

DECLARATION OF COVENANTS AND RESTRICTIONS
RUNNING WITH THE LAND IN A SUBDIVISION DENOTED
AS "FERNWAY SUBDIVISION"

WHEREAS, South Pittsburg Real Estate & Building Company hereinafter referred to as "Developer", is the owner of certain real estate situated in Marion County, Tennessee, as more specifically described in deed of record in Book KK, Pages 254, in the Register's Office of Marion County, Tennessee; and

WHEREAS, the Developer has promulgated and established certain covenants and restrictions, as hereinafter specifically set forth, and which shall run with various tracts of the land and shall be incorporated in and become an integral and binding part of each and every deed hereinafter executed and delivered to any purchaser, or purchasers, for any portion of said lands by the Developer or its successors in title thereto by specific reference therein. These Covenants and Restrictions will only apply to a portion of said property which will be developed for residential purpose and not to all the Developer's property.

NOW, THEREFORE, Developer does hereby declare and establish the following covenants and restrictions, which shall run with various tracts of the land as described which constitute a portion of the land described in said deed:

Section 1: LAND USE AND BUILDING TYPE. No lot shall be used except for residential purposes. No lot shall be subdivided, nor shall any lot be used for ingress and egress for commercial purposes, nor shall any roadway be constructed thereon for the purpose of connection to other lots or lands, except with the expressed written approval of the Architectural Control Committee. No dwelling shall be placed upon said land except for single-family dwelling units not to exceed two (2) stories in height, and a private garage and not more than two (2) outbuildings which can be used for the purpose of storage. No dwelling will be less than Two Thousand (2,000) square feet for one (1) story and Three Thousand (3,000) square feet for two (2) stories, exclusive of porches, carports, patios and exterior open additions.

No mobile homes or modular homes will be permitted.

No lakes or ponds be permitted unless will approved by the Architectural Control Committe. All buildings and the location on any lot must be approved by the Architectural Control Committee, as set forth in Section 14.

Section 2: ARCHITECTURAL CONTROL. No building shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of the structure on the lot have been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design with existing structures on other lots, and as to location with respect to topography and finish grade elevation. No driveway, fence or walls shall be erected, placed or altered on any lot unless similarly approved. Approval shall be as provided in Section 14.

Section 3: BUILDING AND IMPROVEMENT LOCATION. No building, carport, television or radio antenna or satalite dish or fuel tanks shall be located on any lot nearer than fifty (50) feet to any front lot line or twenty feet to any side or rear lot line except with the approval of the Architectural Control Committee.

In the event any owner owns, within one boundary, a tract in excess of one lot, his entire boundary may be considered as one

lot for the purpose of the requirements set forth in this instrument.

Section 4: NUISANCES. No noxious offensive activity excessive noise shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

No junk vehicles, machinery, equipment, or other similar items shall be allowed on said property.

All lots shall be maintained so as to ensure a neat appearance.

Section 5: TEMPORARY STRUCTURES. No structure of a temporary character, trailer, basement, tent, shack, or similar type structures shall be erected on any lot at any time as a residence, either temporarily or permanently, or for any other purpose.

Section 6: SIGNS. No sign of any kind shall be displayed to the public view on any lot, except one sign of not more than three (3) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

Section 7: OIL AND MINING OPERATIONS. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.

Section 8: LIVESTOCK AND POULTRY. No swine, cows, poultry, or any other animal shall be allowed, except for dogs, cats or household pets which may be kept, so long as same are not maintained for commercial purposes. The number of horses, dogs, cats or household pets shall be subject to review by the Architectural Control Committee and subject to the approval of same, but in no event shall said Committee be allowed to eliminate the right to have such animals as set forth in this Section unless same constitute a nuisance.

Section 9: GARBAGE AND REFUSE DISPOSAL. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste shall not be kept, except in sanitary containers which will be emptied at least every week. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

In the event of partial or total destruction of any building same will be immediately repaired all rubbish and delris removed from the premises.

Section 10: WATER SUPPLY SYSTEM. No individual water supply system shall be permitted on any lot unless such system is located, constructed and equipped in accordance with the requirements, standards, and recommendations of both State and local public health authorities. Approval of such systems as installed shall be obtained from such authority.

Section 11: SEWAGE DISPOSAL. No individual sewage disposal system shall be permitted on any lot unless such system is designed, located and constructed in accordance with the requirements, standards, and recommendations of both State and local public health authorities. Approval of such system as

installed shall be obtained from such authority.

Section 12: SLOPE CONTROL. Each owner of each lot herein shall be responsible for the grassing or the planting of ground covers on all embankments within their property lines. This shall include the embankments resulting from the grading of roads, driveways, buildings, pools, and all other work of this nature.

Section 13: ARCHITECTURAL CONTROL COMMITTEE.

Membership: The Architectural Control Committee is composed of Catherine C. Brown and Jackie Lynch. The Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the remaining member shall have full authority to designate a successor. Neither member of the Committee, nor its designated representative, shall be entitled to any compensation for services performed pursuant to this covenant. At any time, the then record owners of a majority of the lots shall have the power through a duly recorded written instrument to change the membership of the Committee.

Procedure: The Committee's approval or disapproval as required in these covenants shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required, and the related covenants shall be deemed to have been fully complied with.

Section 14: GENERAL PROVISIONS.

Term: These covenants are to run with the land and shall be binding on all parties and persons claiming under them for a period of fifty (50) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by a majority of the then record owners of the lots has been recorded, agreeing to change said covenants in whole or in part.

Enforcement: Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages. All costs of enforcement, including attorney's fees, shall be borne by the owner and/or party violating or attempting to violate any covenant.

Severability: Invalidation of any of these covenants by judgment or court order shall, in no wise, affect any of the other provisions, which shall remain in full force and effect.

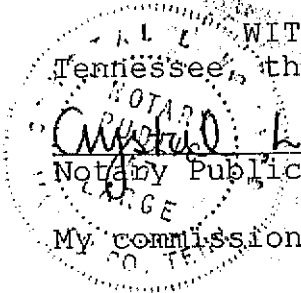
SOUTH PITTSBURG REAL ESTATE &
BUILDING COMPANY

By: Catherine C. Brown
Catherine C. Brown

STATE OF TENNESSEE
COUNTY OF MARION

Before me, a Notary Public of the State and County aforesaid personally appeared Catherine C. Brown, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged herself to be President of South Pittsburg Real Estate and Building Company, the within named bargainor, a corporation, and that she as such official, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as such President.

WITNESS my hand and seal, at office in Jasper, Tennessee, this 30th day of September, 1996.



fernway.res (ct)

State of Tennessee, County of MARION
Received for record the 30 day of
SEPTEMBER 1996 at 3:15 PM. (REC# 18958)
Recorded in official records
Book 223 Page 144-147
Notebook 15 Page 504
State Tax \$.00 Clerks Fee \$.00.
Recording \$ 16.00, Total \$ 16.00.
Register of Deeds WINFRED HAGGARD
Deputy Register CONNIE SCHAEERER