserved to Declarant hereunder and any other provisions of this Declaration, then Declarant's rights shall control. In the event of Declarant default of its development loan or other financing related to the development of the Development Property that results in the transfer of ownership of the Development Property to the lender, then all of Declarant's rights, duties, obligations, liabilities and any other responsibility set forth in this Declaration shall automatically be transferred and assigned to such lender.

2. **Additional Improvements.** Declarant shall have and hereby reserves the right, at any time and from time to time, but shall not have the obligation, to construct additional Improvements on Development Property which are for the betterment and enhancement thereof and for the benefit of the Association and the Owners. Declarant will convey or transfer such Improvements to the Association, which shall be obligated to accept title to, care for, and maintain the same as elsewhere provided herein.

3. **Conveyance of Additional Property.** Declarant shall have and hereby reserves the right, but shall not be obligated to, convey additional real property and improvements thereon to the Association at any time and from time to time in accordance with this Declaration, and the Association shall be obligated to accept title to, care for, and maintain the same as elsewhere provided herein.

4. **Promotion and Marketing.** Declarant shall have and hereby reserves the right to use the Development Property in connection with development, construction, promotion, marketing, sale and leasing of properties within the Development Property, by erecting and maintaining on any part of the Development Property such signs as Declarant, in its sole discretion, may deem desirable, necessary or proper in connection with the development, construction, promotion, marketing, sale and leasing of parcels of real property within the Development Property, and by permitting prospective purchasers of any of such parcels who are not Owners to enter upon Development Property.

5. **Easements.** Declarant shall have and hereby reserves the right to grant or create temporary or permanent easements and rights-of-way for access, utilities, water, drainage, and other purposes incident to development, construction, or sale within the Development Property as may be located in, under and across Development Property, provided that such easements and rights-of-way that are located within the Development Property do not unreasonably interfere with the rights of Owners.

## **Article VII** **ASSESSMENTS**

1. **Covenant to Pay and Commencement.** Each Owner, by acceptance of a deed to his Lot, whether or not it shall be so expressed in such deed, is thereby deemed to covenant and agree to pay to the Association: (a) Common Assessments, (b) Working Capital Fund Assessments; (c) Special Assessments, (d) Supplemental Assessments, (e) Reimbursement Assessments, and (f) fines or charges which may be imposed against such Lot in accordance with the provisions of this Declaration. An Owner's obligation to pay Assessments and any other duly levied charge shall commence on the first day of the first month following the transfer or conveyance to a Person other than the Declarant or a Builder of an improved Lot for which a certificate of occupancy for residential use has been issued. Assessments for the then current Assessment Year shall be prorated on the basis of the number of months remaining in such Assessment Year.

2. **Common Assessment.** The Board shall have the power and authority to levy a "Common Assessment" to fund the annual or other periodic costs of operating the Association, including expenses incurred in connection with any Administrative Function and other expenses duly incurred by or on behalf of the Association which are to be paid by each Owner to the Association. Common Assessments specific to Townhome Owners, such as insurance and private drive expenses, will be assessed equally against the Townhome Owners. Expenses which may be duly incurred on behalf of the Association in connection with the performance of Administrative Functions include, without limitation, the following:

a. Expenses of maintenance, operation, repair, replacement, and security of the Common Area, including, without limitation, costs of labor, equipment, and materials incurred in connection therewith.

b. The costs or premiums related to insurance policies to be obtained and maintained by the Association.

c. Utility charges for utilities serving the Common Areas and for the lighting of streets throughout the Common Areas, as well as charges for other common services for the Development Property.

d. Expenses related to sprinkler systems, including that portion of the system that waters the lawns upon the Lots, supplemental trash disposal, recycling collection, seasonal decorative lighting, and other seasonal landscaping.

e. Principal, interest, and other charges payable with respect to: (i) loans to the Association to provide funds to perform any Administrative Function or to pay any other obligation of the Association, including, without limitation, loans financing the construction of Improvements for the Development Property and (ii) loans from Declarant made to the Association to fund Association expenses prior to the time when Common Assessments payable by Owners other than Declarant are sufficient to fund the normal operating expenses of the Association.

f. Other expenses as may be determined from time to time by the Board to be incurred necessarily or appropriately for the performance of Administrative Functions, including, without limitation, taxes, insurance premiums, utility charges, and government charges not separately assessed against Lots.

g. The establishment and maintenance of a reasonable reserve fund or funds for: (i) maintenance, repair, and replacement of those portions of the Development Property and Improvements thereon that are the responsibility of the Association and that must be maintained, repaired, or replaced on a periodic basis; and (ii) to cover unforeseen operating contingencies or deficiencies arising from unpaid Assessments or liens, as well as from emergency expenditures and other matters, all as may be authorized from time to time by the Board.

3. **Common Assessment Calculation.** Prior to commencement of each Assessment Year, the Board shall fix the amount of the Common Assessment and any Townhome specific common expenses by preparing a Budget for the Administrative Functions to be provided by the Association in the coming Assessment Year. The proposed Budget is to show the categories of expenses and the anticipated amounts of expenses for which Common Assessments are determined by the Board to be necessary or desirable and shall reflect any expected income and estimated sources and amounts thereof of the Association for such Assessment Year, as well as any expected surplus from the prior Assessment Year. At the office of the Association or its agent, copies of the proposed Budget and the

Budget for the current Assessment Year will be made available by the Association to any Person requesting a copy thereof upon payment of the reasonable expense of copying same. The Board shall allocate the Common Assessment equally among the Lots and the Townhome specific expenses equally among the Townhome Attached Lots.

4. **Failure to Establish Common Assessments.** The failure by the Board to levy Common Assessments for any Assessment Year shall not be deemed a waiver or modification of any provision of this Declaration or a release of liability of any Owner to pay Common Assessments, or installment thereof, for that or any subsequent Assessment Year. In the event of such failure, the amount of the Common Assessment for that Assessment Year shall be, until subsequently modified by the Board, the same as for the most recent year for which Common Assessments shall have been levied.

5. **Exempt Property.** Development Property or any portion thereof that is dedicated to and accepted by a local public authority, that is granted to or used by a utility company or is designated as part of the Common Areas shall be exempt from Assessments.

6. **Working Capital Fund Assessment.** Each Owner of a Lot, excluding Declarant and Builders, shall pay a "Working Capital Fund Assessment" in the amount of amount of one half ( $\frac{1}{2}$ ) of the annual Common Assessment to the Association at the closing of the sale of a Home upon each Lot. The Working Capital Fund Assessment will apply to the first sale of a completed Home upon a Lot and to every subsequent sale of such Lot. The Working Capital Fund Assessment shall not be considered as advance payment of any Assessment or other duly levied charge. The amount of the Working Capital Fund Assessment may be increased in the discretion of the Board; provided, however, the Working Capital Fund Assessment shall not exceed an amount equal to one-half ( $\frac{1}{2}$ ) of that year's Common Assessment. The Working Capital Fund Assessment shall be held and disbursed for the following purposes in the order of priority:

a. To fund costs of maintenance of the Common Areas and the Administrative Functions of the Association that cannot be funded by Assessments.

b. To reimburse the Declarant for all amounts loaned or otherwise expended by Declarant to the Association to fund any operating deficits.

c. To assure that the Association will have cash available to meet unforeseen expenditures or to acquire additional equipment or services deemed necessary or desirable by the Board.

7. **Special Assessments.** The Board may levy one or more Assessments to be known as "Special Assessments" for the purpose of raising funds, not provided by Common Assessments to: (a) construct or reconstruct, repair, remodel, replace, or maintain Improvements upon Development Property, including necessary personal property related thereto, and to pay ad valorem taxes and insurance on Development Property; (b) add to the Development Property; (c) provide for necessary facilities and equipment to offer the services authorized in this Declaration; (d) repay any loan made to the Association to enable it to perform any duty or function authorized in this Declaration; or (e) pay for any other cost or expense as determined by the Board. The amount of Special Assessment to be paid by each Owner shall be calculated in the same manner as Common Assessments and may be made payable in installments over a period that may extend beyond the Assessment Year in which the resolution was adopted. In addition to the other information required to be set forth in Assessment notices, a Special Assessment notice shall state the purpose of the Special Assessment.

8. **Supplemental Assessments.** In any Assessment Year, if the Board determines that the important and essential functions of the Association may not be fully funded by the Common Assessment received or receivable for that Assessment Year, the Board may levy one or more Assessments to be known as "Supplemental Assessments," applicable to that year only, by resolution authorizing same. The amount of Supplemental Assessment to be paid by each Owner shall be calculated in the same manner as Common Assessments and may be made payable in installments over a period that may extend beyond the Assessment Year in which the resolution was adopted. In addition to the other information required to be set forth in Assessment notices, a Supplemental Assessment notice shall state the amount of the deficit and the reasons therefor.

9. **Individual Lot Assessment.** Individual Lot Assessment is an Assessment that the Board may levy upon a Lot or group of Lots and their Owners to reimburse the Association for costs incurred solely on behalf of that Lot or group of Lots, or the Owners thereof, including without limitation, costs associated with making repairs and/or performing maintenance that is the responsibility of the Owner(s) of that Lot(s); costs of additional insurance premiums reasonably allocable to an Owner(s) because of use of Improvements on that Lot; costs of any utility or service expenses chargeable to an Owner(s) but not separately billed by the utility or service company; administrative charges for violations of the Governing Documents, late charges, and interest on delinquent Assessments, and costs of collection of delinquent obligations to the Association, including, but not limited to, attorneys' fees and court costs, and all other charges reasonably determined to be chargeable solely to a Lot or group of Lots and their Owners.

10. **Reimbursement Assessment.** Subject to the provisions hereof, the Board may levy an Assessment, known as a "Reimbursement Assessment" against any Owner(s) to reimburse the Association for any loss sustained by reason of the willful or negligent failure of such Owner(s) to comply with this Declaration, any Supplemental Declaration the Governing Documents, which resulted in the expenditure of funds by the Association to remedy a problem or to cause such compliance. In addition to the other information required to be set forth in Assessment notices, a Reimbursement Assessment notice shall state the reason(s) therefor.

11. **Assessment Notice.** Notice of any Assessment set forth herein shall be sent by prepaid U.S. Mail, FedEx, UPS, or other reputable private carrier, or electronic transmission at the address or other contact information provided to the Board by the Owner for notices provided herein or in the event no separate address or other contact information has been provided, then by prepaid U.S. Mail or hand delivery to the Owner's Lot. Such notice shall state the type of Assessment being levied, the amount to be paid, payment frequency (annual, quarterly, monthly, or as otherwise set by the Board), and the payment due date(s), as well as any other required information. Notices will be given to Owners in a reasonable period of time prior to the payment or first installment due date.

12. **Delinquent Payment.** All Assessments or other duly levied charge or fine under this Declaration shall be due and payable on date set forth in the notice related thereto. Any Assessment or any portion thereof not paid when due shall be deemed delinquent. Any Assessment delinquent for a period of more than ten (10) days shall incur a late charge in an amount as may be determined by the Board from time to time and shall bear interest from the date due at 10% per annum until paid, but in no event shall the interest charged be in excess of the Delinquency Interest Rate.

