

Instrument: 2008090400088
Book and Page: GI 8753 707
Data Processing Fee \$2.00
Misc Recording Fee \$400.00
Total Fees: \$402.00
User: msertel
Date: 04-Sep-2008
Time: 09:56:05 AM
Contact: Pam Hurst, Register
Hamilton County Tennessee
Electronically Recorded by Simplifile

DECLARATION
OF
STONEBROOK CONDOMINIUMS
Chattanooga, Hamilton County, Tennessee

This Instrument Prepared By:
Thomas L. Hayslett, III, Esq.
Miller & Martin PLLC
Suite 1000, Volunteer Building
832 Georgia Avenue
Chattanooga, Tennessee 37402-2289

DECLARATION
OF
STONEBROOK CONDOMINIUMS
Chattanooga, Hamilton County, Tennessee

This Instrument Prepared By:
Thomas L. Hayslett, III, Esq.
Miller & Martin PLLC
Suite 1000, Volunteer Building
832 Georgia Avenue
Chattanooga, Tennessee 37402-2289

**DECLARATION
OF
STONEBROOK CONDOMINIUMS**

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1: NAME; GOVERNING STATUTE.....	1
ARTICLE 2: DEFINITIONS	2
2.1 "Act"	2
2.2 "Articles of Incorporation"	2
2.3 "Association"	2
2.4 "Board of Directors" or "Board".....	2
2.5 "Buildings"	2
2.6 "By-Laws"	2
2.7 "Common Elements"	2
2.8 "Common Expense(s)"	2
2.9 "Community-Wide Standard"	3
2.10 "Condominium Instruments"	3
2.11 "Eligible Mortgagees"	3
2.12 "General Common Elements"	3
2.13 "Limited Common Elements"	3
2.14 "Majority Approval"	3
2.15 "Mortgage"	3
2.16 "Mortgagee".....	4
2.17 "Occupant".....	4
2.18 "Owner"	4
2.19 "Percentage Interest"	4
2.20 "Person"	4
2.21 "Plans"	4
2.22 "Plat"	4
2.23 "Unit"	4
ARTICLE 3: PLATS AND PLANS.....	5
ARTICLE 4: UNITS AND BOUNDARIES	5
4.1 General Description.....	5
4.2 Interpretation of Boundaries	5
4.3 Ownership of Common Elements is Appurtenant to Units	5
ARTICLE 5: COMMON ELEMENTS.....	5
5.1 General.....	5
5.2 No Partition.....	5
ARTICLE 6: LIMITED COMMON ELEMENTS	6
ARTICLE 7: ASSOCIATION MEMBERSHIP	6

7.1 The Association	6
7.2 The Board; Declarant as the Board.....	6
7.3 Powers	7
7.4 General Limitations on Powers	8
7.5 Rules	8
7.6 Managing Agent	9
7.7 Nonliability	9
ARTICLE 8: DECLARANT RETAINED RIGHTS	9
8.1 Expansion of Condominium; Construction of Condominium.....	9
8.2 Sale and Leasing of Units; Signs.....	9
8.3 Construction and Sale Period	9
8.4 Right to Modify Units.....	10
8.5 Re-designation of Condominium Elements.....	10
8.6 Change in Design for Subsequent Phases.....	10
ARTICLE 9: ASSESSMENTS	10
9.1 Proportionate Share of Expenses; Assessments Generally.....	10
9.2 Special Assessments	11
9.3 Specific Assessments.....	11
9.4 Creation of the Lien and Personal Obligation For Assessments	11
9.5 Delinquent Assessments	11
9.6 Computation of Operating Budget and Assessments	12
9.7 Capital Budget and Contribution.....	13
9.8 No Budget During Development/Construction	13
9.9 Date of Commencement of Assessments	13
9.10 Statement of Account	13
9.11 Surplus Funds and Common Profits.....	13
ARTICLE 10: INSURANCE	13
10.1 Association Insurance.....	13
10.2 Owner Insurance.....	16
10.3 Deductibles	16
ARTICLE 11: REPAIR AND RECONSTRUCTION	16
11.1 Cost Estimates	17
11.2 Source and Allocation of Proceeds.....	17
11.3 Plans and Specifications	17
11.4 Encroachments.....	17
11.5 Construction Fund	17
ARTICLE 12: ARCHITECTURAL CONTROL.....	17
12.1 Architectural Standards	17
12.2 Declarant's Rights.....	18
12.3 Alteration of Units.....	18
12.4 Limitation of Liability	19
12.5 No Waiver of Future Approvals	19
12.6 Enforcement.....	20
ARTICLE 13: USE RESTRICTIONS	20

13.1 Use of Units	20
13.2 Use of General Common Elements	21
13.3 Outbuildings	21
13.4 Misuse, Nuisance and Noise; Damage	21
13.5 Firearms and Fireworks	21
13.6 Pets.....	22
13.7 Parking.....	22
13.8 Abandoned Personal Property	22
13.9 Heating of Units in Colder Months	23
13.10 Signs; Flags and Decoration Items	23
13.11 Rubbish, Trash, and Garbage	23
13.12 Impairment of Units and Easements.....	24
13.13 Unsightly or Unkempt Conditions.....	24
13.14 Garage Sales	24
13.15 Antennas and Satellite Equipment.....	24
13.16 Grills	24
13.17 Time Sharing	24
ARTICLE 14: LEASING	25
14.1 Definition.....	25
14.2 Leasing Provisions.....	25
ARTICLE 15: SALE OF UNITS	26
ARTICLE 16: MAINTENANCE RESPONSIBILITY	26
16.1 By the Owner.....	26
16.2 By the Association.....	27
16.3 Failure to Maintain	28
16.4 Maintenance Standards and Interpretation	28
16.5 Measures Related to Insurance Coverage.....	28
ARTICLE 17: PARTY WALLS	29
17.1 General Rules of Law to Apply	29
17.2 Sharing of Repair and Maintenance	29
17.3 Damage and Destruction	29
17.4 Right to Contribution Runs With Land	29
ARTICLE 18: EMINENT DOMAIN.....	29
ARTICLE 19: MORTGAGEE RIGHTS.....	30
19.1 Mortgagee Consent to Major Decisions	30
19.2 Liability of First Mortgagees.....	30
19.3 Mortgagee Notice	30
19.4 Financial Statements.....	31
19.5 Additional Mortgagee Rights	31
19.6 Notice to Association.....	31
19.7 Failure of Mortgagee to Respond	31
ARTICLE 20: EASEMENTS AND OTHER RESTRICTIONS	31
20.1 Use and Enjoyment.....	31

20.2 Utilities 32
20.3 Pest Control 32
20.4 Declarant Easements..... 32
20.5 Easements of Encroachment..... 33
20.6 Effect of Easements 33
ARTICLE 21: REMEDIES 33
21.1 General Provisions..... 33
21.2 Emergency Dispossession By the Board 33
21.3 Miscellaneous Additional Enforcement Measures 33
21.4 Expenses in Enforcement; Interest 34
21.5 Owner Enforcement..... 34
ARTICLE 22: GENERAL PROVISIONS 34
22.1 Implied Rights 34
22.2 Amendment. 34
22.3 Severability 35
22.4 Captions 35
22.5 Notices 35

TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Subject Matter</u>
"A"	Legal Description of Property
"B"	Plat
"C"	Floor Plans for Each Unit Type
"D"	Graphic Showing Location of Each Style of Unit
"E"	Common Element/Unit Maintenance Responsibility
"F"	Bylaws

DECLARATION OF

STONEBROOK CONDOMINIUMS

THIS DECLARATION is made by Stonebrook Partners, LLC, a Tennessee limited liability company ("Declarant"), having a principal place of business located at 179 Hamm Road, Chattanooga, Tennessee 37405.

Background:

A. Declarant is the owner of that certain parcel (or parcels) of land in Hamilton County, Tennessee more particularly described in Exhibit "A" attached hereto and made a part hereof (together with all rights and privileges belonging or in any way appertaining thereto hereinafter collectively "Property"), upon which Declarant has constructed and/or is in the process of constructing certain buildings, structures, improvements and other permanent fixtures which Declarant desires to submit to a condominium regime pursuant to the Act (herein defined).

B. The condominium regime hereby established may be expanded in phases to include additional real property shown on the Plat (herein defined) as "Future Development."

C. Declarant intends to sell to various purchasers the fee title to individual Units (as hereinafter defined) together with an undivided percentage ownership interest in the Common Elements (as hereinafter defined), subject to the covenants, conditions, restrictions, limitations and easements herein set forth.

D. Declarant desires to establish for its own benefit and for the mutual benefit of the Condominium collectively and each and all Units therein, as well as all future Owners, Occupants, Mortgages, or other interest holders of the Property, including as to any additional phases of the Condominium, certain rights, easements and privileges in, over and upon said Property and certain mutually beneficial restrictions, obligations and liens with respect thereto.

E. Declarant has or promptly hereafter shall duly incorporate the Stonebrook Condominium Owners Association, Inc. as a nonprofit, mutual benefit corporation under the laws of the State of Tennessee.

Declaration:

NOW, THEREFORE, the Declarant declares that the above recitals are true and correct and herein incorporated and does hereby submit the Property to the condominium form of ownership pursuant to, subject to, and in accordance with the provisions of the Act and the terms and conditions hereinafter set forth.

ARTICLE 1: NAME; GOVERNING STATUTE

The Property is declared to be a condominium regime. The name of the condominium regime hereby created is Stonebrook Condominiums (hereinafter referred to as the "Condominium"). The Condominium is created under and shall be governed by the Act.

Declarant acknowledges the adoption of the Tennessee Condominium Act of 2008, codified at T.C.A. §66-27-101 et seq. (the "New Act"), and, notwithstanding anything herein to the contrary, Declarant reserves the unilateral rights both to amend this Declaration at a later date so as to have the Condominium operate under the New Act, rather than the Act, and to execute, effect, and record such an amendment at any time so long as Declarant owns any Unit.

ARTICLE 2: DEFINITIONS

The terms used in this Declaration, the By-Laws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Act or the Tennessee Nonprofit Corporation Act. Certain terms used in this Declaration, the By-Laws, and the Articles of Incorporation shall be defined as follows:

2.1 "Act". The Tennessee Horizontal Property Act, Tennessee Code Annotated, Sections 66-27-101, et seq., as amended from time to time.

2.2 "Articles of Incorporation". The Articles of Incorporation of the Stonebrook Condominium Owners Association, Inc., filed with the Secretary of State of Tennessee, as amended from time to time.

2.3 "Association". Stonebrook Condominium Owners Association, Inc., a Tennessee nonprofit mutual benefit corporation, its successors and assigns.

2.4 "Board of Directors" or "Board". The elected body responsible for management and operation of the Association as further described in the By-Laws.

2.5 "Buildings". The primary structures constructed on the Property, whether containing Units or wholly designated as Common Elements.

2.6 "By-Laws". The By-Laws of the Stonebrook Condominium Owners Association, Inc., attached hereto as Exhibit "F," as may be amended without amending this Declaration.

2.7 "Common Elements". Collectively the General Common Elements and the Limited Common Elements, it being the intent that the term Common Elements shall capture all portions of the Property made subject to this Declaration, except for the portions which are included within the boundaries of, or deemed a portion of, a Unit, as more particularly described in this Declaration, and except for any portions hereafter dedicated to public use, such as streets and rights-of-way.

2.8 "Common Expense(s)". The anticipated or actual expenses of the administration, management, and operation of the Condominium, including for maintenance, repair or replacement of and additions to the Common Elements; the anticipated or actual expenses incurred by the Association or the Board in the course of administering its duties and functions hereunder or under the By-laws, resolutions, or Rules and Regulations of the Association (including legal fees, accounting fees, and any other professional or consulting fees); and any other expenses incurred in conformance with the Act, this Declaration and the By-laws, including reserves assessed by the Board, expenses agreed upon as Common Expenses by the

Association, and expenses declared to be Common Expenses by this Declaration or in accordance with the By-laws.

2.9 "Community-Wide Standard". The standard of conduct, maintenance, or other activity generally prevailing within the Condominium. Such standard may be more specifically determined by the Board of Directors.

2.10 "Condominium Instruments". This Declaration and all Exhibits to this Declaration, as well as the By-Laws, the Articles of Incorporation, the Rules of the Association, and the Plat and Plans, all as may be supplemented or amended from time to time.

2.11 "Eligible Mortgagees". Those holders of first Mortgages secured by Units in the Condominium.

2.12 "General Common Elements". All of the following items, to the extent same are not part of the definition of Unit or a Limited Common Element: exteriors (including windows), roofs and foundations of any Building; perimeter walls of any Building; interior structural elements of any Building such as load bearing columns and girders, rafters and joists, and wall framing and studs for interior load bearing walls, to the point where the framing and/or studs meet the interior wallboard or sheetrock (but exclusive of any interior wallboard or sheetrock); pipes, ducts, flues and chutes, conduits, wires, and other utility installations; the entirety of any improvements on the Property which do not contain Units (such as clubhouses and maintenance buildings); mechanical equipment areas, storage areas, walkways, driveways, parking areas, gardens, recreational areas, clubhouses, guard shacks and such other facilities, to the extent any of the forgoing are devoted to the common use and benefit of the Condominium, including but not limited to, any lots designated as "Community Lots" or "Common Property" on the Plat; the real property now or hereafter subjected to this Declaration. For additional information regarding the scope of and responsibility for General Common Elements, see Exhibit "E" hereto attached and herein incorporated.

2.13 "Limited Common Elements". Any portion of the General Common Elements, to the extent that they serve one or more, but less than all, Units in any particular Building, including but not limited to: any pipes, ducts, flues and chutes, conduits, wires, and other utility installations or any portion of same; vestibules, balconies or patios, decks, porches, walkways; mechanical and storage areas; driveways and parking pads. For additional information regarding the scope of and responsibility for Limited Common Elements, see Exhibit "E" hereto attached and herein incorporated.