13. **Declarant Responsibility.** Until the termination of the Appointment Period, the Declarant shall not be liable for payment of assessments on its unsold Lots. However, Declarant may, but shall not be obligated to, elect to contribute to the Association the difference between the amount of Assessments levied on all other Lots subject to assessment and the amount of the Association's actual expenditures

during the fiscal year (a "Subsidy"). Any Subsidy may be treated, in Declarant's discretion, as either: (a) voluntary contribution; (b) an advance against future Assessments (if any); or (c) a loan by Declarant to the Association. A Subsidy may be evidenced by one or more promissory notes from the Association in favor of Declarant or Declarant may cause the Association to borrow such amount from a commercial lending institution at the then prevailing rates for such a loan in the local area of the Development Property. Any Subsidy shall be disclosed as a line item in the Budget. The payment of a Subsidy in any year shall under no circumstances obligate Declarant to continue payment of such Subsidy in future years. In the event Declarant expends any of its own funds for Administrative Functions, Declarant shall be entitled to reimbursement from the Association or a credit for such sums against any Assessment that Declarant might be required to pay by virtue of being an Owner. Declarant will not be obligated to pay any operating fund deficiencies that are due to non-payment of Assessments by Owners other than Declarant, and nothing contained in this Section shall be deemed to relieve or release any Owner from the obligation of that Owner to pay Assessments. The decision of Declarant to fund any deficit provided for herein may be satisfied in the form of a cash substitute or by "in kind" contribution of materials and substances or a combination thereof. All "in kind" contributions of services and materials shall be valued at the reasonable market value of such service or materials.

**14. Enforcement: Liens and Personal Obligation.** In order to secure payment of Assessments, fines, or other duly levied charges assessed against any Lot within the Development Property pursuant to this Declaration as same become due, there shall arise a continuing lien and equitable charge ("Assessment Lien") in favor of the Association for all such sums, together with court costs, reasonable attorney's fees, late charges, any other collection costs, and interest thereon as provided herein (collectively, "Non-compliance Damages"). If any Assessment, fine, or other duly levied charge remains unpaid for sixty (60) days from the original due date, the Association may, as the Board shall determine, institute suit to collect Noncompliance Damages, foreclose its Assessment Lien, or both. The Assessment Lien shall be in favor of the Association and each Owner, by acceptance of a deed to a Lot vests in the Association, or its agents, the right and power to sue or otherwise proceed against such Owner for the collection of Noncompliance Damages and/or to foreclose the Association's Assessment Lien. The Association shall have the power to bid on the Lot at any such foreclosure sale and to acquire, hold, lease, mortgage, and convey same except that the amount the Association may bid at any such sale may not exceed the total amount owed to the Association by the delinquent Owner. The Noncompliance Damages shall also be the personal obligation of the Person who was the Owner at the time the Assessment, fine, or other duly levied charge became due. Such personal obligation shall not pass to successors in title unless expressly assumed by them. Any sale or transfer described herein shall not relieve such Lot from liability for any Assessments accruing after such sale or transfer.

**15. Priority of Assessment Lien.** The Assessment Lien described in the preceding Section shall be superior to all other liens and encumbrances on such Lot except for: (a) liens of ad valorem taxes; and (b) a lien for all sums unpaid on a first Mortgage, on any secondary purchase money Mortgage, or on any Mortgage to Declarant, and all amounts advanced pursuant to any such Mortgage and secured thereby in accordance with the terms of such instrument; provided, however, that the subordination of the Assessment Lien to the foregoing Mortgages shall apply only to Assessments that shall have become due and payable prior to a sale or transfer of such Lot pursuant to a foreclosure. Further, notwithstanding the foregoing, any Mortgage held by a party related to, affiliated with, or controlled by the Owner of the Lot on which such Mortgage exists shall not be entitled to such priority unless such Mortgagee obtains the written agreement of the Association that it will be entitled to such priority before making such Mortgage. All Persons acquiring other liens or encumbrances on any Lot after the recording of this Declaration shall be deemed to consent that such liens or encumbrances shall be inferior to such future equitable charges and liens for Assessments as provided herein, whether or not such prior consent shall be specifically set forth in the instruments creating such liens or encumbrances.

16. **No Offsets.** All Assessments shall be payable in the amounts specified in the notice related thereto, and no offsets or reductions thereof shall be permitted for any reason, including, without limitation, any claim of non-use of Development Property or Improvements thereon or any claim that the Association, the Board, or any committee of the Board is not properly exercising its duties and powers under this Declaration.

17. **Estoppel Certificate.** Upon the payment of such reasonable fee as may be determined from time to time by the Board and upon the written request of any Owner or any Mortgagee or Person intending to acquire any right, title, or interest in the Lot of such Owner, the Association shall furnish a written statement setting forth the amount of any Assessments or other amounts, if any, due and owing to the Association and then unpaid with respect to such Lot and/or the Owner thereof, as well as the amount of any Assessment levied against such Lot, which is not yet due and payable. Such statement shall, with respect to the Person to whom it is issued, be conclusive against the Association to establish that no greater or other amounts were then due or accrued and unpaid and that no other Assessments were then levied and unpaid against such Lot.

18. **Records of Assessments.** The Association shall cause to be maintained in the office of the Association or their Managing Agent a record of all Owners, their Lot(s), and the Assessments, fines, and/or other duly levied charges applicable thereto that shall be open to inspection by any Owner.

### **Article VIII** **ANNEXATION AND WITHDRAWAL OF PROPERTY**

1. **Annexation by Declarant.** From time to time during the Appointment Period, Declarant may unilaterally add to the Development Property additional real property adjacent to the Development Property and subject same to the Development Property as Future Phase Property. Declarant may transfer or assign this right to annex property, provided that such transfer is memorialized in a written, recorded instrument executed by Declarant. Nothing in this Declaration shall be construed to require Declarant to annex or develop any additional property in any manner whatsoever.

2. **Annexation by Members – Post Appointment Period.** Following the termination of the Appointment Period, the Members may annex additional real property adjacent to the Development Property and subject same to the Development Property as Future Phase Property, upon the affirmative Vote of Members representing at least two-thirds (2/3) of the total collective Votes in the Association present in person or by proxy at a meeting duly called for such purpose.

3. **Manner of Annexation.** Any parcel of real property to become part of the Development Property and to be made subject to this Declaration ("Future Phase Property") shall be effective upon Recording of a Supplemental Declaration that meets the following requirements: each Supplemental Declaration shall (a) be executed by the then Owner(s) of the Future Phase Property described therein; (b) contain an adequate legal description of the Future Phase Property; (c) contain a reference to this Declaration stating its Recording book and page or instrument number; and (d) contain a statement that the Future Phase Property is declared to be part of the Development Property under this Declaration and that the Future Phase Property shall be subject to this Declaration.

4. **Withdrawal Annexed Property by Declarant.** Annexed Property or any portion thereof for which a Supplemental Declaration has been recorded may be withdrawn by the Declarant from the Development Property, from this Declaration, and/or from such Supplemental Declaration related thereto.

The withdrawal of such Annexed Property or portion thereof may be accomplished by Declarant's execution and Recording of a written notice of such withdrawal ("Notice of Withdrawal").

## **Article IX**

### **IMPROVEMENTS AND ARCHITECTURAL STANDARDS**

1. **General.** No structure shall be placed, erected or installed upon any Lot and no Improvements (including staking, clearing, other site work, exterior alteration of existing improvements, painting or modifying fences, and planting or removal of landscaping materials) shall take place except in compliance with this Article and approval by the appropriate entity. Notwithstanding this, the Board may, by resolution, exempt certain activities from the application and approval requirements of this Article provided such activities are undertaken in strict compliance with the requirements of such resolution. Any Owner may remodel, paint, or redecorate the interior of structures on his Lot without approval. However, modifications to the interior of screened porches, patios, and similar portions of a Lot visible from outside the structures on the Lot shall be subject to approval. No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. This Article shall not apply to the activities of Declarant or the Association.

2. **Designation of Committee.** The Association may have an Improvement Review Committee ("IRC"), which shall consist of three (3) members. During the Appointment Period, the Declarant shall appoint the members of the IRC, who shall be subject to removal at any time by Declarant. Declarant in its sole discretion, may alone constitute the IRC and until the IRC is so appointed, all references herein to the IRC shall mean the Declarant. After the termination of the Appointment Period, the members of the IRC shall be appointed and shall be subject to removal at any time by the Board. After the termination of the Appointment Period, the Board alone may constitute the IRC and until the IRC is so appointed, all references herein to the IRC following the termination of the Appointment Period shall mean the Board. The IRC shall designate an individual as its secretary, and all communications with the IRC shall be conducted through the secretary.

3. **Function of IRC.** No Improvement shall be erected, constructed, placed, maintained, or permitted to remain on any portion of the Development Property until the Plans and specifications therefor showing the nature, shape, height, materials, color, location, and any other information required by the IRC have been submitted to and approved in writing by the IRC. The IRC shall determine in its sole discretion whether or not the proposed Improvement, and all features thereof, is consistent with the overall development scheme for Hillcrest and otherwise compatible with other Improvements constructed in the Development Property. The IRC shall be the sole judge and arbiter of such consistency and compatibility. As a prerequisite to consideration for such approval, and prior to commencement of proposed work, the Owner, Builder, or any agent thereof shall make the necessary submissions as required by the IRC, together with the applicable fee(s), if any, to be charged by the IRC to defray its costs incurred in considering and acting upon any proposed Plans that may require changes for approval, including costs incurred for an architect's review of the proposed Plans, if necessary. The IRC may refuse approval of any Plans that in its sole judgment are inconsistent with the overall purpose and aesthetic values of the Development Property or the architectural standards described herein and in the Design Guidelines, if any. The IRC shall be the sole arbiter of submitted Plans and may withhold its approval for any reason, including purely aesthetic reasons. The IRC has the authority to waive the requirements set forth in this Article or any portion thereof, as well as to pre-approve Plans and specifications for Builders constructing Improvements upon multiple Lots. The Property Manager shall be entitled to charge a reasonable fee in connection with the submittal and review of Plans and related materials.

4. **Design Guidelines.** The IRC may, in its discretion, promulgate Design Guidelines specifying acceptable architectural styles, permissible materials, and acceptable locations for the construction of all Improvements within the Development Property. All Plans for Improvements must be consistent with such Design Guidelines, which may be amended from time to time by the Declarant during the Appointment Period and thereafter the Board. Copies of the current Design Guidelines, if any, may be purchased at a reasonable cost.

5. **Submission of Plans.** Any Owner, Builder, or any agent thereof desiring to construct an Improvement upon any Lot shall first have detailed Plans prepared for such Improvement, which shall be prepared by a licensed architect or approved home designer acceptable to the IRC. The scaled Plans to be submitted for IRC review are to include the following: (a) plot plan, survey or copy of the recorded plat showing the dimensions of the Lot, the proposed location of all Improvements to be placed upon the Lot, including but not limited to any detached structures such as sheds, garages, swimming pools, pool houses, guest houses, walls and/or fences; and the relationship of all such Improvements to the front, rear, and side property lines; (b) elevation drawings of the front, sides, and rear of any new structure included within the Improvements, together with all exterior color selections / schemes and building materials to be used; (c) a landscaping plan, including all driveways, sidewalks, and terraces; and (d) such other information as may be necessary or otherwise requested by the IRC.

6. **Approval of Plans.** The IRC will certify its approval or disapproval of the Plans within thirty (30) days of the IRC's acknowledged receipt of the Plans, specifications, review fee, and/or other requested information and/or materials. In its sole and uncontrolled discretion, the IRC may grant or withhold its approval of the Plans. By the purchase of property in the Development Property, every Owner shall be conclusively presumed to have consented to the exercise of discretion by the IRC. The IRC's approval of Plans for any Improvement shall be effective for a period of six (6) months only; and if construction of the proposed Improvements shall not have commenced within that time period, the approval shall no longer be valid. In the event written approval is not received within thirty (30) days after the Plans, specifications, review fee, and all requested additional information have been submitted and acknowledged as received by the IRC, then the request for approval shall be deemed DENIED.

7. **Limited Effect of Plan Approval.** The approval by the IRC of an Owner's Plans for the construction of an Improvement is not intended to be an approval of the structural stability, integrity, or design of a completed Improvement, the safety of any component therein, or the compliance thereof with the regulatory requirements or any federal, state, or local law, regulation, or ordinance. This approval by the IRC is required solely for the purpose of insuring compliance with the covenants contained herein and further to insure the harmonious and orderly architectural and aesthetic development and improvement of the Development Property. Notice is hereby given to any future Owner and/or occupant of any completed Improvement and all invitees and other persons who may from time to time enter or go on or about such completed Improvement that no permission or approval granted by the IRC, the Declarant, or the Association with respect to the construction of any Improvement pursuant to this Declaration shall constitute or be construed as an approval of the structural stability, integrity, or design of a completed Improvement, the safety of any component therein or the compliance thereof with the regulatory requirements or any federal, state, or local law, regulation, or ordinance. As such, no liability shall accrue to the Declarant, the IRC, or to the Association in the event that any such construction shall subsequently prove to be defective or not in compliance with such requirements.

**Article X**  
**IMPROVEMENT RESTRICTIONS**

1.     **General.** The construction or installation of Improvements upon Development Property shall comply with Notes on any Plat, as may be amended from time to time; shall comply with all requirements set forth on the overall development plan for the Development Property, if any and as may be amended from time to time; and shall comply with all other applicable laws, ordinances, and regulations of governmental agencies (federal, state and local). In addition, the following provisions shall govern the construction and installation of all Improvements upon the single family residential Lots within the Development Property.

2.     **Lot Combination and Re-subdivision.** If one or more contiguous Lots are owned by the same Owner, they may be combined subject to compliance with applicable subdivision laws and regulations upon consent of Declarant during the Appointment Period and thereafter the Board for the purpose of placing approved Improvements thereon. Once combined, however, they shall retain their status as individual Lots for purposes of Voting and Assessments. No Lot shall be re-subdivided in order to create additional building sites except by Declarant, unless such re-subdivision is first approved by the applicable governing authority and the Board. Declarant shall have the right, but not the obligation, to re-subdivide Lots by recorded plat or in any other lawful manner, and such lots, as re-platted, shall be subject to this Declaration as if such Lots were originally included herein as Lots. Any such re-plat must comply with pertinent re-platting ordinances, statutes, regulations, and requirements.

3.     **Dwelling Size.** [Intentionally Deleted].

4.     **Exterior Materials.** [Intentionally Deleted].

5.     **Garages.** [Intentionally Deleted].

6.     **Roofs.** The roof of the dwelling or other approved structure shall be constructed or covered with asphalt or composition type shingles or metal unless otherwise approved by the IRC. To the greatest extent possible, all roof stacks and plumbing vents shall be located on the rear slopes of the roof, and any alternative placement must be approved by the IRC.

7.     **Driveways and Sidewalks.** The IRC shall approve the location, construction, design, and types of materials for all driveways and sidewalks. Except as otherwise approved by the IRC, all driveways shall be finished with a hard surface of an approved material that is compatible with the Improvements located on the Lot and the overall Development Property. At the time of the construction of the dwelling, every Owner shall be responsible for the installation of the portions of the sidewalk across the Owner's Lot. In the event the dwelling is not constructed on the Lot, the Owner shall install the sidewalk by the earlier of twelve (12) months following the conveyance of the Lot or thirty (30) days after the installation of the final topping of asphalt on the street fronting such Lot. In the event the Owner fails to timely install the sidewalk as provided in this Section, the Association may cause the sidewalk to be installed, and the cost thereof shall be a lien against the Lot to secure the repayment of such amounts.

Such lien may be enforced in the same manner and with the same priority that the lien for Assessments may be enforced.

8. **Curb Cuts and Damage.** Any Owner or Builder who makes a curb cut or damages any Common Area shall be responsible for repairing same at his sole expense and at the direction and to the satisfaction of Declarant during the Appointment Period and thereafter the Board. Any such Owner or Builder shall reimburse Declarant or the Association for the cost of any such repairs, if Declarant or the Board repairs the damages.

9. **Solar Panels; Solar Energy Collection Devices.** Solar energy collection devices are specifically prohibited from being installed on any Lot, including on the roof or exterior of any building on any Lot, unless the solar energy collection devices are an integral and harmonious part of the architecture or design of the building, as determined by the Board in its sole discretion. If permitted, the Board may establish reasonable restrictions concerning the size, place, and manner of placement of the solar energy collection devices. If these limitations on solar energy collection devices are determined to be unlawful, all solar energy collection devices shall be prohibited; provided that solar energy collection devices previously approved AND installed shall not be required to be removed unless required by a court of law.

10. **Utility Lines.** All newly installed utility lines on the Property shall be underground, subject to the requirements of relevant governmental authorities and utility companies.

11. **Drainage and Grading.** No drainage ditches, cuts, swales, impoundments, mounds, knobs, or hills, and no other physical improvements or elements of the landscape or terrain which control or determine the location or flow of surface water and drainage pattern may be destroyed, altered, or modified by or at the direction or with the consent of any Owner without the prior consent of the IRC or Declarant and, if required, the applicable governmental authorities. No Improvement shall be made in any manner whatsoever that is inconsistent with the master grading plans established by Declarant for the Community, or any part thereof, without the prior written consent of the IRC or Declarant and, if required, the applicable governmental authorities. The Association and its representatives and any governmental entity having jurisdiction over the Development Property and its representatives shall have the right to enter upon any Lot and any portion of the Community and remedy or repair any such destruction, alteration, modification, or improvement without being guilty of trespass and without liability to any owner with respect to the same or the consequences thereof.

12. **Tanks.** No tanks for the storage of propane gas, fuel oil, or any other combustible substance shall be permitted to be located above or beneath the ground of any Lot except propane tanks designed specifically for use to power a gas barbecue grill or gas fire pit. This Section shall not apply to the Declarant or Builders during the construction of Dwellings or Improvements on Lots or to any Lot containing a sales trailer of the Declarant or any other builder approved by the Declarant

13. **Yards and Yard Art.** Lawns shall be maintained in a neat and orderly fashion so that the grass does not become overgrown. Yard art and water features shall not be permitted in the front yard or otherwise visible from any street.

14. **Clotheslines and Window Air Conditioning Units.** Clotheslines, clothes hanging devices and the like, and window air conditioning units shall be prohibited on any Lot.

15. **Lighting.** Outside lights at eaves and door entrances, flood lights, and spot lights shall be permitted; provided, however, these lights must be adjusted so that the rays of any beam or floodlight shall not interfere with neighboring Lots. Exterior flashing lights or spot/flood lights on the exterior that

shine on or into adjacent Lots shall be prohibited. Any walkway, driveway, or landscape lighting shall be of low intensity. Seasonal decorative lighting shall be permitted only during the holiday season. Any lighting inconsistent with these restrictions must be approved by Declarant during Appointment Period and thereafter the Board.

16. **Signs.** The following restrictions shall apply to signs: (a) Declarant shall have the right to erect and to approve the erection of reasonable and appropriate signs for its own use and the use of Builders and other parties engaged in the construction and sale of Improvements within the Development Property; (b) no sign, billboard or poster of any kind of a permanent nature shall be erected, exhibited, maintained, or placed upon any Lot; (c) one (1) temporary sign of a commercial (not political) nature, such as a "For Sale" sign, shall be permitted so long as the sign does not exceed a maximum surface area of four (4) square feet and such sign is located not less than ten feet (10') from the boundary of the Lot; (d) temporary signs of a political nature shall be permitted upon a Lot during the period of time commencing sixty (60) days before a primary election and ending the day after the general election, so long as there are no more than one (1) sign per candidate or ballot measure on a Lot not to exceed a maximum surface area of four (4) square feet and located not less than ten feet (10') from the boundary of the Lot; (e) one (1) small security sign not more than five feet (5') from the front exterior of the dwelling upon a Lot; (f) all signs shall comply with regulations that may be adopted by the Board from time to time; and (g) all Owners grant to Declarant and thereafter to the Board the right to remove all signs not in compliance with the sign restrictions and in doing so shall not be subject to any liability or criminal action for trespass, destruction of property, or other tort in connection therewith or arising from such removal.

17. **Flags/Flagpoles.** No flagpoles shall be erected on any Lot, except for Lots owned by the Declarant or any Builder where Lots or Improvements located thereon are used as models and sales offices or trailers. Subject to limitations as to size, location, and manner of display as may be promulgated by the Board, no Owner shall be prohibited from displaying the flag of the United States of America, the State of Tennessee, or any branch of the United States armed forces. To the extent that any of the foregoing provisions of this Section, provisions of the Architectural Guidelines adopted by the IRC, or rules and regulations adopted by the Board with respect to flags or flagpoles is not permitted under the "Freedom to Display the American Flag Act of 2005" as codified under 4 U.S.C. § 5 (Executive Order 10834, Section 3), as amended, or Tenn. Code Ann. § 66-27-602, or any other applicable federal, state, or local laws, such provisions of the applicable Documents shall be interpreted so as to be in compliance with such applicable laws.

18. **Antennas.** No transmitting or receiving equipment (antennas, dishes, etc.) in excess of eighteen (18) inches in diameter (or such larger size as shall be expressly authorized by the regulations of the Federal Communications Commission) for radio, television, or communications may be located on the exterior of any Improvement or on the Lot without the approval of the IRC as to location and screening, if necessary. In no event, may such equipment be in the front of any Lot or Dwelling thereon or be visible from the streets within the Development Property

19. **Compliance and Penalty.** Failure to comply with any provision of this Article, Declarant during the Appointment Period and thereafter the Board may take such action as necessary to achieve compliance therewith, including, without limitation, assessment of fines or corrective action to bring such violation into compliance. The Owner shall, upon demand, immediately pay the fine and/or reimburse Declarant or other performing party for all costs incurred, including reasonable attorney's fees. Declarant and thereafter the Association shall have a lien on the Lot and Improvements thereon to secure payment of fines and/or reimbursement for such costs. Such lien may be enforced in the same manner and with the same priority as a lien for Assessments.