2.14 "Majority Approval". The approval by vote in accordance with the By-laws of Owners representing more than fifty percent (50%) of the Percentage Interests represented (in person or by proxy) at a meeting of the Association, or more than 50% of the Members of the Board at a meeting and entitled to vote (in the case of action by the Board), subject to quorum and other voting procedures set forth in the By-laws. In the case of actions taken by written consent without a meeting, Majority Approval shall require more than 50% of the Percentage Interests (in the case of Association action) or more than 50% of the total Board Members (in the case of Board action).

2.15 "Mortgage". Any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation, encumbering any portion of the Condominium.

2.16 "Mortgagee". The holder of any Mortgage.

2.17 "Occupant". Any person occupying all or any portion of a Unit for any period of time, regardless of whether such Person is a tenant or the Owner of such property.

2.18 "Owner". Each record title holder of a Unit within the Condominium, but shall not include a Mortgagee.

2.19 "Percentage Interest". As to any Unit, that Unit's undivided percentage interested in the Common Elements and that Owner's pro rata share of Common Expenses. Each Unit's Percentage Interest is determined by dividing one (1) by the total number of finished Units in the Condominium at the time of calculating Percentage Interest. Each Unit's Percentage Interest automatically shall be adjusted as additional finished Units are added to the Condominium. It is the intent of this Declaration that both voting in the Association and the sharing of Common Expenses shall be allocated amongst the Units pro rata, without consideration for varying square footage of the Units.

2.20 "Person". Any individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity.

2.21 "Plans". The floor plans and cross section of each style of Unit, attached hereto and incorporated herein as Exhibit "C," as well as all amendments and supplements thereto.

2.22 "Plat". The plats of the Condominium submitted to the provisions of the Declaration, said Plat being as referenced on Exhibit "B" and being herein incorporated by reference. "Plat" also includes any future revisions of or supplements to the Plat.

2.23 "Unit". That portion of the Condominium intended for individual ownership and use and for which a certificate of occupancy (or an architect's certificate of substantial completion) relating thereto has been issued, as more particularly described in this Declaration and shall include the undivided ownership in the Common Elements assigned to the Unit by this Declaration. The boundary lines of each Unit shall be the entirety of any interior sheetrock, plaster board or other wallboard material for the perimeter walls; the top surface of the uppermost unfinished floor (i.e., carpet, linoleum or other floor covering are part of the Unit); and the entirety of any sheetrock, plaster board or other ceiling-board material forming the ceilings. The Unit shall include both the portions of a Building within such cubic boundary lines and the space so encompassed. All doors and door frames and trim associated with a specific Unit, whether interior or located in perimeter walls shall be deemed part of the Unit. A Unit shall include the studs and framing of any walls which are located within the boundaries of a Unit and which are not load-bearing walls (but shall not include the studs and framing for load-bearing walls, nor other load-bearing or structural components of the Building). A Unit shall include pipes, ducts, flues and chutes, wires, conduits and other utility installations running through any wall or partition, only to the extent such service only that Unit, and shall include all fixtures and finishings to the foregoing once same enter the boundaries of a Unit. The Unit shall include any furnace, hot water heater and air conditioning compressor exclusively serving only that Unit, if any, whether or not located within the boundaries of that Unit. A Unit shall include all improvements and decorating contained within the designated boundaries of a Unit including any plumbing, lighting, and electrical fixtures, wall and floor coverings, paneling, molding, tiles, wallpaper, paint, finished flooring, cabinets, countertops and any other materials constituting any

part of the finished interior surfaces of the walls, floors and ceilings. For additional information regarding the scope of and responsibility for Units, see Exhibit "E" hereto attached and herein incorporated.

ARTICLE 3: PLATS AND PLANS

The Declarant shall have the right to file additional Plats and Plans from time to time as necessary or appropriate to further describe the Condominium and Units, to correct any errors contained therein or to comply with the Act. The Plat and Plans are incorporated herein by reference as fully as if the same were set forth in their entirety herein.

ARTICLE 4: UNITS AND BOUNDARIES

4.1 General Description. Each Unit consists of a dwelling and its appurtenant Percentage Interest in the Common Elements. Each Unit shall be conveyed as a separately designated and legally described freehold estate subject to the Act and the Condominium Instruments. The Units are depicted on the Plats and Plans. Phase I of the Condominium will consist of 3 Buildings (with subsequent phases, 18 Buildings are projected), each containing four (4) Units, together with Common Elements as may be constructed by Declarant and hereafter shown on the Plat and Plans. The location of each Unit is more fully shown on the Plat. The specific style of each Unit is shown on Exhibit "D," hereto attached and herein incorporated. Each Unit is designated for the purpose of any conveyance, lease or other instrument affecting the title thereof by a number designating the specific Building which contains the particular Unit, followed by a comma and then a letter (A through D), as shown on the Plat.

4.2 Interpretation of Boundaries. In interpreting deeds and the Plat and Plans, the actual physical boundaries of a Unit as originally constructed or of a Unit as reconstructed in substantial accordance with the Plat and Plans shall be conclusively presumed to be its boundaries, rather than the metes and bounds expressed in any deed or the Plat or Plans, regardless of settling or lateral movement of the Building in which the Unit was located, and regardless of minor variance between the boundaries shown on the Plat or Plans or in a deed and the actual physical boundaries of the Unit.

4.3 Ownership of Common Elements is Appurtenant to Units. The ownership of each Unit shall include, and there shall pass with each Unit as appurtenances thereto whether or not separately described in the conveyance thereof, the Percentage Interest in the Common Elements attributable to such Unit, together with membership in the Association and an undivided interest in the funds and assets held by the Association. The Percentage Interest of each Owner in the Common Elements is appurtenant to the Unit owned by the Owner and may not be separated from the Unit to which it appertains.

ARTICLE 5: COMMON ELEMENTS

5.1 General. Ownership of the Common Elements shall be by the Owners as tenants-in-common.

5.2 No Partition. The Common Elements shall remain undivided, and no Owner or any other Person shall have the right to bring any action for partition or division of the whole or

any part thereof except as provided in the Act. Except as provided for Limited Common Elements or as otherwise provided herein, each Owner and the Association may use and enjoy the Common Elements for the purposes for which they are intended, but no such use shall enter or encroach upon the lawful rights of the other Owners. Each Owner and Occupant shall have a right and easement of use and enjoyment in and to the Common Elements (including the right of access, ingress and egress to and from the Unit over those portions of the Condominium designated for such purpose), and such easement shall be appurtenant to and shall pass with the title to such Unit, subject to the rights of the Owners to the exclusive use of Limited Common Elements assigned to their respective Units and to the right of the Association to control the use and enjoyment of the Common Elements as provided by the terms of this Declaration.

ARTICLE 6: LIMITED COMMON ELEMENTS

Ownership of any Limited common Elements shall be appurtenant to the Unit(s) served by such Limited Common Elements, and Limited Common Elements may not be divided or partitioned from the Unit to which they are appurtenant. The right to use and enjoy the Limited Common Elements shall be restricted to those Units to which the Limited Common Elements are appurtenant.

ARTICLE 7: ASSOCIATION MEMBERSHIP

7.1 The Association. There has been formed, pursuant to the Articles of Incorporation, the Association, which Association shall be the governing body for the administration and operation of the Condominium, as provided in the Act, this Declaration and the By-laws. The Association shall consist of all Owners, and Owner shall be a member of the Association so long as he is an Owner. The Association shall have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Association is organized, and to do every other act not inconsistent with law which may be appropriate to promote and attain the purposes set forth in the Act, this Declaration or the By-laws. All of the Owners irrevocably constitute and appoint the Association, in their names, as attorney in fact to effectuate the above. This power is coupled with an interest and may not be revoked. The Association shall operate pursuant to the By-laws. The fiscal year of the Association shall be determined by the Board and may be changed from time to time as the Board deems advisable. 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 the Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of Owners in accordance with the provisions of the Declaration and By-laws. An Owner's membership shall automatically terminate when he ceases to be an Owner. Upon the conveyance or transfer of an Owner's ownership interest to a new Owner, the new Owner shall simultaneously succeed to the former Owner's membership in the Association. The aggregate number of votes in the Association shall at all times be the total number of constructed, finished Units in the Condominium, with each Owner's vote being equal to his Percentage Interest. Declarant may vote for all Units it owns. Unless otherwise specified, all actions may be taken by Majority Approval. In the event of co-ownership of an individual Unit, the co-owners shall designate for the Association the person whose vote controls for such Unit.

7.2 The Board; Declarant as the Board. The Association shall be governed by the Board of Directors. Subject to the Act and this Declaration, the Board shall have standing to act

in a representative capacity on behalf of the Association, exercising all rights and powers of the Association without a vote of the Association. Declarant shall exercise the sole and exclusive authority of the Board, and may not be removed by the Association as the sole Board member, until the Declarant has sold all Units in the Condominium, unless the Declarant transfers his authority as sole Board member at an earlier date.

7.3 Powers. In addition to such powers as may be necessary and convenient for the administration and governance of the Association and in addition to such powers as may be provided for in the Bylaws or in the Act, the Association, acting by or through the Board, has the power and authority to:

(a) Maintain, repair, replace, construct, reconstruct, improve, and otherwise manage all of the Common Elements so as to keep them in good repair and condition and to conduct such other activities as may be determined by the Association to promote the health, safety, and welfare of the Owners.

(b) Contract for goods and/or services for all Common Elements and the Association in connection with the performance of the administrative and managerial duties of the Association.

(c) Contract and pay for casualty, liability, property damage and other insurance on behalf of the Association to insure against claims which may arise against the Owners, Association, Declarant and Board.

(d) Pay any real and personal property taxes and other assessments that are or could become a lien upon any of the Common Elements, unless separately assessed to the Owners.

(e) Fix, levy, collect and enforce the collection of all charges, dues, or assessments made pursuant to the terms of this Declaration and otherwise enforce the terms and provisions of this Declaration.

(f) Prepare and review-budgets and financial statements as prescribed in the By-laws and otherwise administer the financial affairs of the Association.

(g) Delegate to committees, officers, employees or agents any of the Association's duties or powers under this Declaration, the Articles of Incorporation, By-laws or Rules.

(h) Employ professionals and consultants to advise and assist the officers and Board in the performance of their duties and responsibilities for the Association.

(i) Enter upon any Common Elements as necessary in connection with construction, maintenance or emergency repair for the benefit of any of the Common Elements or the Owners.

(j) Purchase, hold, or dispose of any real or personal property in connection with the affairs of the Association; to borrow money in the name of the Association and cause to

be executed and delivered, in the Association's name, promissory notes, or bonds in conjunction therewith and to pledge or mortgage any property of the Association as collateral for any such borrowings; to maintain and use bank accounts for purposes of the Association.

(k) Execute such documents and perform such acts as may be necessary or appropriate to accomplish its administrative or managerial duties.

7.4 General Limitations on Powers. In limitation of the powers and duties delegated to the Board in the By-laws or this Declaration, the Board shall be prohibited from taking any of the following actions except upon Majority Approval of the Association (Majority Approval of the Board alone being insufficient to authorize these actions):

(a) Incur aggregate capital expenditures in any fiscal year (above and beyond capital expenditures included in the duly adopted budget) in excess of One Hundred Thousand and No/100 Dollars (\$100,000.00).

(b) Sell any property of the Association during any fiscal year having an aggregate fair market value greater than One Hundred Thousand and No/100 Dollars (\$100,000.00).

(c) Pay compensation to Directors or officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a director or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

(d) Borrow money or incur indebtedness for the purposes of the Association, and/or to cause to be executed and delivered, in the Association's name, promissory notes, or bonds, which will individually or in the aggregate with all other loans then outstanding exceed Five Hundred Thousand and No/100 Dollars (\$500,000.00).

(e) Increase the annual budget of the Association by more than 25% of the annual budget for the immediately preceding fiscal year (except that the Board shall not need Majority Approval of the Association to increase the annual budget to cover costs beyond the reasonable control of the Board, such as insurance). Notwithstanding the forgoing, this limitation shall not apply to budget increases that result from adding additional Units to the Condominium, whether through build-out of the anticipated 72 Units in Phase I, or through Declarant adding additional phases or otherwise expanding the Condominium.

7.5 Rules. In addition to the use restrictions contained in this Declaration and whether or not expressly contemplated herein, the Association shall have the power to adopt from time to time rules and regulations governing activities at the Condominium and the use and enjoyment of the Common Elements and such other matters as the Association reasonably determines, provided that such rules and regulations shall not be inconsistent with this Declaration (the "Rules" or "Rules and Regulations"). A copy of the Rules shall be retained by the secretary of the Association and shall be available for inspection by any Owner during reasonable business hours.

7.6 Managing Agent. The Board may, but shall not be required to, contract with an experienced professional management company to assist the Board in the management and operation of the Condominium and may delegate such of its powers and duties to the management company as it deems to be appropriate except as limited herein. Only the Board can approve an annual budget or supplemental budget, and only the Board can impose an assessment on any Unit or authorize foreclosure of an assessment lien. Any contract with a management company, or any other contract to provide for services, shall have a term no longer than one (1) year (but may be renewable by agreement of the parties for successive one year periods) and shall be terminable by the Board without payment of a termination fee, with or without cause.

7.7 Nonliability. Neither the Association nor the Board, and its members, officers or persons serving on a board-appointed committee shall be liable to any Owner or to any other Person for any loss, damage or injury arising out of or resulting from their acts and omissions in performance of their respective powers and duties under this Declaration.

ARTICLE 8: DECLARANT RETAINED RIGHTS

Notwithstanding any provision herein to the contrary, which may limit the rights of Owners or otherwise, Declarant retains all rights defined as "Special Declarant Rights" in the New Act and without limiting the foregoing, Declarant also retains the rights set forth below.

8.1 Expansion of Condominium; Construction of Condominium. Declarant anticipates developing the Condominium in phases; accordingly, Declarant reserves the right to construct additional Units and Common Elements on the Property or on other, contiguous real property, and to expand the Condominium regime created by this Declaration by bringing such Units, Common Elements, and real property under the control of this Declaration by recording supplements hereto. In furtherance thereof, Declarant reserves the right to expand the Condominium by building and selling additional Units on any real property shown on the Plat, including but not limited to on the sites designated as "Future Development," "Future Units" or "Potential Future Units" or similar designation on the Plat. Developer also reserves the right to withdraw any portion of the Property from the Condominium, so long as no Buildings have been constructed on the withdrawn portion.

8.2 Sale and Leasing of Units; Signs. Notwithstanding anything to the contrary contained herein, Declarant shall have the right to sell or lease Units and to erect and maintain signs to facilitate such sales or leases as it, in its sole discretion, deems appropriate and shall not be required to comply with the provisions of this Declaration regarding signs and sales and leases.

8.3 Construction and Sale Period. Notwithstanding any provisions in the Condominium Instruments and any related documents, for so long as Declarant owns any portion of the Condominium, it shall be expressly permissible for Declarant and any builder approved by Declarant to maintain and carry on, upon such portion of the Condominium as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be required, convenient, or incidental to Declarant's or such builder's development, construction, and sales activities related to the Property, including, but without limitation, the right of access, ingress or egress for vehicular and pedestrian traffic over, under, on or in the Condominium; the right to tie

into any portion of the Condominium with streets, driveways, parking areas and walkways; the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), install, lay, replace, relocate, maintain and repair any device which provides utility or similar services including, without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Condominium; the right to carry on sales and promotional activities in the Condominium; and the right to construct and operate business offices, signs, construction trailers, model Units, and sales offices. Declarant and any such builder may use Units, Common Elements or offices owned or leased by Declarant or such builder as model Units and sales offices.

8.4 Right to Modify Units. Declarant hereby reserves the right, exercisable at its sole option, to combine, expand, modify, reconfigure, subdivide, or relocate the boundaries of any unsold Units. Upon any modification or reconfiguration, Declarant shall record an amended plat or a supplemental or amended Declaration to reflect same.

8.5 Re-designation of Condominium Elements. With respect to the Property and each Building now or hereafter constructed on the Property, as it now exists or as it may hereafter be expanded, Declarant reserves the right to (i) convert Units into Common Elements until any such Unit is sold, (ii) convert Common Elements into Units, (iii) designate and redesignate Limited Common Elements as appurtenant to each Unit within a Building until such time as a deed from Declarant to a purchaser of such Unit is recorded, (iv) convert General Common Elements into Limited Common Elements and to redesignate Limited Common Elements as General Common Elements, and (v) remove real property entirely from this Declaration and the Condominium regime if no Buildings are constructed thereon.

8.6 Change in Design for Subsequent Phases. Regarding any area designated on the Plat as "future units" or "potential future units" or similar designation, Developer reserves the right to construct improvements, including but not limited to additional Units, in alternative designs, aesthetics, styles, lay-outs, and sizes, as compared to those Units initially reflected on Exhibit "C" hereto.

ARTICLE 9: ASSESSMENTS

9.1 Proportionate Share of Expenses; Assessments Generally. Each Owner shall be liable for its proportionate share of the Common Expenses, and the proportionate share of Common Expenses, as to each Unit, shall be such Unit's Percentage Interest. The Association shall have the power to levy assessments as provided herein and in the Act. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Units in the Condominium as may be more specifically authorized from time to time by the Board of Directors. Such amounts shall be the personal obligation of each Person who was the Owner of such Unit at the time when the assessment fell due and may be collected in the same manner as other debts or liens are collected under Tennessee law. Each Owner and each successor-in-title to the Unit shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance. Assessments shall be paid in such manner and on such dates as may be fixed by the Board; unless otherwise provided, the annual assessments shall be paid in equal monthly installments due on the first day of each calendar month. The amount of the annual assessments may be adjusted by the Board at the end of or during any fiscal year. No Owner

may be exempt from his or her liability for, or otherwise withhold payment of, assessments for any reason whatsoever, including, but not limited to, non-use or non-enjoyment of the Common Elements, abandonment of its Unit, the Association's failure to perform its obligations required under this Declaration, or inconvenience or discomfort arising from the Association's performance of its duties.

9.2 Special Assessments. In addition to the annual assessment provided for above, the Board of Directors may, at any time, and in addition to any other rights it may have, levy a special assessment against all Owners as, in its discretion, it shall deem appropriate to cover capital expenses, budgetary shortfalls, or other unanticipated Common Expenses. Notice of any such special assessment shall be sent to all Owners prior to becoming effective. Notwithstanding the above, for so long as the Declarant owns any portion of the Condominium, all special assessments must be consented to by the Declarant prior to becoming effective.

9.3 Specific Assessments. The Board shall have the power to specifically assess expenses of the Association against Units (a) receiving benefits, items, or services not provided to all Units within the Condominium that are incurred upon request of the Owner of a Unit for specific items or services relating to the Unit or (b) that are incurred as a consequence of the conduct of less than all Owners, their licensees, invitees, or guests. The Association may also levy or specifically assess any Unit to reimburse the Association for costs incurred in bringing the Unit into compliance with the provisions of the Condominium Instruments, provided the Board gives prior notice to the Owner and an opportunity for a hearing.

9.4 Creation of the Lien and Personal Obligation For Assessments. Each Owner, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges; (ii) special assessments; and (iii) specific assessments, all as herein provided. All such assessments, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, and if the Board of Directors so elects, rents, in the maximum amount permitted by the Act, shall be a charge on the Unit and shall be a continuing lien upon the Unit against which each assessment is made. Such lien shall have the priority, relative to all other liens, as set forth in the Act. The lien for assessments, when delinquent, may be enforced as provided in the Act, and by foreclosure in the same manner as Mortgages are foreclosed under Tennessee law.

9.5 Delinquent Assessments. All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default hereof.

(a) If any monthly installment of annual assessments or any part thereof is not paid in full when due or if any other charge is not paid when due, a late charge equal to the greater of ten dollars (\$10.00) or ten percent (10%) of the amount not paid, or such higher amounts as may be authorized by the Act, may be imposed without further notice or warning to the delinquent Owner and interest at the highest rate permitted by Tennessee law and adopted by resolution of the Board of Directors shall accrue from the due date.

(b) If part payment of assessments and related charges is made, the amount received shall be applied in the following order, and no restrictive language on any check or draft shall be effective to change the order of application:

(i) respectively, to any unpaid late charges, interest charges, and specific assessments (including, but not limited to, fines) in the order of their coming due;

(ii) to costs of collection, including reasonable attorney's fees actually incurred by the Association; and

(iii) to any unpaid installments of the annual assessment or special assessments in the order of their coming due.

(c) If assessments, fines or other charges or any part thereof due from an Owner are not paid when due, a notice of delinquency may be given to that Owner stating that if the assessment, fine or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board may accelerate and declare immediately due all of that Owner's unpaid installments of the annual assessment and of any special assessment. If an Owner fails to pay all assessments and related charges currently due within ten (10) days of the date of the notice of delinquency, the Board may then accelerate and declare immediately due all installments of the annual assessment and of any special assessment, without any further notice being given to the delinquent Owner. Upon acceleration, that Owner shall thereby lose the privilege of paying the annual assessment in monthly installments for that fiscal year.

(d) If assessments and other charges or any part thereof remain unpaid more than thirty (30) days after the assessment payments first become delinquent, the Association, acting through the Board of Directors, may enforce its rights for such default pursuant to the provisions of the Declaration, the By-Laws, the Act and Tennessee law and suspend the Owner's and/or Occupant's right to vote and/or to use the Common Elements; provided, however, the Board of Directors may not limit ingress or egress to or from the Unit.

9.6 Computation of Operating Budget and Assessments. It shall be the duty of the Board, prior to the beginning of each fiscal year, to prepare a budget covering the estimated costs of operating the Condominium during the coming year. The Board shall cause the budget and notice of the assessments to be levied against each Unit for the following year to be delivered to each Owner at least ten (10) days prior to the end of the Association's fiscal year. The budget and the assessment shall become effective unless disapproved at a duly called and constituted meeting of the Association by a vote of at least two-thirds (2/3) of the Percentage Interests and the Declarant (so long as the Declarant owns any portion of the Condominium); provided, however, if a quorum is not obtained at the such meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at the meeting.

Notwithstanding the foregoing, in the event that the Association disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue for the succeeding year. In such case, the Board may propose a new budget at any time during the year at a special meeting of the Association. The proposed budget and assessment shall be delivered to the Owners at least ten (10) days prior to the proposed effective date thereof and at least seven (7) days prior to the special meeting. The approval procedure set forth above for budgets considered at annual meetings shall also apply to budgets considered at special meetings.

9.7 Capital Budget and Contribution. The Board shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget. A copy of the capital budget shall be distributed to each Owner in the same manner as the operating budget.

9.8 No Budget During Development/Construction. Notwithstanding any other provisions of this Declaration, during the time in which the Declarant exercises the authority of the Board pursuant to this Declaration and the By-Laws, the Declarant (a) may collect a non-refundable contribution to the capital fund of the Association from the initial purchaser of each Unit in the amount of three (3) months of the regular assessments, and (b) shall not be required to prepare a capital budget, set any other capital contribution, or otherwise collect amounts for capital reserves. Any capital contribution collected by the Declarant shall not be collected against a Mortgagee which takes title to a Unit pursuant to foreclosure.

9.9 Date of Commencement of Assessments. The obligation to pay assessments shall commence as to a Unit on the date on which such Unit is conveyed to a Person other than the Declarant. The first annual assessment levied on each Unit shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on the Unit.

9.10 Statement of Account. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Unit, or a lender considering a loan to be secured by a Unit, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a Unit. The Association shall respond in writing within ten (10) days of receipt of the request for a statement; provided, however, the Association may require the payment of a reasonable fee as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Unit as of the date specified therein.

9.11 Surplus Funds and Common Profits. Common profits from whatever source shall be applied to the payment of Common Expenses. Subject to the limitations and restrictions set forth in the Articles of Incorporation, any surplus funds remaining after the application of such common profits to the payment of Common Expenses shall, at the option of the Board of Directors, either be distributed to the Owners or credited to the next assessment chargeable to the Owners in proportion to the liability for Common Expenses attributable to each Unit, or added to the Association's reserve account.

ARTICLE 10: INSURANCE

10.1 Association Insurance. The Association shall obtain and maintain at all times, as a Common Expense, insurance as required by the Act and as required herein. All such insurance coverage shall be written in the name of the Association as trustee for itself, each of the Owners, and the Mortgagees of Owners, if any. It shall be the duty of the Board of Directors at least every three (3) years to conduct an insurance review to determine if the policy in force is adequate to meet the needs of the Association. Such insurance shall run to the benefit of the Association, the respective Owners, and their respective Mortgagees, as their interests may appear.

(a) The Board shall have the authority to and shall obtain insurance for the Property, including the Common Elements, but exclusive of Units, against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard "all-risk" coverage provisions, for the full insurable replacement cost of same, as a Common Expense, and against such other hazards and for such amounts as the Board may deem advisable. Insurable replacement cost shall be deemed the cost of restoring the foregoing to substantially the same condition in which they existed prior to damage or destruction; except that neither the Association nor the Board shall be obligated to insure against lost rental income of any Owner. To the extent reasonably available at reasonable cost, the Association's insurance policy, at the option of the Board, may cover any of the following types of property contained within a Unit, regardless of ownership:

(i) fixtures, improvements and alterations that are part of any Building or structure; and

(ii) appliances which become fixtures, including built-in refrigerators, ventilating, cooking, dishwashing, security or housekeeping appliances.

The Association's insurance policy may exclude improvements and betterments made by the individual Owners and may also exclude any items declared to be part of the Units by this Declaration. The policy may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance equals at least the full replacement costs.

(b) The Board of Directors shall utilize every reasonable effort to secure a master "all risk" policy that provides the following:

(i) that the insurer waives its rights of subrogation of any claims against the Board of Directors, officers of the Association, the individual Owners, and their respective household members;

(ii) that the master policy on the Condominium cannot be canceled, invalidated, or suspended on account of the conduct of any director, officer, or employee of the Association or the managing agent without a prior demand in writing delivered to the Association and to all Mortgagees of Units to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured;

(iii) that any "no other insurance" clause contained in the master policy shall expressly exclude individual Owners' policies from its operation;

(iv) that until the expiration of thirty (30) days after the insurer gives notice in writing to the Mortgagee of any Unit, the Mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the Owner of such Unit, the other Owners, the Board of Directors, or any of their agents, employees, or household members, nor be canceled for nonpayment of premiums;

(v) that the master policy may not be canceled or substantially modified without at least thirty (30) days prior notice in writing to the Board of Directors and all Mortgagees of Units;

(vi) a construction code endorsement;

(vii) an agreed value endorsement and an inflation guard endorsement;

and

(viii) that the deductible amount per occurrence shall not exceed such amount as determined by the Board.

(c) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board; provided, however, no Mortgagee having an interest in such losses shall be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the "all risk" insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual Owners or their Mortgagees.

(e) In addition to the insurance required herein above, the Board shall obtain as a Common Expense:

(i) worker's compensation insurance if and to the extent necessary to meet the requirements of law;

(ii) public liability and officers' and directors' liability insurance in such amounts as the Board may determine, but in no event less than One Million (\$1,000,000.00) Dollars per occurrence (such insurance shall contain a cross liability endorsement);

(iii) fidelity bonds, if reasonably available, covering officers, directors, employees, and other persons who handle or are responsible for handling Association funds. Such bonds, if reasonably available, shall be in an amount which in the best business judgment of the Board of Directors reflects the estimated maximum amount of funds, including reserve funds in the custody of the Association at any time during the term of the bond, but not less than two (2) months aggregate assessments, plus reserves on hand as of the beginning of the fiscal year and shall contain waivers of any defense based upon the exclusion of persons serving without compensation; provided, however, fidelity coverage herein required may be reduced based on the implementation of financial controls which take one or more of the following forms: (1) the Association or management company, if any, maintains a separate bank account for the working account and the reserve account, each with appropriate access controls and the bank in which the funds are deposited sends copies of the bank statements directly to the Association; (2) the management company, if any, maintains separate records and bank accounts for each Association that uses its services and the management company does not have the authority to draw checks on, or to transfer funds from, the Association's reserve account; or (3) two (2) members of the Board of Directors must sign any check written on the reserve account;

(iv) flood insurance, to the extent that it is required by law or the Board determines it to be necessary; and

(v) such other insurance as the Board of Directors may determine to be necessary.