## **Article XI**

### **USE RESTRICTIONS**

1. **Use of Lots.** Except as otherwise permitted herein, each Lot shall be occupied and used exclusively for single-family, residential purposes and purposes customarily incidental thereto. No building on a Lot, nor any portion of any Lot, shall be used for any purpose other than that of a residence for individuals living together as a single housekeeping unit and uses customarily incidental thereto, including, without limitation, courtyard areas on a Lot. Specifically, no building may be used as a rooming house, group home, commercial foster home, fraternity or sorority house, or any similar type of lodging, care, or treatment facility. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently; provided, however, that nothing herein shall prevent the use of trailers or temporary buildings by Declarant or, by Builders approved by Declarant for sales and construction management and related uses during the construction and sale of Dwellings in the Community. All Improvements are also subject to and shall continue to be subject to the requirements of any governmental entity with jurisdiction over such Improvements and the Lot.

2. **Use of Common Areas.** Any Common Area may be used only in accordance with the purposes for which it is intended and for any reasonable purposes incidental to the residential use of a Lot and shall be subject to the Rules and Regulations governing the use as promulgated by the Association. All uses of the Common Areas shall benefit or promote the health, safety, welfare, convenience, comfort, recreation, and enjoyment of Owners and Occupants, and shall comply with the provisions of this Declaration, the laws of the State of Tennessee, the Rules and Regulations, and the other Governing Documents. The Declarant during the Appointment Period and thereafter the Association, acting through its Board of Directors, shall possess all power and authority vested in it pursuant to the Tennessee Nonprofit Corporation Act, the Charter, the Declaration, and the Governing Documents, including, but not limited to, the right to (a) contract, lease, or assign an interest in the Common Areas; (b) initiate, defend, negotiate and settle claims arising from casualty, condemnation or other actions with respect to Common Areas; and (3) establish Rules and Regulations governing conduct upon the Common Areas and all Improvements located thereon.

3. **Occupancy Permit.** No dwelling upon any Lot may be occupied prior to the issuance of a final use and occupancy permit related to same by the applicable governing authority and approval of the IRC.

4. **Lease.** For purposes of this Declaration, "leasing" is the regular, exclusive occupancy of a Home by any Person other than the Owner, for which the Owner receives any consideration or benefit, including a fee, service or gratuity. The Home on a Lot may be leased only in its entirety (e.g., separate rooms within the same Home may not be separately leased).

a. Subject to any Federal, State, or local laws, all Dwellings within the Development Property may be leased to residential tenants. All leases shall be in writing, and no lease shall be for an initial term of less than six (6) months. Within five (5) business days of the full execution of any lease or amendment thereto or extension or renewal thereof, the Owner must deliver a copy of the same to the Board or the Managing Agent. The Association shall not prohibit leasing or the transfer of any Lot nor shall it require the Association's or the Board's consent prior to leasing or transferring a Lot.

b. [Intentionally Deleted].

c. The tenant under each such lease shall be bound by and subject to all of the terms, conditions, restrictions, rights, and obligations of this Declaration, as may be amended from time to time, and the Governing Documents. Failure to comply with this Declaration and the Governing Documents shall be a default under each such lease.

d. The Association shall have the right to implement a system and procedures for the administration, tracking, oversight, and management of rentals within the Development Property, and all costs of such system and procedures will be assessed equally against the Owners who lease their Lot.

e. The leasing restrictions set forth in this Section shall not be deemed to prohibit a Mortgagee who takes title to a Lot pursuant to the terms of its security instrument from leasing same for a limited time until the Mortgagee can find a buyer for the Lot.

f. Neither the Declarant, the Association, nor the Members shall be permitted to remove, modify, revoke, amend, or supplement any provision set forth in this Section related to the leasing of any Lot, including, without limitation, the right of an Owner to lease a Lot or any restrictions applicable thereto, in each case, without the express prior written consent of any Owner who has notified the Association or the Managing Agent that such Owner is generally engaged in the business of leasing Lots or any Owner who has a Lot that is subject to a lease that has been provided to the Board or the Managing Agent.

g. Short term and/or vacation leasing is strictly prohibited. For the purposes of this subsection, "short term" renting shall be any lease term less than three full months.

h. Notwithstanding the foregoing, it is the intent of this Section to be fully compliant with FHA and VA lending requirements. As such, to the extent that any provision of this Section is not fully compliant with FHA and VA lending requirements, both now or in the future, then the Declarant and thereafter the Board, shall be authorized to prepare, execute, and Record an amendment to this Declaration to bring this Section and the Declaration into full compliance with FHA and VA lending requirements without the joinder or approval of any Owner or other person or entity.

5. **Business.** No industry, business, trade, occupation, or profession of any kind may be conducted, operated, or established on the Development Property without the prior written approval of the Board. This provision shall not prohibit (a) a "home office", provided such use does not entail any non-resident employees coming to the Lot, generate any traffic or additional parking, require any signage, and is operated in compliance with all laws including any Rules and Regulations established by the Board and applicable governmental regulations; (b) an Owner or Occupant from maintaining a personal or professional library, keeping personal business or professional records or accounts, conducting personal business, making professional telephone calls or corresponding in or from a Dwelling; or (c) during the construction and initial sales period, the use of Lots, including Dwellings and other Improvements constructed thereon, and Common Areas for construction and sales purposes by Declarant and/or by Builders, including the construction and operation of sales models and/or trailers by Declarant and/or by Builders until Dwellings have been constructed on all Lots and all Lots with Dwellings on them have been conveyed to bona fide residential home purchasers.

6. **Hazardous Actions or Materials.** Nothing shall be done or kept in or on any Lot or in or on any portion of the Common Areas that is unlawful or hazardous, that might reasonably be expected to increase the cost of casualty or public liability insurance covering the Common Areas, or that might, or

that does unreasonably disturb the quiet occupancy of any Person residing in or otherwise occupying a Dwelling on any other Lot. These provisions shall not be construed so as to prohibit the Declarant or Builders from construction activities consistent with reasonable and lawful residential construction practices.

7. **Nuisances.** No noxious or offensive trade shall be permitted on the Development Property or within any Dwelling, building, or other structure located on the Development Property, nor shall any use be made nor condition allowed to exist on any Lot which unreasonably disturbs or interferes with the quiet occupancy of any Person occupying a Dwelling on any other Lot. These provisions shall not be construed so as to prohibit Declarant or any other Builder in the Community from construction activities consistent with reasonable or customary residential construction practices.

8. **Animals.** Except as hereinafter provided, no animals, reptiles, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot or in or upon any part of the Common Areas. Notwithstanding the foregoing, household domestic pets, not bred or maintained for commercial purposes, may be maintained inside of a Dwelling constructed on a Lot, provided that: (a) the maintaining of animals shall be subject to such Rules and Regulations as the Board may from time to time promulgate, including, without limitation, the right to place limitations on the size, number, and type of such pets, and the right to levy Individual Lot Assessments and administrative and enforcement charges against persons who do not clean up after their pets; and (b) the right of an Owner or Occupant to maintain an animal in a Dwelling on a Lot shall be subject to termination if the Board, in its full and complete discretion, determines that maintenance of the animal constitutes a nuisance, creates a detrimental effect on the Community or other Lots or Occupants, or possession of which violates any law, rule or ordinance promulgated by a governmental or quasi-governmental entity. Any animal determined to be vicious, dangerous, wild, or undomesticated, is specifically prohibited. Outdoor doghouses, animal cages, and runs are prohibited without the express prior approval of the Improvement Review Committee.

9. **Storage.** Except for the reasonably necessary activities of the Declarant during the development of the Development Property (including the construction of Dwellings or other Improvements by Declarant), no open storage of any kind is permitted, and no storage buildings, barns, or sheds of any kind are permitted on any Lot. The limitations contained in this Section shall not apply to any storage as may be necessary during the construction of a Dwelling on a Lot by Declarant or Builders.

10. **Vehicles.**

a. The Board is granted the power and authority and shall be entitled to create and enforce reasonable Rules and Regulations concerning placement and the parking of any vehicle permitted in or on the Development Property or in the Community, including, without limiting the generality of the foregoing, on any Lot or Common Element. In addition to the Board's authority to levy Individual Lot Assessments as administrative or enforcement charges for the violation of such Rules and Regulations, this Declaration or the Governing Documents, the Board shall be authorized to cause the removal of any vehicle violating such Rules and Regulations, this Declaration, and/or the Governing Documents including, but not limited to, vehicles parked on the Common Areas, private drives and roadways, and/or the Lots, unless such vehicles are located in permitted, enclosed structures shielded from view.

b. No commercial vehicles, snowmobiles, watercraft, trailers, campers, buses, or mobile homes shall be parked or stored on the Common Areas, including, but not limited to, the private drives and streets, or on any Lot (except in an enclosed permitted structure shielded from view) for a total of more than forty-eight (48) hours in any thirty (30) day period, provided, however,

that nothing contained herein shall prohibit the reasonable use of such vehicles as may be necessary during construction of Dwellings on the Lots. Nothing contained herein shall prohibit the reasonable use of such vehicles as may be necessary during construction of Dwellings or Improvements on the Lots or the development of the Community by Declarant or builders, employees, and contractors approved by Declarant. In addition, no automobile or other motorized vehicle of any type or description that is not functionally or legally operable on public highways shall be kept, stored, operated, or maintained on or in front of any Lot or on the Common Areas within the Community for a period longer than seven (7) days, unless the same is entirely contained and shielded from view within a permitted structure. After such time, the vehicle, trailer, or part shall be deemed to be a nuisance and may be removed by the Association at the Lot Owner's expense, and the Board may levy an Individual Lot Assessment for such violation and for the costs.

c. For the purpose of this Section, the terms "truck" and "prohibited commercial vehicle" shall include all vehicles that have a length of more than twenty-one feet (21') and all vehicles that include any visible exterior storage of tools or materials, provided, however, that up to two ladders may be visible. Dump trucks, tow trucks, flatbed car hauling trucks, panel trucks and vans larger than one-ton capacity, pickup trucks larger than one-ton capacity, and semi-type tractors and trailers shall be considered in every instance to be a prohibited truck and/or a prohibited commercial vehicle. For the purpose of this Section, the word "trailer" shall include landscaping trailer, open bed trailer, trailer coach, house trailer, mobile home, automobile trailer, camp car, camper, or any other vehicle, whether or not self-propelled, constructed, or existing in such a manner as would permit use and occupancy thereof, or for storage or the conveyance of personal property, whether resting on wheels, jacks, tires or other foundation.

11. **Trash.** Except for the reasonably necessary activities of the Declarant during the development of the Development Property, no burning or storage of trash of any kind shall be permitted on the Development Property. All trash shall be deposited in covered, sanitary containers, screened from view, and stored either inside of a permitted structure or within screened areas approved by the IRC or Board. Any permitted structure or screened area on a Lot must comply with all requirements of any and all governmental entities having jurisdiction over the Lot. The foregoing notwithstanding, trash cans and other waste containers shall be permitted to be placed near the street or designated pick-up area on days when trash collection occurs or as otherwise permitted by the Rules and Regulations. No emptied trash containers shall be allowed to remain visible for more than twelve (12) hours following the trash pick-up.

12. **Garage / Yard Sales.** Garage sales or any other similar private or public sale of goods, personal property, or services shall not be allowed except for Association sponsored sales to be authorized by the Board and held only on specified days and at specified times on a community wide basis and in accordance with any Rules and Regulations to be established by the Board in connection therewith.