(f) All policies of insurance shall be written with a company licensed to do business in the State of Tennessee and holding a rating of "A-(XI)" or better, as established by A.M. Best Company, Inc., if available, or, if not available, the best rating available. The company shall provide insurance certificates to each Owner and each Mortgagee upon request.

10.2 Owner Insurance. Each Owner shall obtain his own property insurance covering the Unit. Each Owner may obtain, at his option, (i) property insurance covering the contents of his own Unit, and personal property therein, and personal property stored elsewhere on the Property, (ii) liability insurance covering bodily injury, including death, and damage to property that results from actions, events, or circumstances occurring within his Unit, including but not limited to water damage resulting from a leak, defect, or malfunction originating other than from a Common Element, (iii) insurance against personal liability and loss or damage by fire or other hazards above and beyond the extent that his liability, loss or damage is covered by the liability insurance and insurance against loss or damage by fire and such other hazards obtained by the Board for all of the Owners as part of the Common Expenses, as above provided, except that no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount that the Board, on behalf of all of the Owners, may realize under any insurance policy which the Board may have in force on the Property at any particular time, and (iv) rental loss or other business income loss insurance. Upon request by the Board, each Owner shall furnish a copy of such insurance policy or policies to the Association.

10.3 Deductibles. In the event of an insured loss, any required deductible shall be considered an expense to be paid by the person or persons who would be responsible for restoring or replacing the damaged items in the absence of insurance. If the loss affects more than one Unit or a Unit and the Common Elements, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in proportion to each affected Owner's portion of the total cost of repair. Notwithstanding this, if the insurance policy provides that the deductible will apply to each Unit separately or to each occurrence, each Owner shall be responsible for paying the deductible pertaining to his or her Unit, if any. If any Owner or Owners fail to pay the deductible when required under this subsection, then the Association may pay the deductible and assess the cost to the Owner or Owners pursuant to Article 9 of this Declaration.

ARTICLE 11: REPAIR AND RECONSTRUCTION

In the event of damage to or destruction of all or any part of the Condominium insured by the Association as a result of fire or other casualty, the Board or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure. Notwithstanding the above, the Association may elect not to proceed with reconstruction and repair, and may terminate the Condominium regime, if Owners holding eighty percent (80%) of the Percentage

Interests, and Eligible Mortgagees representing at least fifty-one (51%) of the Units subject to a Mortgage, so decide.

11.1 Cost Estimates. Immediately after a fire or other casualty causing damage to the Condominium, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged Unit) to substantially the condition which existed before such casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Such costs may also include professional fees and premiums for such bonds as the Board determines to be necessary.

11.2 Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, as determined by the Board, or if at any time during the reconstruction and repair the funds for the payment of the costs thereof are insufficient, the additional costs shall be assessed against all Owners in accordance with their Percentage Interests. If there is a surplus of funds after repair and reconstruction is completed, such funds shall be common funds of the Association to be used as directed by the Board.

11.3 Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the Plat, the Plans, and all other plans and specifications under which the Condominium was originally constructed, except where changes are necessary to comply with current applicable building codes or where improvements not in accordance with the original plans and specifications are approved by the Board. To the extent insurance proceeds are available, the Association may reconstruct or repair Owner improvements or alterations damaged as a result of fire or other casualty.

11.4 Encroachments. Encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the architectural plans under which the Condominium was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building shall stand.

11.5 Construction Fund. The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments against Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Section. The Board shall control disbursement, which shall be in appropriate progress payments to such contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the damaged portions of the Condominium.

ARTICLE 12: ARCHITECTURAL CONTROL

12.1 Architectural Standards. When matters pertaining to architectural, design, or similar aesthetic issues (e.g., alterations, outbuildings, signs, decorative items, landscaping, antennas, etc.) require Board approval hereunder, the standard for approval of such improvements shall include, but not be limited to, aesthetic consideration, materials to be used, harmony with the external design of the existing Buildings and the location in relation to

surrounding structures and topography. Applications for approval of any such matters shall be in writing and shall provide such information as the Board may reasonably require. The Board or its designated representative shall be the sole arbiter of such application and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction which is not in conformance with approved plans. The Board may publish written architectural standards as part of the Rules.

In the event that the Board fails to approve or to disapprove any such matter within forty-five (45) days after the application and all information as the Board may reasonably require have been submitted, its approval will be deemed given; provided however, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the By-Laws, or the Rules.

12.2 Declarant's Rights. For so long as the Declarant owns any portion of the Condominium or has the unilateral right to annex additional property to the Condominium, the Declarant retains the right to exercise the rights of the Board under this Article.

12.3 Alteration of Units. Except as provided in this section, no alteration of any Common Elements or Units, or any additions or improvements thereto, shall be made without the prior written approval of the Board.

(a) Alterations by the Board. The Board may perform or contract for such alterations, additions, and improvements to the Common Elements as the Board may deem appropriate in its sole discretion. The costs and expenses for such alterations, additions, and improvements may be paid by the Board from a reserve fund or may be deemed a Common Expense for which the Board may levy an assessment.

(b) Alterations by an Owner. Only with the prior written approval of the Board, which may be withheld in the Board's discretion, an Owner, at his sole expense, may make structural alterations, additions or improvements to his Unit, or alterations, additions or improvements (structural or non-structural) to the Limited Common Elements serving such Unit or to the General Common Elements. Any Owner may make non-structural alterations (i.e., changes to interior finishes, such as countertops or flooring), additions or improvements within the Unit of the Owner without the prior written approval of the Board, but such Owner shall be responsible for any damage to other Units, the Common Elements, the Property, or any part thereof, resulting from such alterations, additions or improvements.

(c) Conditions for Alterations. The Board, in approving alterations, additions and improvements to a Unit or the Common Elements, generally shall require that:

(i) the Board determines that such alteration is permitted under the Act and that the Owner(s) requesting such alteration shall pay all construction and other expenses associated therewith, including insurance premiums applicable to such alterations, improvements and additions;

(ii) such alterations shall not weaken, impair, or endanger any of the Common Elements or any Unit;

(iii) not later than thirty (30) days prior to the scheduled commencement of work, the Owner or Owners desiring to make such alterations shall notify the Board of the nature thereof and provide, if required by the Board, plans and specifications for such work and shall receive written approval of the plans and specifications from the Board prior to the commencement of such work;

(iv) the cost of builder's risk and other insurance as reasonably required by the Board shall be paid in full by the Owner or Owners making such alterations, and if required by the Board such work shall be bonded, and evidence of such insurance shall be provided to the Board prior to commencement of construction;

(v) if required by the Board, the mechanics and materialmen supplying labor and materials for the alterations shall agree in writing to limit their lien rights to the Unit or Units being altered;

(vi) the Board shall determine that such alterations will not result in an increase in tax assessments or insurance premiums against other Units or the Common Elements;

(vii) the Board determines that the construction of the alterations shall not unreasonably interfere with the use and enjoyment of any Common Elements by other Owners or Occupants, and the Owner or Owners performing the alterations shall pay in full the expense of restoring such Common Elements to their condition prior to such alterations;

(viii) such alterations, in the opinion of the Board, shall be compatible with the architectural design and quality of construction of the affected Buildings and Units and shall not interfere with or be detrimental to the reasonable use and enjoyment of the Property by other Owners; and

(ix) all alterations, improvements, or repairs must be done in a good and workmanlike manner, using materials and craftsmanship of a quality at least as good as then makes up the Unit, and in full compliance with all applicable building codes.

(d) Relocation or Subdivision of Unit Boundaries. The boundaries between Units may not be relocated. Units may not be further subdivided.

12.4 Limitation of Liability. Review and approval of any application pursuant to this Section may be made on the basis of aesthetic considerations only and neither the Declarant nor the Board shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board, nor member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction or modifications to any Unit.

12.5 No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. The approval of the Board of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board, shall not be deemed to constitute a

waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

12.6 Enforcement. Any construction, alteration, or other work done in violation of this Section shall be deemed to be nonconforming. Upon written request from the Board, Owners shall, at their own cost and expense, remove such construction, alteration, or other work and shall restore the property to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the Board shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. All costs thereof, including reasonable attorney's fees, may be assessed against the Unit and collected as an assessment pursuant to this Declaration. In addition to the foregoing, the Board shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this Section and its decisions. Any exterior change, alteration, or construction (including landscaping) upon the Common Elements made by an Owner in violation of this Declaration shall be at such Owner's sole risk and expense. The Board may require that the Owner remove the change, alteration, or construction and restore the Common Elements to its original condition, or may require that the change, alteration or construction remain on the Common Elements without reimbursement to the Owner for any expense incurred in making the change, alteration or construction.

ARTICLE 13: USE RESTRICTIONS

Each Owner shall be responsible for ensuring that the Owner's family, invitees, guests, tenants and Occupants comply with all provisions of the Condominium Instruments. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. The following use restrictions may be supplemented by the Rules.

13.1 Use of Units. All Units shall be used solely for residential purposes and for ancillary home office uses. A home office use shall be considered ancillary so long as: (a) the existence or operation of the activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (b) the activity conforms to all zoning requirements for the Condominium; (c) the activity does not involve regular or unreasonable visitation of the Unit by clients, customers, suppliers, or other invitees, or door-to-door solicitation of residents of the Condominium; (d) the activity does not increase traffic or include frequent deliveries within the Condominium other than deliveries by couriers, express mail carriers, parcel delivery services and other such delivery services; (e) the activity is consistent with the residential character of the Condominium and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as may be determined in the sole discretion of the Board; and (f) the activity does not result in a materially greater use of Common Element facilities or Association services. Aside from ancillary home office use, no business, trade, or similar activity shall be conducted upon a Unit without the prior written consent of the Board. The terms "business," and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or

activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time, (b) such activity is intended to or does generate a profit, or (c) a license is required.

The leasing of a Unit shall not be considered a business or trade within the meaning of this Section. This Section shall not apply to any activity conducted by the Declarant or a builder approved by the Declarant with respect to its development and sale of the Condominium or its use of any Units which it owns within the Condominium.

13.2 Use of General Common Elements. There shall be no obstruction of the General Common Elements, nor shall anything be kept on, parked on, stored on, or removed from any part of the General Common Elements without the prior written consent of the Board, except as specifically provided herein. This prohibition shall not apply to the Declarant. With the prior written approval of the Board, and subject to any restrictions imposed by the Board, an Owner or Owners may reserve portions of the General Common Elements for use for a period of time as set by the Board. Any such Owner or Owners who reserve a portion of the General Common Elements as provided herein shall assume, on behalf of himself/herself/themselves and his/her/their guests, Occupants and family, all risks associated with the use of the General Common Elements and all liability for any damage or injury to any person or thing as a result of such use. The Association shall not be liable for any damage or injury resulting from such use unless such damage or injury is caused solely by the willful acts or gross negligence of the Association, its agents or employees.

13.3 Outbuildings. No structure of a temporary character, trailer, tent, shack, carport, garage, barn or other outbuilding shall be erected by any Owner or Occupant on any portion of the Condominium, other than by Declarant, at any time, either temporarily or permanently, without the prior written approval of the Board.

13.4 Misuse, Nuisance and Noise; Damage. Without the prior written consent of the Board, nothing shall be done or kept on the Condominium, or any part thereof, which would increase the rate of insurance on the Condominium or any Unit or part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body, or which would increase the Common Expenses. Noxious, destructive or offensive activity shall not be carried on upon the Condominium. No Owner or Occupant of a Unit may use or allow the use of the Unit or any portion of the Condominium at any time, in any way or for any purpose which may endanger the health or unreasonably annoy or disturb or cause embarrassment, discomfort, or nuisance to other Owners or Occupants, or in such a way as to constitute, in the sole opinion of the Board, a nuisance. No damage to or waste of the Common Elements, or any part thereof, or of the exterior of any Building shall be permitted. Each Owner shall indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by such Owner, members of his or her family, guests, invitees, or Occupants of his or her Unit.

13.5 Firearms and Fireworks. The possession, display or discharge of firearms or fireworks on the Common Elements is prohibited; provided, however, that the possession of

lawful firearms on the Common Elements is permitted for the limited purpose of transporting the firearms across the Common Elements to or from the Owner's Unit. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size.

13.6 Pets. No Owner or Occupant of a Unit may keep more than two (2) dogs or cats at any given time. An Owner or Occupant may keep in his or her Unit a number of smaller, generally recognized household pets, such as fish or hamsters, subject to such Rules and Regulations as may be adopted by the Board. No Owner or Occupant may keep, breed or maintain any pet for any commercial purpose. Pets may not be left unattended outdoors or kept unattended outdoors, including on any terrace, veranda or porch areas. Dogs must be kept on a leash and be under the physical control of a responsible person at all times while on the Common Elements. The owner of the pet or the person responsible for the pet must remove any feces left upon the Common Elements by pets.