13. **Outside Recreation Equipment.** All playground and recreational equipment (e.g. swings, slides, trampolines, playhouses, basketball hoops / backboards) shall be approved by the IRC prior to installation and must be used, erected, placed, or maintained to the rear of the Lot. The Board shall have the authority to govern the location, any required screening, materials, and types of various recreational equipment.

14. **Amenities.** Any amenities (e.g. parks, clubhouse and swimming pool, community fire pit, pickle ball and bocce ball courts, and/or walking trails) and Common Areas provided by the

Association or erected within the Development Property, if any, shall be used at the risk of the user, and the Association shall not be held liable to any person for any claim, damage, or injury occurring thereon or related to use thereof. The Board may promulgate additional Rules and Regulations governing the use of such amenities and areas.

15. **Additional Prohibited Activities.** The Board may from time to time reasonably prohibit certain activities on or within the Development Property, and such prohibition shall be final and binding on all Owners.

16. **Occupants Bound.** All provisions of this Declaration and the Governing Documents which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants, guests, and invitees of any Owner. Every Owner shall cause all occupants of his or her residence to comply with This Declaration and the Governing Documents, and shall be responsible for all violations and losses to the Common Areas caused by such occupants, notwithstanding the fact that such occupants of a residence are fully liable and may be sanctioned for any violation of the Documents.

17. **Compliance with Zoning Requirements.** Certain provisions of this Declaration may have been included herein as a result of governmental requirements established through the zoning and development plan approval processes in the State, County, and/or City in which the Property is located. Compliance with all such governmental requirements, for so long as such requirements are effective and binding, is required by this Declaration. However, in the event the governmental entity(ies) change or agree to a modification of such underlying obligation(s), or if such obligations lapse or for any reason whatsoever become legally unenforceable, this Declaration shall be deemed automatically modified without the need for further action on the part of the Declarant or any Member, such that this Declaration requires compliance with the obligation as affected by such change or modification.

18. **Compliance and Penalty.** Failure to comply with any provision of this Article, Declarant during the Appointment Period and thereafter the Board may take such action as necessary to achieve compliance therewith, including, without limitation, assessment of fines or corrective action to bring such violation into compliance. The Owner shall, upon demand, immediately pay the fine and/or reimburse Declarant or other performing party for all costs incurred, including reasonable attorney's fees. Declarant and thereafter the Association shall have a lien on the Lot and Improvements thereon to secure payment of fines and/or reimbursement for such costs. Such lien may be enforced in the same manner and with the same priority as a lien for Assessments.

## **Article XII**

### **MORTGAGEE PROVISIONS**

1. **General.** In addition to any other rights granted to Mortgagees elsewhere in this Declaration, the rights and protections of this Article are hereby granted to and for the benefit of any Mortgagee.

2. **Actions Requiring Mortgagee Approval.** Without the prior written consent of at least fifty-one percent (51%) of all recorded first Mortgagees of Lots or the beneficiaries thereunder of record (based upon one vote for each Lot upon which a Mortgage is owed), who have requested such notice, the Association shall not be entitled by act or omission to seek to abandon or terminate the restrictions declared herein; provided, however, approval of such action shall be implied against any eligible Mortgagee in the event such Mortgagee fails to submit a response in writing to the Association within sixty (60) days of service of such notice by certified or registered mail, return receipt requested, to said Mortgagee at the address listed in the records of the Association.

3. **Records Examination.** Mortgagees shall have the right to examine the books, records, and financial statements of the Association, as well as this Declaration and the Governing Documents at reasonable times and upon reasonable notice.

4. **Insurance Policy.** Mortgagees shall have the right, upon written request, to receive notice from the Association of any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

5. **Insurance Proceeds – Common Areas.** No Owner or any other party shall have priority over any rights of the Mortgagees pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of Common Areas.

6. **Mortgagor Default – Lots.** Mortgagees, upon written request, shall be notified by the Association in writing of any default by the mortgagor of a Lot in the performance of such mortgagor's obligations under this Declaration and its constituent documents not cured within sixty (60) days from the date of such default.

7. **Owner Notice to Board.** Upon request, each Owner shall be obligated to furnish to the Board the name and address of the holder of any Mortgage encumbering such Owner's Lot.

8. **Mortgagee Notice to Board.** Mortgagees shall request notice of the matters set forth herein by making written request to the Board upon becoming a Mortgagee hereunder and requesting that the name and address of such Mortgagee and the Lot so encumbered be identified by the Board in the records for the Association. Any notice requesting approval of any Mortgagee as required herein shall advise said Mortgagee that failure to respond within sixty (60) days of said notice shall be deemed to be approval by said Mortgagee of the matter for which approval is being sought.

9. **Disposition by Mortgagee.** Any Mortgagee who obtains title to a Lot pursuant to remedies provided in the Mortgage or deed of trust, or upon foreclosure of the mortgage or deed of trust, or upon receiving a deed (or assignment) in lieu of foreclosure, shall take the Lot free of any claims for unpaid Assessments and charges against the mortgaged Lot, which accrue prior to the time such holder comes into possession of same. Specifically, and without limitation, the provisions of this Declaration, Supplemental Declarations, or the Governing Documents shall not impair the rights of any Mortgagee to: (a) foreclose or take title to a Lot pursuant to remedies provided in the Mortgage; (b) accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor; or (c) sell a Lot acquired by the Mortgagee.

### **Article XIII**

#### **AMENDMENTS**

1. **Owners.** Except as otherwise provided herein, the provisions of this Declaration may be changed, modified, or amended by Supplemental Declaration or other written and properly recorded instrument setting forth such change, modification, or amendment, upon the affirmative Vote of not less than sixty-seven percent (67%) of the Members present at a duly called meeting of the Association or the affirmative written consent of such percentage of the Members at which a quorum is present unless a higher percentage Vote is required elsewhere in this Declaration or applicable law. However, any such change, modification, or amendment that would change or delete any right, remedy, benefit, or privilege afforded to the Declarant under this Declaration shall require the verified written consent of the Declarant upon such instrument in order to be effective. Unless a higher percentage is required by law, revocation

of this Declaration or the self-management of the Association shall require the affirmative Vote of not less than sixty-seven percent (67%) of the all the Members of the Association entitled to Vote at a duly called meeting of the Association or the affirmative written consent of such percentage of the Members at which a quorum is present. Any such change, modification, amendment, or revocation shall not become effective until the instrument evidencing such change has been recorded in the Register's Office for Maury County, Tennessee.

2. **Declarant.** The Declarant hereby reserves and shall have the right, power, privilege, and authority, in its sole discretion, to amend this Declaration and any Exhibit hereto without the consent, joinder, or approval of the Association, the Board, Owner, any Person having a contractual right to purchase a Lot, any Mortgagee or beneficiary of any Mortgage or deed of trust on any Lot or any other Person. Such right, power, privilege, and authority of Declarant shall expire upon the termination of the Appointment Period. Declarant shall be in no way obligated to amend this Declaration or any Exhibit hereto pursuant to this Section.

3. **Discrimination.** No amendment shall discriminate against any Owner or against any group of Owners, unless the Owner(s) so affected shall consent. No amendment shall change the Voting rights provided herein unless the Owner(s) so affected shall consent.

#### **Article XIV** **MISCELLANEOUS PROVISIONS**

1. **Duration.** The covenants and restrictions of this Declaration shall run with and bind title to the Development Property, shall be binding upon and inure to the benefit of Declarant, the Association, and all Owners and Mortgagees, and their respective heirs, executors, legal representatives, successors, and assigns, and shall be and remain in effect until the tenth (10<sup>th</sup>) anniversary of the date of the recording of this Declaration, whereupon this Declaration shall be automatically renewed for successive terms of five (5) years unless Owners holding at least two-thirds of the Vote of all Owners entitled to cast a Vote elect to terminate the Declaration by vote taken at least six (6) months prior to the end of the current term and unless such termination is approved by the applicable governing authority. Notwithstanding the foregoing, any easements granted pursuant hereto or in any Supplemental Declaration are and shall be perpetual, except to the extent, if any, otherwise provided in the creation of any such easement, and except that any dedication to and acceptance by an appropriate governmental authority or any conveyance or grant to any appropriate public utility of the facilities that are the subject of any such easements shall terminate those easements if such dedication, conveyance, or grant so provides.

2. **Notice to Owners.** Notice to any Owner set forth herein shall be sent by prepaid U.S. Mail, FedEx, UPS, or other reputable private carrier, facsimile transmission, or electronic transmission at the address or other contact information provided to the Board by the Owner or in the event no separate address or other contact information has been provided, then by prepaid U.S. Mail or hand delivery to the Owner's Lot. It shall be the obligation of every Owner to notify the Board in writing of any change in address. Any Person who becomes the Owner after the date on which notice was made upon such Owner's predecessor in title to the Lot shall be deemed to have received such notice.

3. **Notice to Declarant or Association.** The address of the Declarant and the Association for the purposes of furnishing notice(s) as provided in this Declaration or the Governing Documents shall be the principal office of the Declarant or the Association of record in the Office of the Secretary of State for the State of Tennessee, unless and until notice of an alternative address is given in writing to all Owners. Notices addressed as above shall be delivered in person with written acknowledgment of the

receipt thereof or sent by prepaid U.S. Mail, FedEx, UPS, or other reputable private carrier, receipt signature required.

4. **Construction Activity.** All Owners acknowledge and understand that Declarant and Builders will be constructing/renovating portions of the Development Property and engaging in other construction activities related to the construction of Common Areas and Improvements. Such construction activities may, from time to time, produce certain conditions on the Development Property, including, without limitation: noise or sound that is objectionable because of its volume, duration, frequency or shrillness; smoke; noxious, toxic, or corrosive fumes or gases; obnoxious odors; dust, dirt or flying ash; unusual fire or explosion hazards; temporary interruption of utilities; and/or other conditions that may threaten the security or safety of persons on the Development Property. Notwithstanding the foregoing, all Owners agree that such conditions on the Development Property resulting from renovation and construction activities shall not be deemed a nuisance and shall not cause Declarant or Builder(s) and their agents to be deemed in violation of any provision of the Declaration.

5. **Statute of Limitation.** No action in contract, tort, or otherwise against the Association, the Board, or the Declarant for any action or inaction by the same or to challenge the validity of this Declaration, any Supplemental Declaration or other duly adopted amendment may be brought more than one (1) year after the occurrence of such action or inaction or the date this Declaration, the Supplemental Declaration, or other instrument is recorded.

6. **Litigation.** No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a Vote of not less than seventy-five (75%) percent of the Members of the Association. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of Assessments, fines, or any other amount or charge collectable by the Association, (c) proceedings involving challenges to *ad valorem* taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. If the Association has commenced a proceeding as provided in this Section, then the Owners shall be barred from commencing a same or substantially similar proceeding. Owners waive the right to seek special, consequential and punitive damages. Further, the Association shall not commence proceedings on behalf of an Owner(s) or intervene in such action. Except as otherwise expressly set forth in this Declaration, the parties to any proceeding contemplated in this Section shall bear their respective attorney's fees incurred in connection therewith. This Section shall not be amended unless such amendment is made by the Declarant during the Appointment Period or is approved by the percentage Votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

7. **Jury Waiver.** EACH OWNER AGREES TO WAIVE A TRIAL BY JURY IN ANY DISPUTE ARISING RELATED TO OR ARISING OUT OF THIS DECLARATION, THE GOVERNING DOCUMENTS AND THE MANAGEMENT OF AND/OR GOVERNANCE OVER THE ASSOCIATION

8. **Books and Records.** Except for confidential, non-public information of the Association or that affecting the privacy rights of third parties or otherwise subject to confidentiality or non-disclosure protections or objections under any basis, the books and records of the Association are subject to inspection at the principal office of the Association by any Owner during reasonable business hours and upon ten (10) days prior written notice. Copies of such records may be purchased at a reasonable cost.

9. **Right to Mortgage Information.** Each Owner hereby authorizes any Mortgagee holding a Mortgage on such Owner's Lot to furnish information to the Board concerning the status of such

Mortgage and the loan which it secures, to the extent such information is appropriate to assist the Board in determining if such loan is a valid first Mortgage or secondary purchase money Mortgage.

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

11. **Land Outside Development Property.** The restrictions created by this Declaration benefit and burden only the Development Property and no other land whatsoever. Notwithstanding any possible sharing of present or future facilities by other land, whether developed by Declarant or others, the general plan created by the restrictions of this Declaration extends only to the Development Property, and such restrictions are not intended to benefit any Persons other than those having an interest in the Development Property. No Person owning land or having an interest in land outside of the Development Property shall have any right whatsoever to enforce this Declaration for the benefit of such land, and neither the Association, nor any Owner shall have the right to extend the enforcement of this Declaration to any real property not within the Development Property. Provided, however, nothing contained herein shall in any way preclude or limit the applicable governing bodies from enforcing the terms of this Declaration and the Governing Documents.

12. **General Development Information.** Any brochures, maps, models, handouts, schematics, plans, and facilities provided or available in connection with the Development Property or the development, construction, promotion, sale, marketing, or leasing of Development Property or Improvements thereon: (a) are provided for general information purposes only; (b) are subject to change and deletion without notice by Declarant or by public or governmental authorities; and (c) shall not obligate Declarant to develop, construct, promote, market, sell, or lease any such property or Improvements whatsoever or in any particular manner, or to add to the Development Property any Future Phase Property.

13. **Governing Law.** This Declaration shall be construed, governed, and enforced under and in accordance with the laws of the State of Tennessee.

14. **Interpretation.** The Board shall have the right, power, and authority to determine all questions arising under or in connection with this Declaration and the Governing Documents and to construe and interpret its provisions, and any determination, construction, or interpretation made in good faith by the Board shall be binding on all Owners. In all cases, the provisions set forth in this Declaration shall be construed, in the opinion of the Board, to best effect the intent of the general purposes of this Declaration. The provisions hereof shall be liberally interpreted to effectuate the purposes set forth herein, and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective.

15. **Remedies Cumulative.** The rights, powers and remedies provided in this Declaration shall be cumulative and not restrictive of other remedies at law or in equity, and the exercise by a Person of any particular right, power, or remedy shall not be deemed an election of remedies or to preclude such Person's resort to other rights, powers, or remedies available to it.

16. **Perpetuities and Restraints on Alienation.** If any of the options, privileges, covenants or rights created by this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the

survivor of the now living descendants of the President of the United States in office as of the date of the Recording of this Declaration.

17. **Severability.** If any provision of this Declaration, the Governing Documents or any section, sentence, clause, phrase, word or the application thereof in any circumstance is held invalid; the validity of the remainder of this Declaration and the Governing Documents and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby, and the remainder of this Declaration or the Governing Documents shall be construed as if such invalid part was never included therein.

18. **Captions and Gender.** The captions herein are inserted only as a matter of convenience, and in no way define, limit or describe the scope of these provisions or the intent of any provision hereof. The use of the masculine gender in this Declaration and in the Governing Documents shall be deemed to include the feminine and neuter references, and the use of the singular shall be deemed to include the plural whenever the context so requires.

19. **Exoneration of Declarant.** Each Owner or any other party having an interest in any portion of the Development Property expressly agree that no duty or obligation is imposed upon the Declarant to enforce or attempt to enforce any of the covenants or restrictions contained herein, nor shall the Declarant be subject to any liability of any kind or nature whatsoever in respect to any claim that the Declarant has failed to enforce same.

20. **Conflicts and Effective Date.** In case of conflicts between the provisions in this Declaration and the Governing Documents this Declaration shall control. The effective date of this Declaration shall be the date of its recording in the Register's Office for Maury County, Tennessee.

[ *Notarized Signature on Next Page* ]

IN WITNESS WHEREOF, the undersigned, being the owner of the Development Property to be subject hereto, has caused this Declaration to be duly executed as of the date below.

**DECLARANT:**

**M/I Homes of Nashville, LLC,  
a Delaware limited liability company**

By: Kaylee Harmon

Print  
Name: Kaylee Harmon

Its: Land Project Manager

STATE OF TENNESSEE     )  
  )  
COUNTY OF Maury     )

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, the within named Kaylee Harmon, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged him/herself to be the Declarant ("Officer") of **M/I Homes of Nashville, LLC, a Delaware limited liability company** (the "Entity"), the bargainor, and that he/she as such officer or agent, being authorized so to do, executed the within instrument for the purposes therein contained by signing the name of the Entity by him/herself as such Officer.

Witness my hand and seal the 2nd day of January, 2025.

Erika Root  
NOTARY PUBLIC

My Commission Expires: 06 / 26 / 2027



## **Exhibit A**

### **LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY**

#### **TRACT II (a portion of Map 113, Parcel 80.51)**

LAND LYING IN MAURY COUNTY, TENNESSEE, SOUTH OF COLUMBIA, 4,000 FEET SOUTH OF THE INTERSECTION OF NEW LEWISBURG HIGHWAY (U.S. HWY. 50) AND PULASKI HIGHWAY (U.S. HWY. 31), LYING ON THE EAST SIDE OF SAME, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:  
BEGINNING AT A 1-INCH IRON PIPE FOUND, BEING THE NORTHEASTERN CORNER OF THE ALLISON AND DEAN LOVE PROPERTY, DEED BOOK R2216, PAGE 183; REGISTER'S OFFICE OF MAURY COUNTY (HEREAFTER R.O.M.C.); SAID ROD BEING LOCATED AT TENNESSEE STATE PLANE COORDINATES NORTH: 454,700.47 FEET AND EAST: 1,659,362.97, NAD 83(2011), U.S. SURVEY FEET; THENCE, ALONG THE NORTHERN BOUNDARY OF SAID LOVE PROPERTY NORTH 83°21'16" WEST, 466.96 FEET, BEING THE SOUTHEASTERN CORNER OF TRACT I; THENCE, ALONG THE COMMON BOUNDARY BETWEEN TRACT I AND TRACT II NORTH 7°43'57" EAST, 442.01 FEET, BEING THE NORTHEASTERN CORNER OF TRACT I AND LYING ON THE SOUTHERN MARGIN OF PROPOSED ROAD "A"; THENCE, ALONG THE SOUTHERN MARGIN OF SAME SOUTH 82°16'03" EAST, 522.00 FEET; THENCE, LEAVING THE MARGIN OF SAME, SOUTH 7°43'57" WEST, 83.44 FEET TO THE POINT OF CURVATURE OF A CIRCULAR CURVE, CONCAVE WESTERLY, WITH A RADIUS OF 205.00 FEET AND A CENTRAL ANGLE OF 17°08'08"; THENCE, ALONG SAID CURVE, SOUTHERLY, 61.31 FEET; SOUTH 24°52'05" WEST, 103.07 FEET, BEING THE POINT OF CURVATURE OF A CIRCULAR CURVE, CONCAVE SOUTHEASTERLY, WITH A RADIUS OF 405.00 FEET AND A CENTRAL ANGLE OF 4°03'20"; THENCE, SOUTHWESTERLY ALONG SAID CURVE 28.67 FEET TO A POINT OF NON-TANGENCY; NORTH 82°16'05" WEST, 8.23 FEET, LYING ON THE EASTERN BOUNDARY OF RECORD IN DEED BOOK R2326, PAGE 74, R.O.M.C.; THENCE ALONG THE BOUNDARY OF SAME SOUTH 7°42'57" WEST, 163.09 FEET TO THE POINT OF BEGINNING. CONTAINING 4.944 ACRES OR 215,374 SQUARE FEET, MORE OR LESS, according to survey prepared by Jonathan Danaslemp, TN Registered Land Surveyor No. 3123, on February 21, 2024.

#### **TRACT III (a portion of Map 113, Parcel 80.47)**

LAND LYING IN MAURY COUNTY, TENNESSEE, SOUTH OF COLUMBIA, 4,000 FEET SOUTH OF THE INTERSECTION OF NEW LEWISBURG HIGHWAY (U.S. HWY. 50) AND PULASKI HIGHWAY (U.S. HWY. 31), LYING ON THE EAST SIDE OF SAME, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 1-INCH IRON PIPE FOUND, BEING THE NORTHEASTERN CORNER OF THE ALLISON AND DEAN LOVE PROPERTY, DEED BOOK R2216, PAGE 183; REGISTER'S OFFICE OF MAURY COUNTY (HEREAFTER R.O.M.C.) AND THE SOUTHEASTERN CORNER OF LAND DESCRIBED IN DEED BOOK 2874, PAGE 780; SAID ROD BEING LOCATED AT TENNESSEE STATE PLANE COORDINATES NORTH: 454,700.47 FEET AND EAST: 1,659,362.97, NAD 83(2011), U.S. SURVEY FEET;

THENCE, ALONG THE EASTERN BOUNDARY OF SAID RECORDED LINE THE FOLLOWING CALLS: NORTH 7°43'55" EAST, 173.98 FEET; NORTH 24°52'05" EAST, 123.78 FEET TO THE POINT OF CURVATURE OF A CIRCULAR CURVE, CONCAVE NORTHWESTERLY, WITH A RADIUS OF 195.00 FEET; THENCE ALONG SAID CURVE 58.32 FEET TO THE POINT OF TANGENCY; NORTH 7°43'57" EAST, 133.44 FEET TO THE POINT OF BEGINNING LYING ON THE NORTHERN MARGIN OF A PROPOSED ROAD "A" AND THE EASTERN BOUNDARY OF LAND DESCRIBED IN DEED BOOK R2965, PAGE 987, R.O.M.C.; THENCE, ALONG THE NORTHERN MARGIN OF SAID ROAD "A" NORTH 82°16'03" WEST, 268.00 FEET TO A POINT LYING ON THE WESTERN MARGIN OF PROPOSED ROAD "H"; THENCE, LEAVING THE MARGIN OF SAID ROAD "A" AND ALONG THE MARGIN OF SAID ROAD "H" NORTH 7°43'57" EAST, 118.01 FEET; THENCE, LEAVING THE WEST MARGIN AND CROSSING SAID ROAD "H" SOUTH 82°16'03" EAST, 188.00 FEET TO THE POINT OF CURVATURE OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, WITH A RADIUS OF 80.00 FEET AND A CENTRAL ANGLE OF 25°50'28"; THENCE ALONG SAID CURVE 36.08 FEET TO A POINT OF COMPOUND CURVATURE, SAID CURVE IS CONCAVE SOUTHWESTERLY WITH A RADIUS OF 80.00 FEET AND A CENTRAL ANGLE OF 64°09'32"; THENCE, ALONG SAID CURVE 89.58 FEET; THENCE, SOUTH 7°43'57" WEST, 38.01 FEET TO THE POINT OF BEGINNING. CONTAINING 0.695 ACRES OR 30,254 SQUARE FEET, MORE OR LESS, according to survey prepared by Jonathan Danaslemp, TN Registered Land Surveyor No. 3123, on February 21, 2024.