13.7 Parking. All vehicles must be placed inside garages overnight (unless an Owner owns more than 2 vehicles), and no boats or recreational vehicles may be stored anywhere at the Condominium. The Board may promulgate Rules restricting parking on the Condominium, including restricting the number of vehicles which any Owner or Occupant may bring onto the Condominium and designating or assigning parking spaces or areas. Any vehicle parked on any portion of the Condominium in violation of this Section, or in violation of the Association's Rules, for more than forty-eight (48) consecutive hours may be towed at the vehicle owner's expense. If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Unit, is obstructing the flow of traffic, is parked other than in a parking space, is parked in a space which has been assigned as a Limited Common Element exclusively serving another Unit, or otherwise creates a hazardous condition, the vehicle may be towed immediately. If a vehicle is towed in accordance with this subsection, neither the Association nor any officer or agent of that Association shall be liable to any person-for any claim of damage as a result of the towing activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

13.8 Abandoned Personal Property. Abandoned or discarded personal property, is prohibited from being stored, kept, or allowed to remain for a period of more than twenty-four (24) hours upon any portion of the Common Elements or Limited Common Elements without the prior written permission of the Board. If the Board or its designee, in its sole discretion, determines that property is kept, stored, or allowed to remain on the Common Elements or Limited Common Elements in violation of this section, then the Board may remove and either discard or store the personal property in a location which the Board may determine. Prior to taking any such action, the Board shall place a notice on the personal property and/or on the front door of the Unit of the owner of such property, if known, specifying the nature of the violation and stating that after two (2) days the property may be removed and either discarded or stored. The notice shall include the name and telephone number of the person or entity which will remove the property and the name and telephone number of a person to contact regarding the alleged violation. If two (2) days after such notice is placed on the personal property and/or the front door of the Unit, the violation continues or thereafter occurs again within six (6) months of such notice, the personal property may be removed in accordance with the original notice, without further notice to the owner or user of the personal property. Notwithstanding anything to the contrary, the Board, in its discretion, may determine that an emergency situation exists, and

the personal property abandoned or stored in violation of this subsection may, without prior notice to the owner or user of the personal property, be removed and either discarded or stored by the Board in a location which the Board may determine; provided, however, the Board shall give to the owner, if known, notice of the removal of the property and the location of the personal property within three (3) days after the personal property is removed. If personal property is removed in accordance with this subsection, neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage resulting from the removal activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to remove abandoned or improperly stored personal property, as set forth herein.

13.9 Heating of Units in Colder Months. In order to prevent breakage of water pipes during colder months of the year resulting in damage to any portion of the Condominium, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units shall be maintained with the heat in an "on" position and at a minimum temperature setting of fifty-five degrees (55) Fahrenheit (except during power failures or periods when heating equipment is broken) whenever the temperature is forecasted to or does reach thirty-two degrees (32°) Fahrenheit or below. Owners and Occupants of Units shall take all steps possible on a timely basis to keep heating equipment, including, but not limited to, the thermostat, in good working order and repair. At any time during the months specified above when the heating equipment is not working properly, the Owner or Occupant shall immediately inform the Association of this failure of the equipment and of the time needed to repair the equipment. The Board may fine any Owner or Occupant and/or may cause the water service to the violators Unit to be discontinued for violation of this subsection, in addition to any other remedies of the Association. Any fine imposed pursuant to this subsection shall be deemed an assessment against the Unit and may be collected in the same manner as provided herein for collection of assessments.

13.10 Signs; Flags and Decoration Items. The Board may require that all "For Sale" signs for Units in the Condominium be of a standardized size and design so as to prevent the varying sizes/styles/designs of various realtors or "by owner" signs from disrupting the aesthetic continuity of the Condominium. "For Lease" signs are prohibited in the Condominium. Except as may be required by legal proceedings, no signs, advertising posters, billboards, canopy or awnings, or any variation of the foregoing of any kind shall be erected, placed, or permitted to remain on the Condominium without the prior written consent of the Board or its designee. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association and to enact reasonable Rules governing the general placement of signs on the Condominium. Notwithstanding the restrictions contained in this section, the Declarant may approve and erect signs for the purpose of carrying on business related to the development, improvement and sale of Units in the Condominium, and such signs shall not be subject to approval or regulation by the Association or by the Board. No flags, poles, objects, lights (other than reasonable holiday decorations) or other decorative items may be placed on or attached to any Common Elements, without first obtaining Board approval.

13.11 Rubbish, Trash, and Garbage. All rubbish, trash, and garbage shall be regularly removed from the Unit and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Elements or Limited Common Elements outside the Unit, temporarily

or otherwise, except as provided herein. Rubbish, trash, and garbage shall be disposed of in closed plastic bags and placed in proper receptacles designated by the Board for collection or shall be removed from the Condominium. Trash cans must be kept inside garages, except for regular collection. For regular collection, trash cans shall be taken to the street no sooner than dusk of the evening before collection and shall be returned to the garage on the day of collection.

13.12 Impairment of Units and Easements. Owners and Occupants shall not do any act or any work that will impair the structural soundness or integrity of another Unit or any part of the Common Elements or impair any easement or other interest in real property, nor do any act nor allow any condition to exist which will adversely affect the other Units or their Owners or Occupants.

13.13 Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Condominium. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the Unit. Owners may not cause any portion of the Condominium to be in any condition other than a neat and clean, first-class condition. The Board, through the adoption of Rules, may impose standards to promote and preserve the aesthetic continuity of the Condominium (e.g. requiring draperies, shades, or other window treatments to be of a certain type or color).

13.14 Garage Sales. Garage sales, yard sales, flea markets, or similar activities are prohibited, except that the Board periodically may designate days for "community-wide" garage sales at the Condominium.

13.15 Antennas and Satellite Equipment. Unless otherwise approved in writing by the Board, no Owner, Occupant, or any other Person shall place or maintain any type of exterior television or radio antenna, or satellite equipment on the Condominium, and if approving any such antenna or equipment, the Board may require that same be located in a particular location so as to minimize visibility of same. This provision shall not, however, prohibit the Association from constructing or maintaining a central antenna or communications system on the Condominium for the benefit of the Owners. Notwithstanding the foregoing, the Association shall regulate antennas, satellite dishes, or any other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind only in strict compliance with all federal laws and regulations.

13.16 Grills. All grills or similar outdoor cooking devices must be kept in a garage or otherwise out of view from the street except when in use.

13.17 Time Sharing. Notwithstanding anything herein to the contrary, no Unit shall be used for or subject to any type of time sharing program, as defined in Tennessee Code Annotated, Section 66-32-102, et seq., as amended, or any subsequent laws of the State of Tennessee dealing with a vacation time share ownership or leasing plan, unless the Owner of said Unit has obtained the prior written approval of the Board and, for so long as the Declarant owns a Unit, the prior written consent of the Declarant.

ARTICLE 14: LEASING

14.1 Definition. "Leasing," for purposes of this Declaration, is defined as regular, exclusive occupancy of a Unit by any person or persons other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument.

14.2 Leasing Provisions. Leasing of Units shall be governed by the following provisions:

(a) General. Units may be leased only in their entirety; no fraction or portion may be leased without prior written approval of the Board. All rentals must be for an initial term of not less than one (1) year. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. The Board may maintain and, upon request, provide a form which is deemed acceptable. Association shall be a co-signatory on all leases for the sole purpose of having the right to enforce rights under the lease, and, with or without such co-signature, the Owners hereby vest in the Board the right to evict any tenant, with or without Owner consent, who violates the lease, the Condominium Instruments, or applicable law. The Board may establish reasonable Rules and Regulations specifically as to leasing, including requiring criminal background checks and credit checks on proposed tenants and imposing reasonable leasing fees to cover the costs of same. There shall be no subleasing of Units or assignment of leases unless prior written approval is obtained from the Board. Within seven (7) days after executing a lease agreement for the lease of a Unit, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Unit. The Owner must make available to the lessee copies of the Condominium Instruments.

(b) Compliance, Common Elements, and Assessments. Any lease of a Unit shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner and each lessee, by occupancy of a Unit, covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant on the Unit:

(i) Compliance With Condominium Instruments. The lessee shall comply with all provisions of the Condominium Instruments and shall control the conduct of all other Occupants and guests of the leased Unit in order to ensure compliance with the foregoing. The Owner shall cause all Occupants of his or her Unit to comply with the Condominium Instruments, and shall be responsible for all violations by such Occupants, notwithstanding the fact that such Occupants of the Unit are fully liable and may be sanctioned for any violation of same. In the event that the lessee, or a person living with the lessee, violates the Condominium Instruments in a manner for which a fine or assessment is imposed, notice of the violation shall be given to the Owner and the lessee. If the fine or assessment is not paid by the lessee within the time period set by the Board, the Board may assess the fine or assessment against the Owner, and the Owner shall pay the fine amounts upon notice from the Association of the lessee's failure to pay. Unpaid amounts shall constitute a lien against the Unit.

Any violation of the Condominium Instruments by the lessee, any Occupant, or any person living with the lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Tennessee law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Condominium Instruments, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. In the event the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be an assessment and lien against the Unit.

(ii) Use of Common Elements. Except where the Owner also occupies the Unit, the Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Elements of the Condominium, including, but not limited to, the use of any and all recreational facilities.

(iii) Liability for Assessments. Each Owner hereby assigns to the Association, as security for all annual special, or specific assessments or any other charges due hereunder, all rent received from any lessee during the period of delinquency, and, upon request by the Board, if any such amount is more than 30 days delinquent, lessee, upon Notice from the Board, shall pay thereafter all such rent directly to the Association. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

ARTICLE 15: SALE OF UNITS

An Owner intending to make a transfer or sale of a Unit or any interest in a Unit shall give written notice to the Board of such intention within seven (7) days after execution of the transfer or sales documents. The Owner shall furnish to the Board as part of the notice (i) the name and address of the intended grantee; and (ii) such other information as the Board may reasonably require. This Article shall not be construed to create a right of first refusal in the Association or in any third party. Within seven (7) days after receiving title to a Unit, the purchaser of the Unit shall give written notice to the Board of his or her ownership of the Unit. Upon failure of an Owner to give the required notice within the seven-day time period provided herein, the Board may levy fines against the Unit and the Owner thereof, and assess the Owner for all costs incurred by the Association in determining his or her identity.

ARTICLE 16: MAINTENANCE RESPONSIBILITY

16.1 By the Owner. Each Owner shall have the obligation to maintain and keep in a neat and clean condition and good repair all portions of his or her Unit and all improvements made by the Owner to the Limited Common Elements assigned to the Unit. In addition, each Owner shall have the responsibility:

(a) to keep in a neat, clean and sanitary condition any Limited Common Elements serving his or her Unit including, without limitation, terraces and balconies;

(b) to perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Units;

(c) to promptly report to the Association or its agent any defect or need for repairs for which the Association is responsible; and

(d) to pay for the cost of repairing, replacing or cleaning up any item which is the responsibility of the Owner but which responsibility such Owner fails or refuses to discharge (which the Association shall have the right, but not the obligation, to do), or to pay for the cost of repairing, replacing, or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Owner, his or her family, invitees, tenants or guests, with the cost thereof to be added to and become part of the Owner's next chargeable assessment.

16.2 By the Association.

(a) The Association shall maintain and keep in good repair as a Common Expense all Common Elements, including any Limited Common Elements, but excluding all improvements made by Owners to such Limited Common Elements; provided, however, the cost of maintenance and repair of Limited Common Elements, at the option of the Board under a uniform and consistent policy, may be assessed against the Owner to whom the Limited Common Element is assigned pursuant to this Declaration.

(b) Subject to the maintenance responsibilities herein provided, any maintenance or repair voluntarily performed on or to the Common Elements by an Owner or Occupant, which is the responsibility of the Association hereunder (including, but not limited to landscaping of Common Elements), shall be performed at the sole expense of such Owner or Occupant, and the Owner or Occupant shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

(c) The Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner of any Unit, or any other person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to the Owner of any Unit or such Owner's Occupant, guest, invitee, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements. The Association shall not be liable to any Owner, or any Owner's Occupant, guest, invitee, or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Article where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the action taken by the

Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

(d) The Association shall repair incidental damage to any Unit resulting from performance of work which is the responsibility of the Association. As finished levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready." Components that may require repair or replacement, such as tile and trim, will be reinstated only to the extent that matching or similar materials are readily available at reasonable costs, as determined in the sole discretion of the Board. Accessibility around personal belongings for workers to perform such repairs is the responsibility of the Owner or Occupant. Removal, storage or other protective measures of personal items are also the responsibility of the Owner or Occupant. If the removal, storage, or other protective measures are not taken by the Owner or Occupant and damage occurs due to the repair process, neither the Association nor the Board will be liable for such damage. Upon completion of such repairs the Association will perform cursory cleaning, but shall not be responsible for a detailed cleaning. The Board has sole discretion of defining what is reasonable for the level, quality and extent of the repair and subsequent cleaning. In performing its responsibilities hereunder, the Association shall have the authority to delegate to such persons, firms or corporations of its choice, such duties as are approved by the Board.

16.3 Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly such Owner's obligation with regard to the maintenance, repair, or replacement of items of which such Owner is responsible hereunder, 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. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board. 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. If the Board determines that: (i) an emergency exists or (ii) that an Owner has not complied with the demand given by the Association as herein provided, the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be an assessment and a lien against the Unit.

16.4 Maintenance Standards and Interpretation. Except to the extent expressly set forth in this Declaration, the maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Declaration may vary from one term of the Board to another. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this Section. No decision or interpretation by the Board shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board. All maintenance of a Unit shall be in conformance with the Community-Wide Standard of the Association.

16.5 Measures Related to Insurance Coverage. The Board, upon resolution, shall have the authority to require all or any Owner(s) to do any act or perform any work involving portions of the Condominium which are the maintenance responsibility of the Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Condominium,

reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring all Owners to turn off cut-off valves, which may now or hereafter be installed, during winter months for outside water spigots; requiring Owners to insulate pipes sufficiently or take other preventive measures to prevent freezing of water pipes; requiring Owners to install and maintain smoke detectors; requiring Owners to make improvements to the Owner's Unit; and such other measures as the Board may reasonably require so long as the cost of such work does not exceed \$3,000.00 per Unit in any twelve (12) month period.

In addition to, and not in limitation of, any other rights the Association may have, if any Owner does not comply with any reasonable requirement made by the Board pursuant to this Section, the Association, upon fifteen (15) days' written notice (during which period the Owner may perform the required act or work without further liability), may perform such required act or work at the Owner's sole cost. Such cost shall be an assessment and a lien against the Unit as provided herein. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to this Section, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Unit, except that access may be had at any time without notice in an emergency situation.

ARTICLE 17: PARTY WALLS

17.1 General Rules of Law to Apply. Each wall built as a part of the original construction of the Units which shall serve and separate any two (2) adjoining Units shall constitute a party wall and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

17.2 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions.

17.3 Damage and Destruction. If a party wall is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner or Owners who have benefited by the wall may restore it, and the Association shall reimburse said Owner(s) for the cost incurred, without prejudice, however, to the Association's right to seek reimbursement from or withhold payment to the Owners or others under any rule of law or provision in this Declaration regarding liability for negligent or willful acts or omissions.

17.4 Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

ARTICLE 18: EMINENT DOMAIN

In the event of a taking by eminent domain of any portion of the Common Elements on which improvements have been constructed, then, unless within 60 days after such taking at least

eighty percent (80%) of the total Percentage Interests shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Elements to the extent lands are available therefor. Otherwise, the provisions of Article 11 above, applicable to casualty damage, shall govern replacement or restoration upon a taking or condemnation, handling of condemnation funds, and the actions to be taken in the event that the improvements are not restored or replaced.

ARTICLE 19: MORTGAGEE RIGHTS

19.1 Mortgagee Consent to Major Decisions. Unless Eligible Mortgagees representing at least two-thirds (2/3) of the Units give their consent, the Association or the Owners shall not:

- (a) by act or omission seek to abandon or terminate the Condominium;
- (b) except as provided herein or in the Act for condemnation, substantial damage and destruction, or annexation of additional property to the Condominium, change the method of calculating Percentage Interests;
- (c) by act or omission seek to abandon or sell any material portion of the Common Elements (the granting of easements or licenses, as authorized herein, shall not be deemed a transfer within the meaning of this clause); provided that this shall not limit the rights expressly reserved by Declarant in **Article 8** hereof; or
- (d) use hazard insurance proceeds for losses to any material portion of the Common Elements for other than the repair, replacement, or reconstruction of such portion of the Common Elements.

19.2 Liability of First Mortgagees. Where an Eligible Mortgagee obtains title pursuant to judicial or nonjudicial foreclosure of the Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such Eligible Mortgagee, its successors and assigns. Any Eligible Mortgagee obtaining title to a Unit by judicial or nonjudicial foreclosure, or by deed in lieu of foreclosure, shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

19.3 Mortgagee Notice. Any Eligible Mortgagee, upon written request to the Association identifying its contact address and the address of the Unit against which it holds a Mortgage, will be entitled to timely written notice of:

- (a) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held by such Eligible Mortgagee;
- (b) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to a first Mortgage held by such Eligible Mortgagee which remains unsatisfied for a period of sixty (60) days, and any default in the performance by any such Owner

of any other obligation under the Condominium Instruments which is not cured within sixty (60) days;

(c) any lapse, cancellation without replacement, or material modification of any insurance policy or fidelity bond maintained by the Association; or

(d) any proposed action which would require the consent of a specified percentage of Eligible Mortgagees, as specified herein.

19.4 Financial Statements. Any holder of a first Mortgage shall be entitled, upon written request, to receive, within a reasonable time after request, a copy of the financial statement of the Association for the immediately preceding fiscal year, free of charge to the Mortgagee so requesting.

19.5 Additional Mortgagee Rights. Notwithstanding anything to the contrary herein contained, the provisions of Articles 14 and 15 governing sales and leases shall not apply to impair the right of any first Mortgagee to:

(a) foreclose or take title to a Unit pursuant to remedies contained in its Mortgage; or

(b) take a deed or assignment in lieu of foreclosure; or

(c) sell a Unit acquired by the Mortgagee.

19.6 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

19.7 Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 60 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested, to the address last provided by such Mortgagee, or if none, then to the address of such Mortgagee last provided by the applicable Owner.

ARTICLE 20: EASEMENTS AND OTHER RESTRICTIONS

20.1 Use and Enjoyment. Each Owner and Occupant shall have a right and easement of use and enjoyment in and to the Common Elements (including the right of access, ingress and egress to and from his or her Unit over those portions of the Condominium designated for such purposes), and such easement shall be appurtenant to and shall pass with the title to each Unit, subject to the rights of the Owners to the exclusive use of the Limited Common Elements assigned to their respective Units and to the right of the Association to control the use and enjoyment of the Common Elements as provided by the terms of this Declaration including, but not limited to, the right of the Association to suspend voting and use privileges as provided herein. Every portion of a Unit and all Limited Common Elements contributing to the support of

an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit.

20.2 Utilities. To the extent that any sprinkler system or any sprinkler room, electrical room, telephone equipment, telephone trunk line, utility line, pipe, wire, or conduit serving any Unit, Units or the Common Elements shall lie wholly or partially within the boundaries of another Unit or the Common Elements, or shall only be accessible from another Unit, such other Unit, Units, or the Common Elements shall be burdened with an easement for the use, access, maintenance, repair and replacement of such sprinkler system, electrical room, telephone equipment, telephone trunk line, utility line, pipe, wire or conduit, such easement to be in favor of the Association and the Unit, Units, or Common Elements served by the same. It shall be the obligation of the benefited Owner to maintain, replace and repair any pipe, line, conduit, duct or wire owned by such Owner, even if such pipe, line, conduit, duct or wire is located in the Unit of another Owner. In such circumstance, the benefited Owner shall repair all incidental damage to any Unit or the Common Elements resulting from performance of any such work. All Owners hereby covenant and agree that as finished levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready". Components that may require repair or replacement, such as tile or trim, will be reinstated only to the extent that matching or similar materials are readily available at reasonable costs, as determined in the sole discretion of the Board.

20.3 Pest Control. The Association may, but shall not be obligated to, dispense chemicals for the extermination of insects and pests within the Units and Common Elements. In the event the Association chooses to provide such pest control, the Association and its duly authorized contractors, representatives, and agents shall have an easement to enter Units for the purpose of dispensing chemicals for the exterminating of insects and pests within the Units and Common Elements. Each Owner shall either provide a key to the Unit for purpose of such entry or have someone available at such times as are designated by the Board of Directors to allow entry into the Unit for this purpose. The Association shall not be liable for any illness, damage, or injury caused by the dispensing of these chemicals for this purpose.

20.4 Declarant Easements.

(a) For so long as Declarant owns any Unit primarily for the purpose of sale, Declarant and its duly authorized contractors, representatives, agents, and employees shall have an easement for the maintenance of signs, a sales office, a business office, promotional facilities and model Units on the Condominium, together with such other facilities as in the opinion of Declarant may be reasonably required, convenient or incidental to the completion, renovation, improvement, development or sale of the Unit.

(b) As part of the Declarant's right to annex additional property to the Condominium, the Declarant reserves unto itself, and its successors and assigns, non-exclusive easements for ingress and egress over, under, and across all Common Elements and Limited Common Elements and such other reasonable right of access to, and use of, the Common Elements and Limited Common Elements as may be necessary for the construction, maintenance and marketing of additional Units hereafter added to the condominium, if any.

20.5 Easements of Encroachment. There are hereby reserved reciprocal appurtenant Easements of encroachment, and for maintenance and use of any permitted encroachment, between each Unit and any adjacent Common Element and between adjacent Units due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than three (3) feet, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an Easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner, Occupant, or the Association.

20.6 Effect of Easements. All Easements provided for in this Master Deed shall run with the land and bind all Owners, their successors, assigns and successors in title, and the rights, reservations and privileges for the use and benefit of Declarant shall continue until they expire by their terms.

ARTICLE 21: REMEDIES.

21.1 General Provisions. In the event of any violation of, or default under, the provisions of the Act or the Condominium Instruments by any Owner (either by his own conduct or by the conduct of any Occupant of his Unit), and the failure to cure such violation or default within three (3) days after notice of default to the Owner (provided that if cure cannot be performed in three (3) days, then the Owner/Occupant shall commence cure within three (3) days and shall diligently pursue same and further provided that no opportunity to cure shall be required for repeated violations), the Association, or the Board, or its agents, shall have each and all of the rights and remedies which may be provided for in the Act or the Condominium Instruments or the laws of the State of Tennessee, or which may be provided or permitted at law or in equity, and may prosecute an action or other proceedings against such defaulting Owner and/or others (i) for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Owner, or (ii) for damages or injunction or specific performance, or (iii) for judgment for payment of money and collection thereof, or the right to take possession of the Unit and such Owner's interest in the Property, and to sell the same, as hereinafter in this section provided, or (iv) for any combination of remedies, or (v) for any other relief. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board.

21.2 Emergency Dispossession By the Board. In the event of (i) criminal activity, or danger or threat to the health, safety, or welfare of the person or property of other Owners or Occupants caused by an Owner or Occupant, and (ii) written notice to the offending Owner or Occupant of the complaints or allegations, then the Board shall be entitled to, and is hereby empowered to seek such temporary or permanent injunctive relief as may be reasonably determined by the Board.

21.3 Miscellaneous Additional Enforcement Measures. The violation of, or default under, any provisions of the Act or the Condominium Instruments by any Owner (either by his own conduct or by the conduct of any Occupant of his Unit), if not cured within the time periods provided herein, shall give the Board, and its employees and agents, the right, in addition to any other rights provided for in this Declaration:

(a) to impose reasonable fines for a single violation or default, or reasonable daily fines for any offense of a continuing nature, with the same treated as an Assessment against the Owner's Unit; and/or

(b) to enter upon the Unit, or any portion of the Property upon which or as to which such default exists and to correct such default, and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Owner as an Assessment, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; and/or

(c) to bar the defaulting Owner or Occupant from using and enjoying the Common Elements, from voting on matters before the Association, or otherwise from participating as a member in the Association; and/or

(d) to pursue any other remedies provided by law or equity.

21.4 Expenses in Enforcement; Interest. All expenses of the Board in connection with pursuing any remedies herein provided, including court costs and attorneys' fees and other fees and expenses, whether or not such enforcement requires litigation, shall be charged to and assessed against such defaulting Owner and shall be added to and deemed a special assessment of such defaulting Owner.

21.5 Owner Enforcement. Nothing herein shall prevent any individual Owner from pursuing enforcement of the Condominium Instruments against other Owners through private enforcement actions independent of the Association.

ARTICLE 22: GENERAL PROVISIONS

22.1 Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the By-Laws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

22.2 Amendment.

(a) By Declarant. For so long as the Declarant has the right to appoint and remove members of the Board as provided in this Declaration, the Declarant may unilaterally amend this Declaration for any purpose. Thereafter, the Declarant may unilaterally amend this Declaration at any time and from time to time if such amendment is necessary (i) to exercise a right reserved by Declarant pursuant to **Article 8** hereof, (ii) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (iii) to enable any reputable title insurance company to issue title insurance coverage on the Units; (iv) to enable any institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee Mortgage loans on the Units; or (v) to satisfy the requirements of any local, state or federal governmental agency. However, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent in writing.

(b) By Owners. Except where a higher vote is required for action under any other provisions of this Declaration or by the Act, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the consent of (i) the Owners holding 67% of the total Percentage Interest, and (ii) the Declarant for so long as the Declarant owns a Unit. Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by an officer of the Association and recorded in the Register's Office for Hamilton County, Tennessee.

(c) Mortgagee Approval. Any amendment to this Declaration which materially adversely impairs or limits the rights of Mortgagees must also be consented to by Eligible Mortgagees representing more than fifty percent (50%) of the Units actually encumbered by Mortgages.

(d) Challenge to Amendment. Any action to challenge the validity of an amendment to this Declaration must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

22.3 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application and, to this end, the provisions of this Declaration are declared to be severable.

22.4 Captions. The captions of each Article and Section hereof, as to the contents of each Article and Section, are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Section to which they refer.

22.5 Notices. Notices provided for in this Declaration or the Articles or By-Laws shall be in writing, and shall be addressed to any Owner at the address of the Unit and to the Declarant or the Association at the address of their respective registered agents in the State of Tennessee. Any Owner may designate a different address for notices to such Owner by giving written notice to the Association. Notices addressed as above shall be deemed delivered three (3) business days after mailing by United States Registered or Certified Mail, postpaid, or upon delivery when delivered in person, including delivery by Federal Express or other reputable courier service.

(Signatures on Following Page)

29th IN WITNESS WHEREOF, the Declarant has executed this Declaration under seal, this day of August, 2008.

Stonebrook Partners, LLC, a Tennessee limited liability company

By: [Signature]
James E. Pratt, Jr., Chief Manager

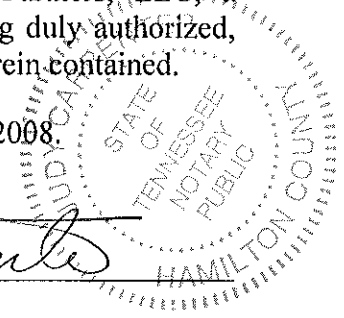
STATE OF TENNESSEE)

COUNTY OF HAMILTON)

Before me, Judy Carpenter, a Notary Public in and for the state and county aforesaid, personally appeared James E. Pratt, Jr., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself/herself to be the Chief Manager of Stonebrook Partners, LLC, a Tennessee limited liability company, and that he, in such capacity, and being duly authorized, executed the foregoing instrument on behalf of said entity for the purposes therein contained.

WITNESS my hand, at office, this 29th day of August, 2008.

[Signature]
Notary Public



My Commission Expires: [Signature] (My Commission Expires December 21, 2008)
[Notarial Seal]

CONSENT AND SUBORDINATION BY LENDER

In consideration for \$10.00, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Regions Bank does hereby (a) consent to, approve, and acknowledge the execution and recording of this Declaration, (b) except as otherwise expressly provided in this paragraph, subordinate any and all liens it holds against the Property (as defined in the Declaration) to this Declaration, which subordination shall be effective against any and all amendments to such liens, (c) agreed that this subordination shall automatically be effective against any and all additional real property hereafter made subject to this Declaration by amendments hereto (it not being necessary to obtain signature by Regions Bank to any such amendment(s) to this Declaration bringing additional real property under the Declaration for this subordination to be effective against such additional real property); and (d) agrees that in the event of foreclosure of any such liens, it shall not disturb the duties, obligations, covenants, conditions, restrictions, rights and interests created and imposed under and pursuant to this Declaration. This consent and subordination is given for the sole purpose of consenting and subordinating the undersigned's liens on the Property (including additional property pursuant to amendment hereto) to this Declaration. By subordinating its liens in the Property to this Declaration, the undersigned does not consent to any other matters.

REGIONS BANK

By: Mick Bagby
Print Name: MICK BAGBY
Title: ASSISTANT V.P.