Being the same property conveyed to **M/I HOMES OF NASHVILLE, LLC**, a Delaware Limited Liability Company from **RMC LAND, LLC**, a Tennessee Limited Liability Company by deed of record in the Register's Office for Maury County, Tennessee at Book R2976, Page 625-631-24002677.

**Exhibit B**

**BY-LAWS OF  
HILLCREST OWNERS ASSOCIATION, INC.**

**Article I  
DEFINITIONS**

The words defined in the Declaration of Covenants, Conditions, and Restrictions for Hillcrest of Record in the Register's Office for Maury County, TN shall have the same meaning in these By-Laws.

**Article II  
NAME AND OFFICES**

1. **Name.** The name of the Association for all Lot Owners within the Development Property shall be Hillcrest Owners Association, Inc.
2. **Registered Office and Agent.** The initial registered office of the Association is Hillcrest Owners Association, Inc. c/o M/I Homes of Nashville, LLC, 725 Cool Springs Blvd., Ste 180, Tennessee 37067, Attn: Kaylee Harmon; kharmon@mihomes.com, as may be relocated by the Board from time to time. The name of the initial registered agent of the Association is Kaylee Harmon, who may be located at the registered office.
3. **Other Offices.** The Association may also have offices at such other places as the Board may from time to time determine or the business of the Association may require.

**Article III  
MEMBERS AND MEMBERSHIP PRIVILEGES**

1. **Eligibility and Membership.** The Members of the Association shall consist of the Owners of a Lot within the Development Property. If an Owner is a trust, then the Member shall be a beneficiary of such trust; and if an Owner or such a beneficiary is a corporation or partnership, the Member may be an officer, partner, or employee of such Owner or beneficiary. No Member shall be required to pay any consideration whatsoever solely for membership in the Association.
2. **Succession.** The membership of each Owner shall terminate when he ceases to be an Owner, and upon sale, transfer, or other disposition of his ownership interest in the Development Property, his membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest.

**Article IV  
MEETINGS OF MEMBERS**

1. **Annual Meetings.** The first regular annual meeting of the Members may be held, subject to the terms hereof on any day, at the option of the Board; provided, however, that the first meeting may

(if necessary to comply with Federal Regulations) be held no later than the earlier of the following events: (a) four (4) months after all the Lots within the Development Property have been sold by Declarant or (b) seven (7) years following conveyance of the first Lot within the Development Property by the Declarant. Each subsequent regular annual meeting of the Members shall be held within twenty-five (25) days of the anniversary of the first regular annual meeting each year thereafter at such time as set by the Board.

2. **Special Meeting.** Following the Appointment Period, special meetings of the Members, for any purpose or purposes, may be called by the president, a majority of the Board, or by Members having not less than sixty-seven percent (67%) of the total Vote entitled to be cast at such meeting, except as otherwise required by Tennessee statute, the Declaration, or these By-Laws. Business transacted at all special meetings shall be confined to the business stated in the notice of such meeting. During the Appointment Period, special meetings of the Members, for any purpose or purposes, may only be called by the Declarant.

3. **Place and Time of Meetings.** Meetings of the Members of the Association may be held at a place and at such time to be determined by the Board within Maury County, Tennessee as specified in the written notice of such meeting. Meetings may be held electronically / virtually.

4. **Notice.** At the direction of Declarant, president, secretary, or other officer or Person authorized to call the meeting, written notice shall be sent to every Member of the Association entitled to Vote at such meeting by prepaid U.S. Mail, FedEx, UPS, or other reputable private carrier, or facsimile or electronic transmission to the address or other contact information provided to the Board by the Owner or in the event no separate address or other contact information has been provided, then by prepaid U.S. Mail or hand delivery to the Owner's Lot not less than ten (10) nor more than sixty (60) days prior to the date of such meeting. Said notice shall state the place, day, and hour of the meeting and in the case of a special meeting, the purpose(s) for which the meeting is called.

5. **Quorum.** The presence in person or by proxy of at least thirty-five percent (35%) of the Votes entitled to be cast at a meeting of the Members shall constitute a quorum at all meetings of the Members for the transaction of business. If, however, the Members entitled to Vote in person or represented by proxy present at a meeting fail to satisfy a quorum, the Members present shall have the power to adjourn the meeting, without notice other than announcement at the meeting, until a quorum shall be present or represented. Further, if a quorum is not present, a subsequent meeting may be called, and the required quorum shall be reduced by half at such meeting. Such procedure may be repeated until a quorum is established, although in no event may the required quorum be less than fifteen percent (15%) of the Votes entitled to be cast at a meeting of the Members.

6. **Majority Vote; Withdrawal of Quorum.** When a quorum is present at any meeting, the affirmative Vote of not less than sixty-seven percent (67%) of the Members present, in person or by proxy, and entitled to Vote shall decide any question brought before such meeting, unless the question is one upon which by express provision of an applicable Tennessee statute, the Declaration, or these By-Laws, a different Vote is required, in which case such express provision shall govern and control the decision of such question. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding withdrawal of enough Members to leave less than a quorum.

7. **Method of Voting; Proxies.** Each Member shall be entitled to cast one (1) Vote each Lot owned by such Member as further provided in the Declaration; provided, however, during the Appointment Period, the Declarant, its successors and assigns, shall have one (1) Vote for each Lot owned by the Declarant plus four (4) Votes of each Lot owned by any Person who is not the Declarant. Votes may be cast by electronic ballot. The Vote of each Member may only be cast by such Member or by a proxy duly executed and given by such Member to his authorized representative as set forth on such proxy. No proxy shall be valid for more than one meeting (unless otherwise stated on such proxy) and shall bear the signature of the Member making the proxy, the date of the meeting (or meetings) to which the proxy relates, and the name of the authorized representative to Vote on behalf of the Member. Such proxy may not be revoked except by actual written notice to the Person presiding over the meeting for which the proxy relates. Proxies shall be filed with the secretary prior to or at the time of the meeting. If title to any property ownership interest in a Lot of the Development Property entitling the Member to Voting rights as provided in the Declaration is in the name of two or more Persons as co-owners, all such Persons shall be Members of the Association and referred to herein as a "Joint Member." Any such Joint Member is entitled to one unanimous Vote per entitled Member as provided in the Declaration at any meeting of the Members of the Association, and such Vote shall be binding upon the Joint Member until written notice to the contrary has been received by the Board identifying the authorized manner in which the Joint Member's unanimous Vote is to be cast (in person or by proxy). In the event of disagreement among such Joint Member to cast a Vote, such Joint Member shall not be recognized, and such Vote shall not be counted.

8. **Assessment Default.** No Owner who is in default in the payment of any Assessment or other duly levied charge shall be entitled to exercise his right to Vote until he has cured such default. An Owner may protest the amount of any Assessment or other duly levied charge, but it still must be paid during the pendency of his protest to the Association or its agent.

9. **Action Taken Without a Meeting.** The Members shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written consent of the number of members which would otherwise be required to approve such action. Any action so approved shall have the same effect as though taken at a properly called meeting of the Members.

## **Article V**

### **BOARD OF DIRECTORS**

1. **Board Authority and Number.** The affairs of the Association shall be managed by a Board of Directors. During the Appointment Period, the members of the Board, who need not be Members of the Association, shall be appointed by the Declarant and shall serve at the pleasure of the Declarant. After the Appointment Period, the Board shall consist of three (3) directors each of whom must individually be a member of the Association or be the Declarant, its assignee or officer, agent, or representative thereof.

2. **Election.** After the Appointment Period, the election of the members of the Board to be elected for a particular year shall occur at the annual meeting of the Members. The election of the Board by the Owners shall be based on the number of Persons receiving the highest number of Votes for as

many candidates as there are Directors being elected at a meeting of the Owners at which a quorum is present. Cumulative Voting is not permitted.

3. **Nomination.** Nomination for election to the Board may be made in writing by a Member submitted to the Board or may also be made from the floor at the annual meeting.

4. **Term of Office.** Directors shall be elected for terms of two (2) years or until their successor is elected. Provided, however, the initial Directors elected by the Members after the Appointment Period shall be grouped into two (2) separate classes so that approximately one-half of total number of initially elected Directors are up for re-election each year. Thus, as to such initial Directors elected by the Members, the one-half of the Directors (or the minority if there is an odd number of Directors) receiving the fewest number of Votes will serve a one (1) year term, and the other one-half of the Directors (or the majority if there is an odd number of Directors) receiving the highest number of Votes will serve for a two (2) year term.

5. **Vacancies.** If any vacancy occurs in the Board, caused by death, removal from office, retirement, resignation or disqualification, a successor(s) shall be elected by majority vote of the remaining Directors for the unexpired term of his predecessor in office. Any Director who ceases to be a Member of the Association during such Director's term in office shall cease being a Director effective with such change, and such Director's successor shall be selected by the remaining Members of the Board.

6. **Director Removal by Board Members.** Any Director may be removed from office with or without cause by the majority vote of the Directors, who shall elect a successor Director for the unexpired term of his predecessor in office by majority vote.

7. **Director Removal by Members.** Notwithstanding any provision to the contrary in the Declaration or these By-Laws, any member of the Board other than a member appointed by the Declarant may be removed with or without cause by majority Vote of all the Members of the Association.

8. **Place of Meetings.** The Board shall hold their meetings, both regular and special, in Maury County, Tennessee or such other location as may be selected by unanimous consent of the Directors then elected and serving. Meetings may also be held electronically / virtually. Regular meetings of the Board may be held without notice at such time and place as shall from time to time be determined by the Board. Special meetings of the Board may be called by the president or a majority of the Directors upon three (3) business days written notice to each Director, either personally, by mail, or by other electronic transmittal. Except as may be otherwise expressly provided by Tennessee statute, the Declaration, or these By-Laws, neither the business to be transacted nor the purpose of any special meeting need be specified in a notice or waiver of notice.

9. **Quorum.** At all meetings of the Board, the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business. The act of a majority of the Directors present at any such meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at any meeting of the Directors, the Directors present may adjourn the meeting by announcement at the meeting without notice until a quorum shall be present.

10. **Action Taken Without a Meeting.** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

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

12. **Agents and Delegation of Powers.** Except as otherwise prohibited by statute, the Declaration, or these By-Laws, the Board may delegate any of its powers to other Persons or Management Agent. Any such delegated powers shall be identified in writing maintained in the records of the Association.