STATE OF TENNESSEE)

COUNTY OF HAMILTON)

Before me, Patricia L. Noll ^{PLN}, a Notary Public in and for the state and county aforesaid, personally appeared Mick Bagby, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself/herself to be the Asst VP of REGIONS BANK, and that he/she, in such capacity, and being duly authorized, executed the foregoing instrument on behalf of said entity for the purposes therein contained.

WITNESS my hand, at office, this 3rd day of September, 2008.

Patricia L. Noll
Notary Public

My Commission Expires: 1-5-11
[Notarial Seal]

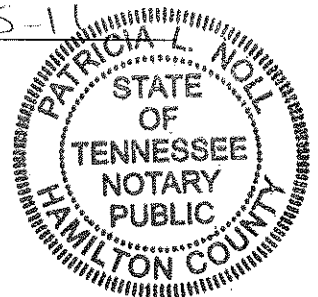


EXHIBIT "A"

Legal Description of Property

IN HAMILTON COUNTY, TENNESSEE:

Lots 1, 6, and 18, as well as community lots 19, 20, 21, 22, 23, and 24 all as shown on the plat of Stonebrook Condominiums recorded at Plat Book 89, Page 196, Register's Office of Hamilton County, Tennessee.

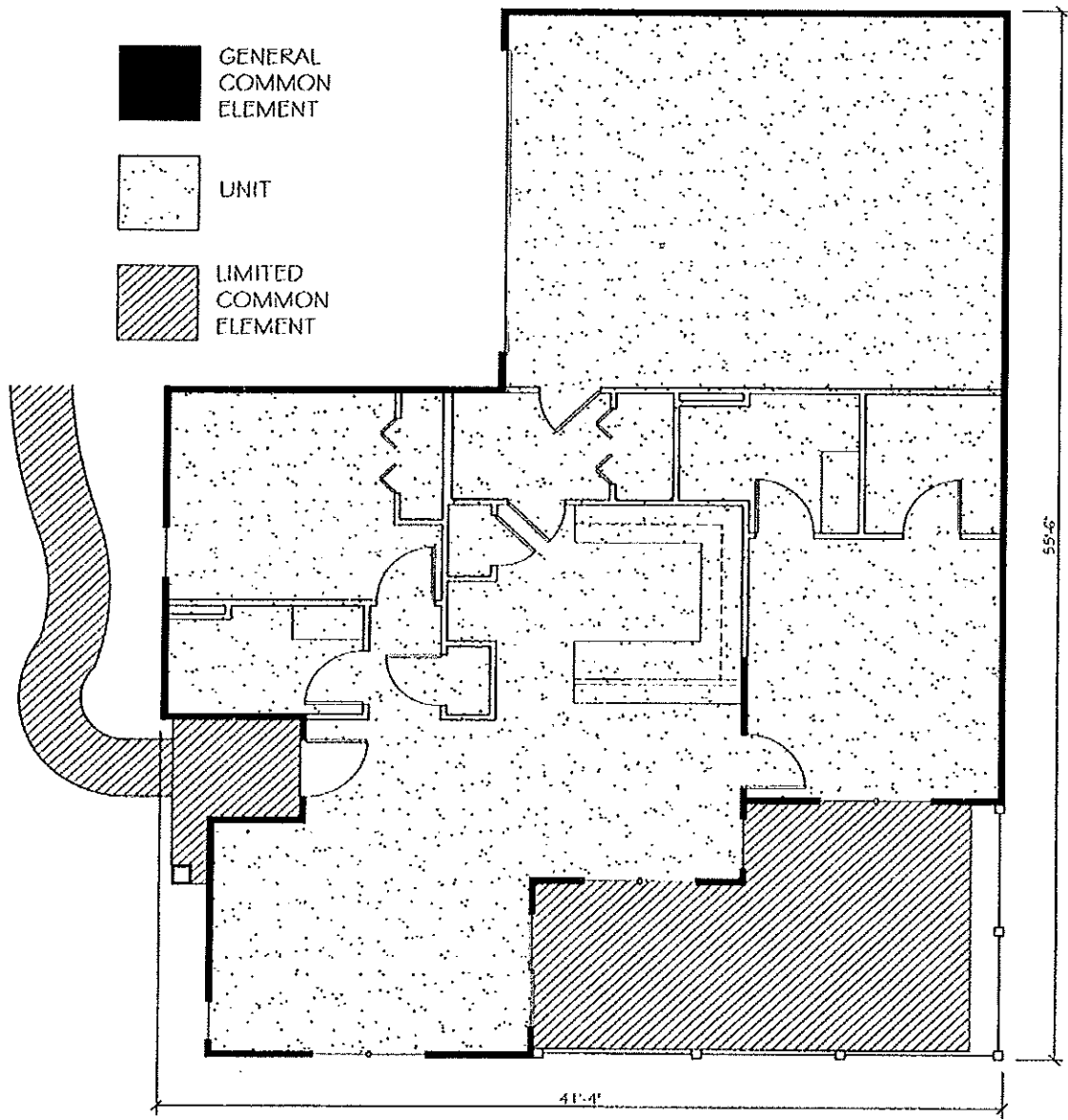
For prior title, see deeds of record at Book 8188, Page 933 and Book 8692, Page 750, Register's Office of Hamilton County, Tennessee.

EXHIBIT "B"

Plat

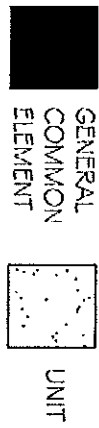
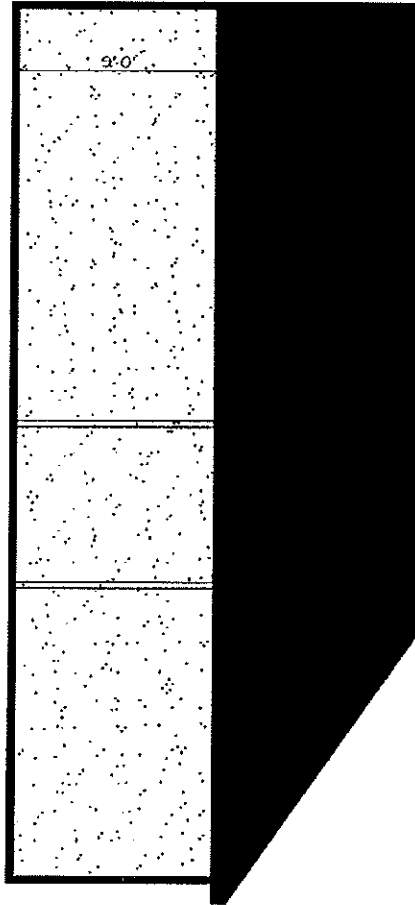
That Condominium Plat recorded at Plat Book 89, Page 196, Register's Office of Hamilton County, Tennessee.

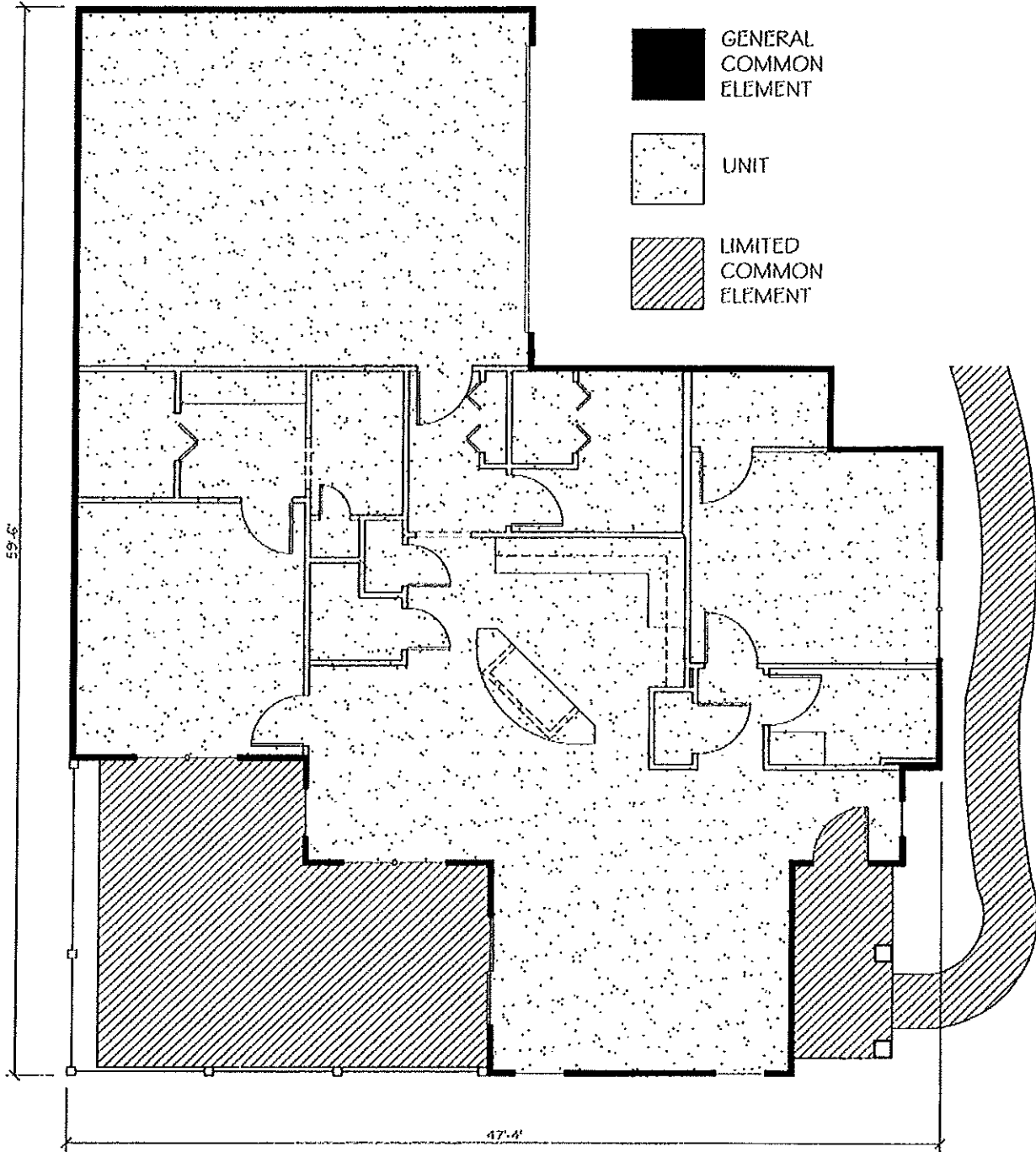
EXHIBIT "C"
Floor Plans for Each Unit Style