## **Article VI**

### **BOARD POWERS AND DUTIES**

1. **Powers.** The Board shall have the following powers subject to the provisions of the Declaration of the Association:

a. Enforce the Declaration; and adopt, enforce, and amend Rules and Regulations and/or other Governing Documents governing the use of the Development Property and facilities and the personal conduct of Owners and their guests thereon; and establish penalties for the infraction thereof.

b. Elect and remove the officers of the Association and declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board.

c. Suspend the Voting rights of a Member during any period in which such Member is in default in the payment of any Assessment or other duly levied charge by the Association.

d. Make contracts and incur liabilities and borrow money for the purpose of repair or restoration of Common Areas that are the responsibility of the Association to repair or restore.

e. Regulate the use, maintenance, repair, replacement, or modification of Common Areas and formulate policies for administration, management, and operation of the Development Property and the Common Areas.

f. Cause additional Improvements to be made as a part of the Common Areas.

g. Grant easements, leases, licenses, and concessions through or over the Common Areas.

h. Appoint a Nominating Committee and any other desired committee of the Board and delegate to such committees the Board's authority to carry out certain duties of the Board or other such directives of the Board.

i. Assign the Association's right to future income, including the right to receive Assessments.

j. Exercise any other powers conferred by the Declaration and these By-Laws and exercise any other powers necessary and proper for the governance and operation of the Association and the administration of the affairs of the Association and Development Property.

k. Exercise all other powers that may be exercised in this State by legal entities of the same type as this Association.

2. **Duties.** The Board shall have the following Duties subject to the provisions of the Declaration of the Association.

a. Adopt and amend budgets for revenues, expenditures, and reserves; send notice of Assessments and any other duly levied charges to Owners; collect Assessments and any other duly levied charges from Owners; and impose charges for late payment of Assessments or other duly levied charges.

b. Determine the fiscal year of the Association and change said fiscal year from time to time as the Board deems necessary or appropriate.

c. Hire and discharge managing agents and independent contractors, other employees, and agents; and supervise all officers, agents, and employees of the Association to see that their duties are properly performed.

d. Comply with the instructions expressed in resolutions duly adopted at any regular or special meeting of Owners at such meeting.

e. Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property.

f. Impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Areas and for services provided to Owners.

g. Impose reasonable charges for the preparation and recordation of amendments to the Declaration or the production of Association information and/or documents.

h. Impose reasonable charges for services rendered in connection with the transfer of a Lot.

i. Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or any two (2) or more Owners on matters affecting the Development Property.

j. Foreclose the lien against any property for which Assessments or other duly levied charges are not paid or to bring an action at law against the Owner personally obligated to pay such amounts.

k. Provide for the indemnification of the Association's Officers and members of the Board and maintain liability insurance on such Directors and Officers.

l. Secure insurance policies as required or allowed by the Declaration, and in this regard, review the amounts of coverage afforded under such policies.

3. **Non-Delegation.** Nothing in these By-Laws shall be considered to grant to the Association, the Board or the officers of the Association any powers or duties which, by law, have been delegated to the Owners.

## **Article VII** **OFFICERS**

1. **Enumeration of Offices.** The officers of the Association shall be a president, a secretary, and such other officers as the Board may from time to time create.

2. **Election of Officers.** The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members. The officers shall be elected by the Directors from among the members of the Board.

3. **Term.** The officers of the Association shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

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

5. **Resignation and Removal.** Any officer may be removed from office with or without cause by the affirmative vote of a majority of the Board. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified in the notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

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

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

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

9. **President.** The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Members and the Board. The president shall have general and active management of the affairs of the Association shall see that all orders and resolutions of the Board are carried into effect and shall perform such other duties as the Board shall prescribe. The president may prepare, execute, certify, and record amendments to the Declaration on behalf of the Association.

10. **Vice-President.** The vice-president shall act in the place and stead of the president in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

11. **Secretary.** The secretary shall attend all sessions of the Board and all meetings of the Members and shall record all votes and the minutes of all proceedings. The secretary shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board and shall perform such other duties as may be prescribed by the Board or president. If the secretary is not able to perform any duty as herein or otherwise provided, it is the sole responsibility of the secretary to delegate such duties until such time that the secretary resumes these duties. The secretary may prepare, execute, certify, and record amendments to the Declaration on behalf of the Association.

12. **Treasurer.** The treasurer shall have the custody of the corporate funds and securities, shall keep full and accurate accounts of receipts and disbursements of the Association and shall deposit all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board. The treasurer shall disburse the funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements. At the regular meetings of the Board or whenever they may require it, the treasurer shall render to the president and Board an account of all transactions of the treasurer and of the financial condition of the Association. The treasurer shall perform such other duties as the Board may prescribe.

## **Article VIII**

### **MISCELLANEOUS PROVISIONS**

1. **Reserves.** The Board shall provide for such reserves as the Directors, in their discretion, determine proper to provide for contingencies, to repair or maintain any portion of the Development Property, or for such other purpose as the Directors determine beneficial to the Association.

2. **Checks.** All checks or demands for money and notes of the Association shall be signed by such officer or officers or such other Person(s) as the Board may designate.

3. **Books and Records.** Except for confidential, non-public information of the Association or that affecting the privacy rights of third parties or otherwise subject to confidentiality or non-disclosure protections or objections under any basis, the books and records of the Association are subject to inspection at the principal office of the Association by any Owner during reasonable business hours and upon ten (10) days prior written notice. Copies of such records may be purchased at a reasonable cost.

4. **Amendment.** Except as otherwise provided herein, the provisions of these By-Laws may be modified or amended upon the affirmative Vote of not less than sixty-seven percent (67%) of the Members present at a duly called meeting of the Association or the affirmative written consent of such percentage of the Members at which a quorum is present unless a higher percentage Vote is required elsewhere in these By-Laws, the Declaration, or by Tennessee statute. However, any such change, modification, or amendment that would change or delete any right, remedy, benefit, or privilege afforded to the Declarant under these By-Laws shall require the consent of the Declarant in order to be effective.

5. **Indemnification.** The Association shall indemnify any current or former Director, officer, or employee of the Association against expenses actually and necessarily incurred by him and any amount paid in satisfaction of judgments, in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a Director, officer or employee (whether or not a Director, officer or employee at the time such costs or expenses are incurred by or imposed upon him) except in relation to matters in which he shall have been adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of his duty. The Association may also reimburse to any Directors, officer, or employee the reasonable costs of settlement of any such action, suit, or proceedings; if it shall be found by a majority of the Directors not involved in the matter of controversy, whether or not a quorum, that it was in the interest of the Association that such settlement be made and that such Director, officer, or employee was not guilty of gross negligence or willful misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, officer, or employee may be entitled by law or under by-law, agreement, Vote of Members, or otherwise.

6. **Inconsistencies.** In the event, these By-Laws shall be inconsistent with the Declaration, then the Declaration shall be controlling.

7. **Headings.** The headings used in these By-Laws have been inserted for administrative convenience only and do not constitute matters to be construed in interpretation.

*[ Signature on Next Page ]*

### CERTIFICATION

The undersigned hereby certifies that the foregoing By-Laws were duly executed and adopted by the Declarant on this the 22 day of January, 2025.

### DECLARANT:

**M/I Homes of Nashville, LLC,  
a Delaware limited liability company**

By:

Kaylee Harmon

Print

Name:

Kaylee Harmon

Its:

Land Project Manager

# CHARTER NONPROFIT CORPORATION

SS-4418



**Tre Hargett**  
Secretary of State

**Division of Business Services**  
**Department of State**  
State of Tennessee  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102  
(615) 741-2286

Filing Fee: \$100.00

For Office Use Only

**-FILED-**

Control # 001622728

The undersigned, acting as incorporator(s) of a nonprofit corporation under the provisions of the Tennessee Nonprofit Corporation Act, adopt the following Articles of Incorporation.

1. The name of the corporation is: Hillcrest Owners Association, Inc.

2. Name Consent: (Written Consent for Use of Indistinguishable Name)

☐ This entity name already exists in Tennessee and has received name consent from the existing entity.

3. This company has the additional designation of: None

4. The name and complete address of its initial registered agent and office located in the State of Tennessee is:

M/I HOMES OF NASHVILLE, LLC  
KAYLEE HARMON  
180  
725 COOL SPRINGS BLVD  
FRANKLIN, TN 37067  
WILLIAMSON COUNTY

5. Fiscal Year Close Month: December

Period of Duration: Perpetual

6. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date and time is:

(none)

(Not to exceed 90 days)

7. The corporation is not for profit.

8. Please complete all of the following sentences by checking one of the two boxes in each sentence:

This corporation is a ☐ public benefit corporation / ☒ mutual benefit corporation.

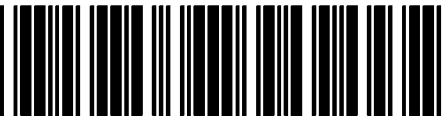
This corporation is a ☐ religious corporation / ☒ not a religious corporation.

This corporation will ☒ have members / ☐ not have members.

9. The complete address of its principal office is:

KAYLEE HARMON  
180  
725 COOL SPRINGS BLVD.  
FRANKLIN, TN 37067  
WILLIAMSON COUNTY

(Note: Pursuant to T.C.A. §10-7-503 all information on this form is public record.)



**CHARTER  
NONPROFIT CORPORATION**

SS-4418



**Tre Hargett**  
Secretary of State

**Division of Business Services  
Department of State  
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312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102  
(615) 741-2286

Filing Fee: \$100.00

*For Office Use Only*

**-FILED-**

Control # 001622728

**The name of the corporation is:** Hillcrest Owners Association, Inc.

**10. The complete mailing address of the entity (if different from the principal office) is:**

KAYLEE HARMON  
180  
725 COOL SPRINGS BLVD.  
FRANKLIN, TN 37067

**11. List the name and complete address of each incorporator:**

Title	Name	Business Address	City, State, Zip
Incorporator	Kaylee Harmon	725 COOL SPRINGS BLVD. 180	FRANKLIN, TN 37067

**12. School Organization:** (required if the additional designation of "School Organization - Exempt" is entered in section 3.)

- ☐ I certify that pursuant to T.C.A. §49-2-611, this nonprofit corporation is exempt from the \$100 filing fee required by T.C.A. §48-51-303(a)(1).
- ☐ This nonprofit corporation is a "school support organization" as defined in T.C.A. §49-2-603(4)(A).
- ☐ This nonprofit corporation is an educational institution as defined in T.C.A. §48-101-502(b).

**13. Insert here the provisions regarding the distribution of assets upon dissolution:**

In the event of dissolution of the Corporation, the residual assets of the Corporation (after all creditors of the Corporation have been paid), shall be distributed to the members prorated in accordance with their respective membership interests.

**14. Other Provisions:**

**(Note: Pursuant to T.C.A. §10-7-503 all information on this form is public record.)**

Electronic

Signature

Kaylee Harmon

Printed Name

Incorporator

Title/Signer's Capacity

Feb 7, 2025 10:44AM

Date

**Tennessee Certification of Electronic Document**

I, Samuel S. Blanton, do hereby make oath that I am a licensed attorney and/or the custodian of the original version of the electronic document tendered for registration herewith and that this electronic document is a true and exact copy of the original document executed and authenticated according to law on 1/22/25 (date of document).

Samuel S. Blanton  
Affiant Signature

1/23/25  
Date

State of Tennessee

County of Davidson

Sworn to and subscribed before me this 23rd day of January, 2025.

Patricia F. Skrivanek  
Notary's Signature

MY COMMISSION EXPIRES: 5-9-2026