THE ABORETA

THE ABORETTA





THE BRAMANTE

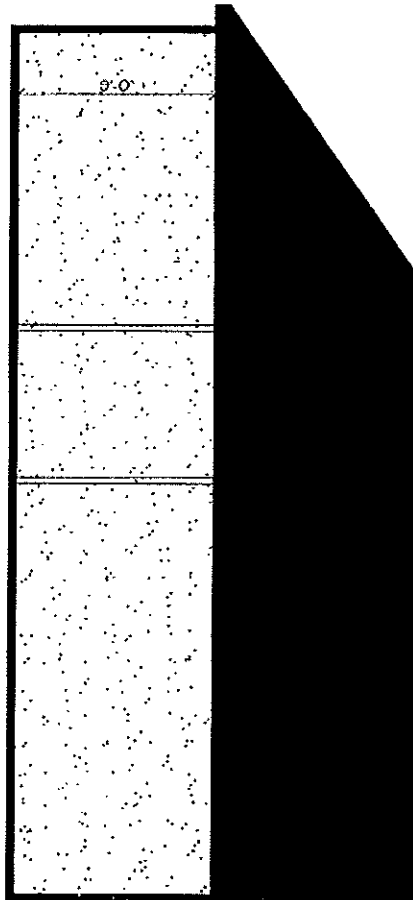
THE BRAMANTE

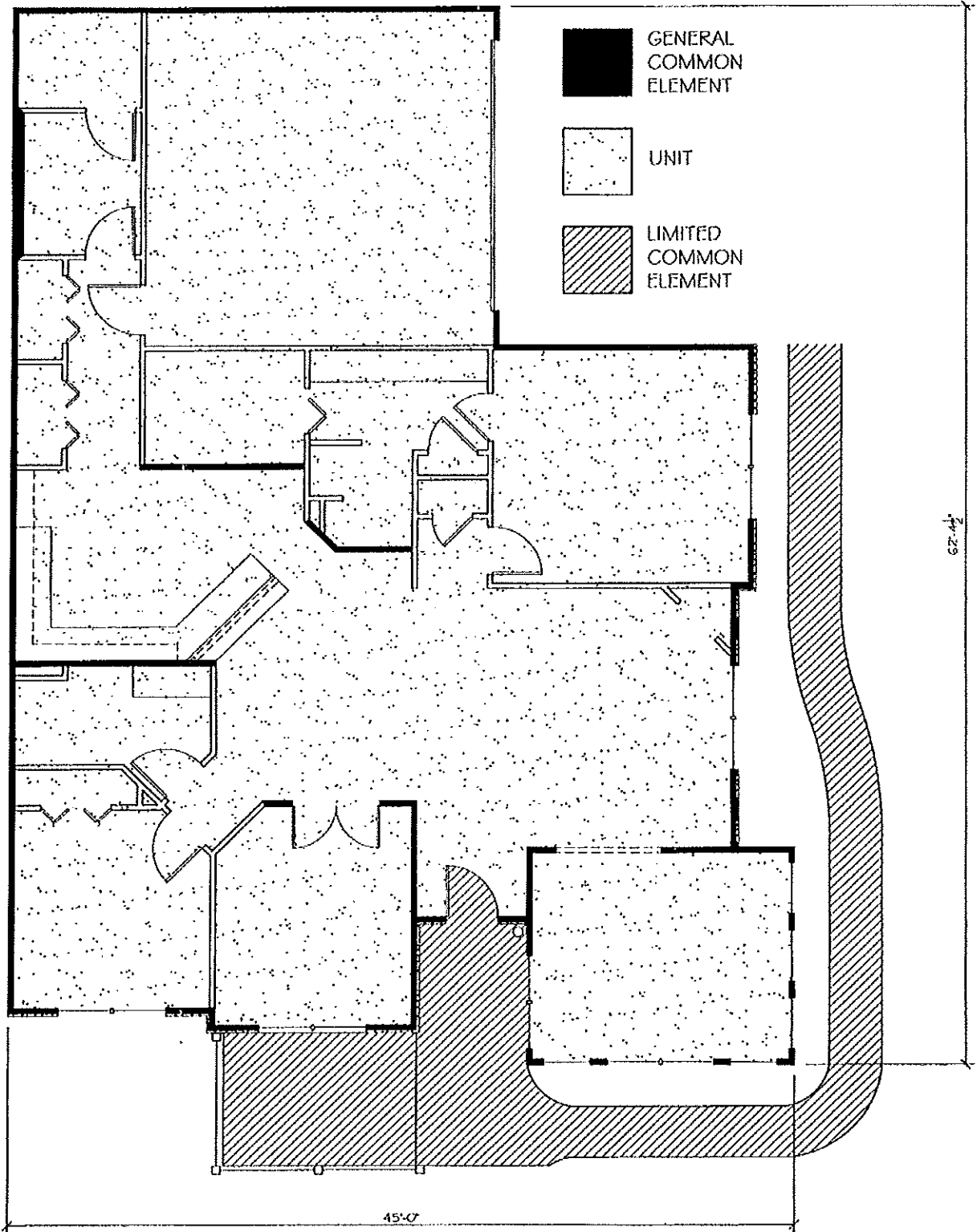


GENERAL
COMMON
ELEMENT



UNIT



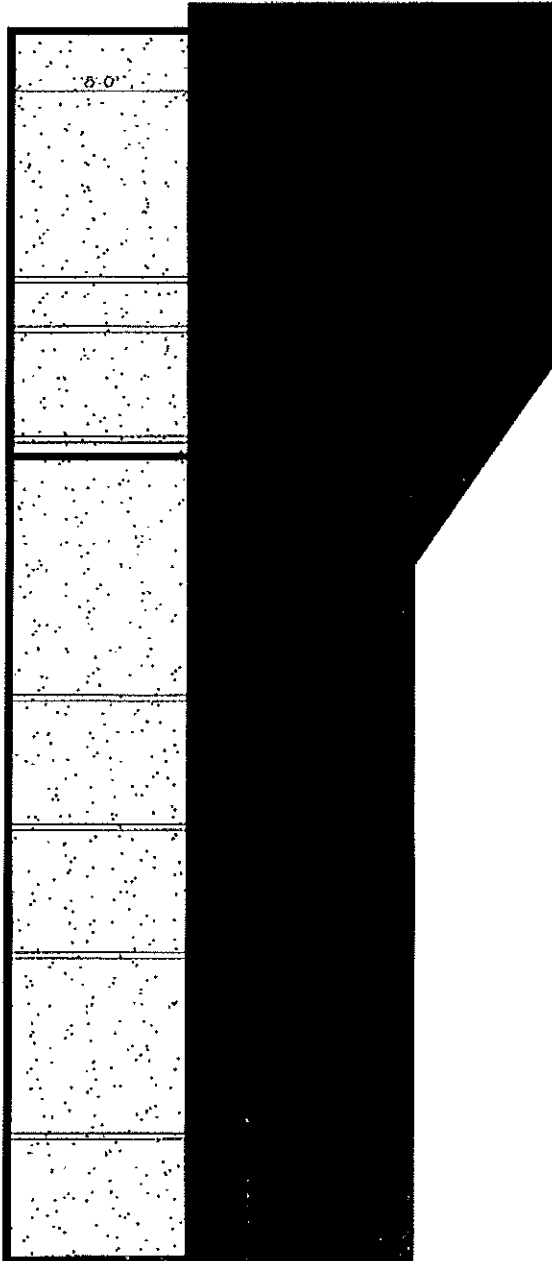


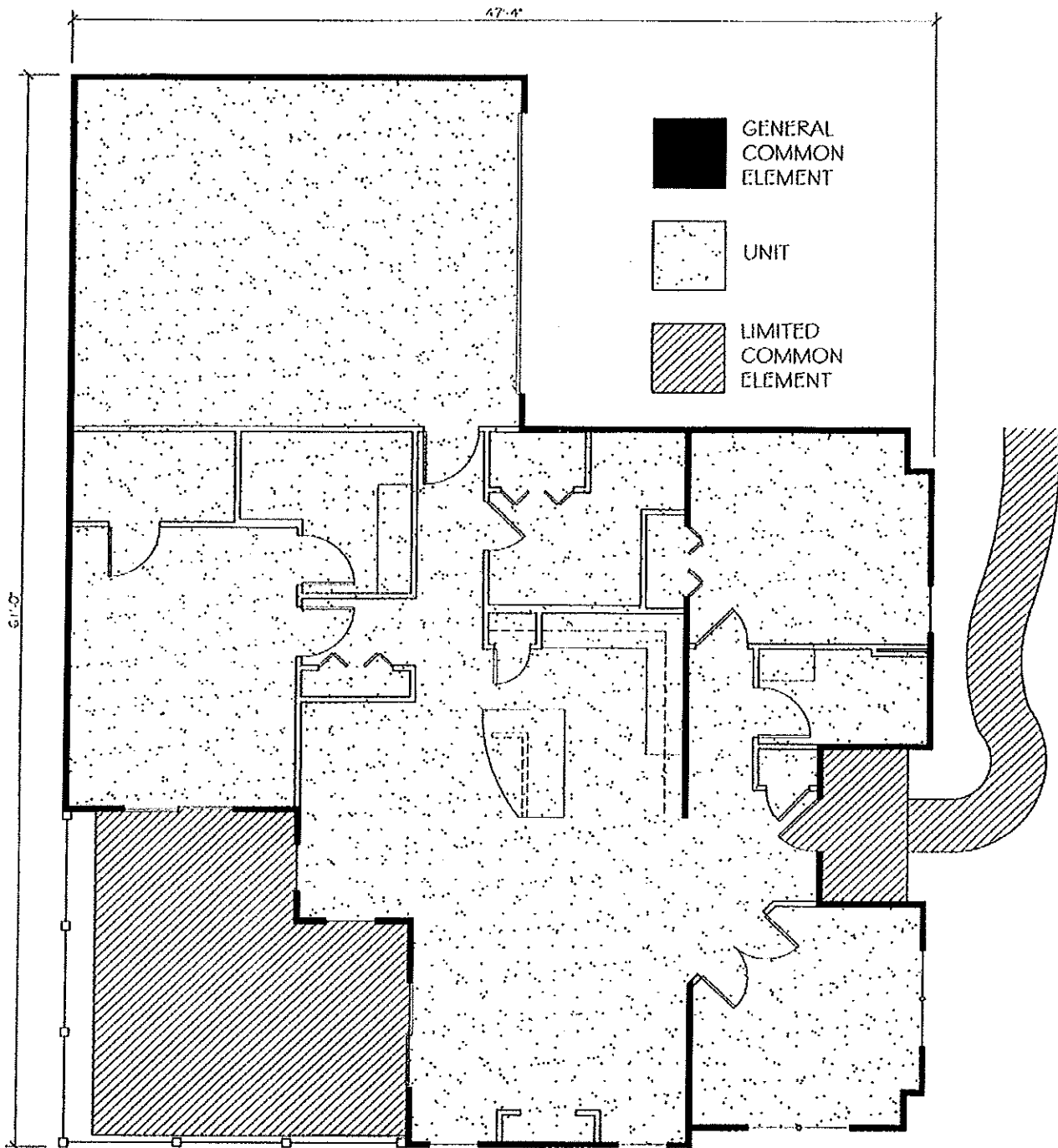
THE CANTERBURY

THE CANTERBURY

GENERAL
COMMON
ELEMENT

UNIT





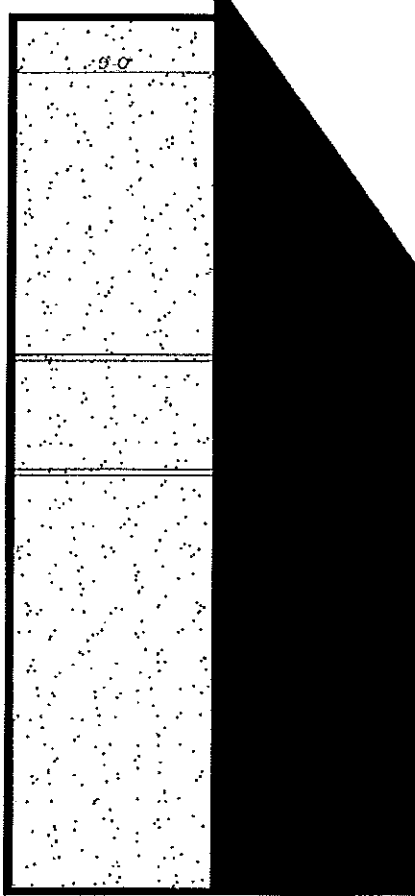
THE COLONADE

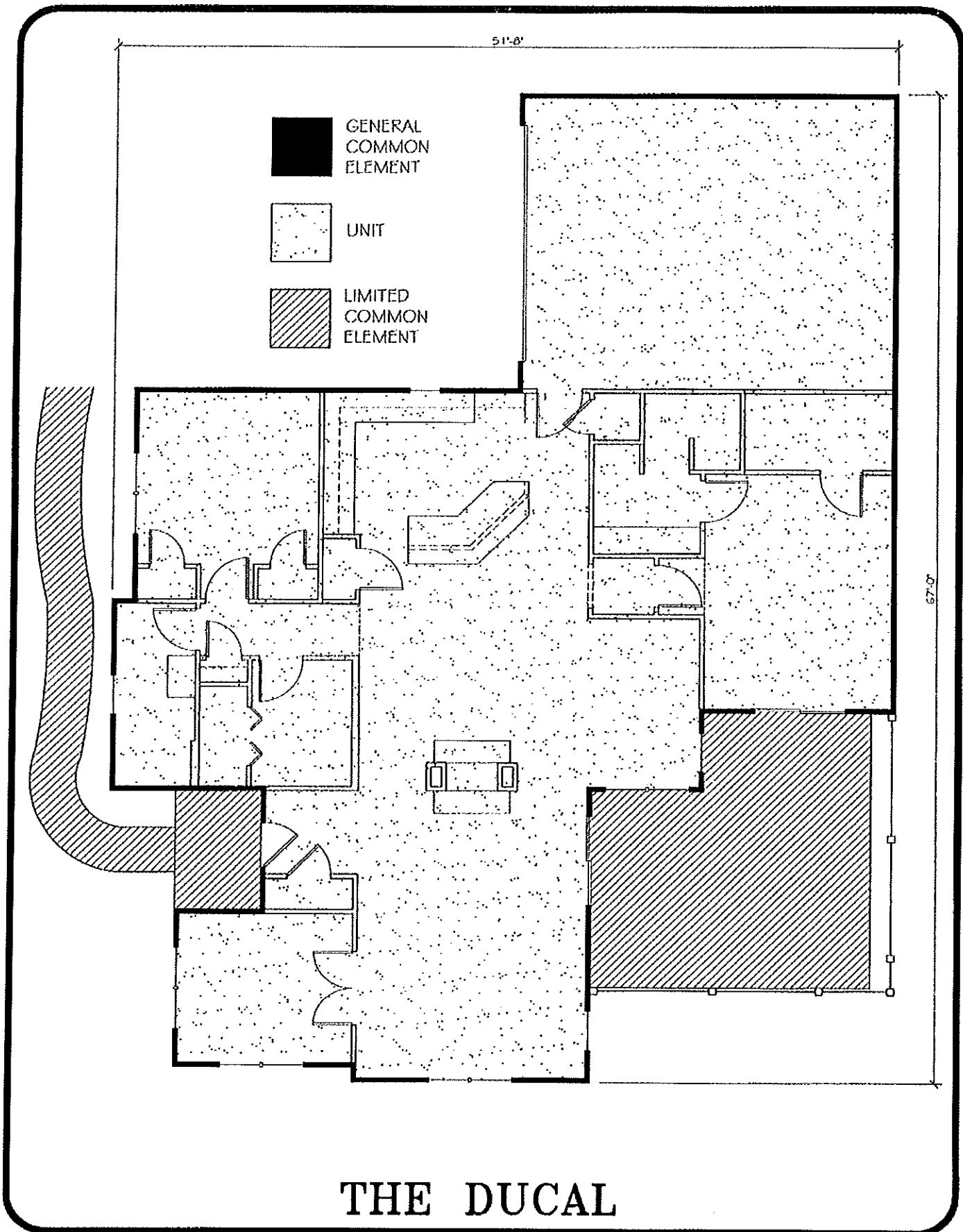
THE COLONADE

GENERAL
COMMON
ELEMENT



UNIT

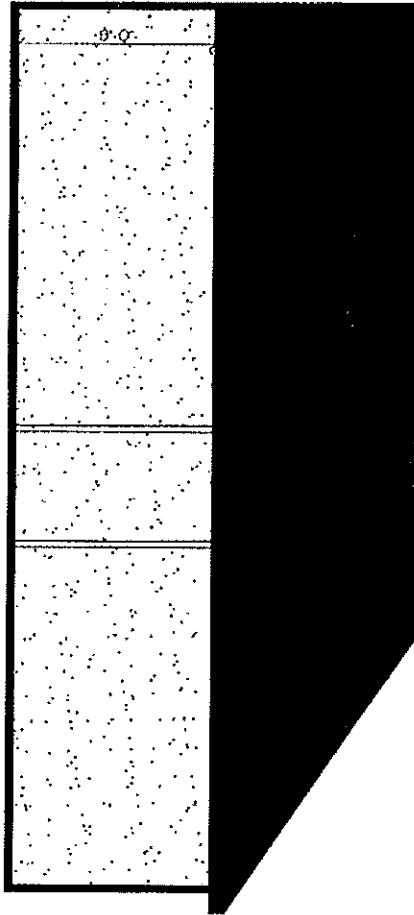




THE DUCAL

GENERAL
COMMON
ELEMENT

UNIT



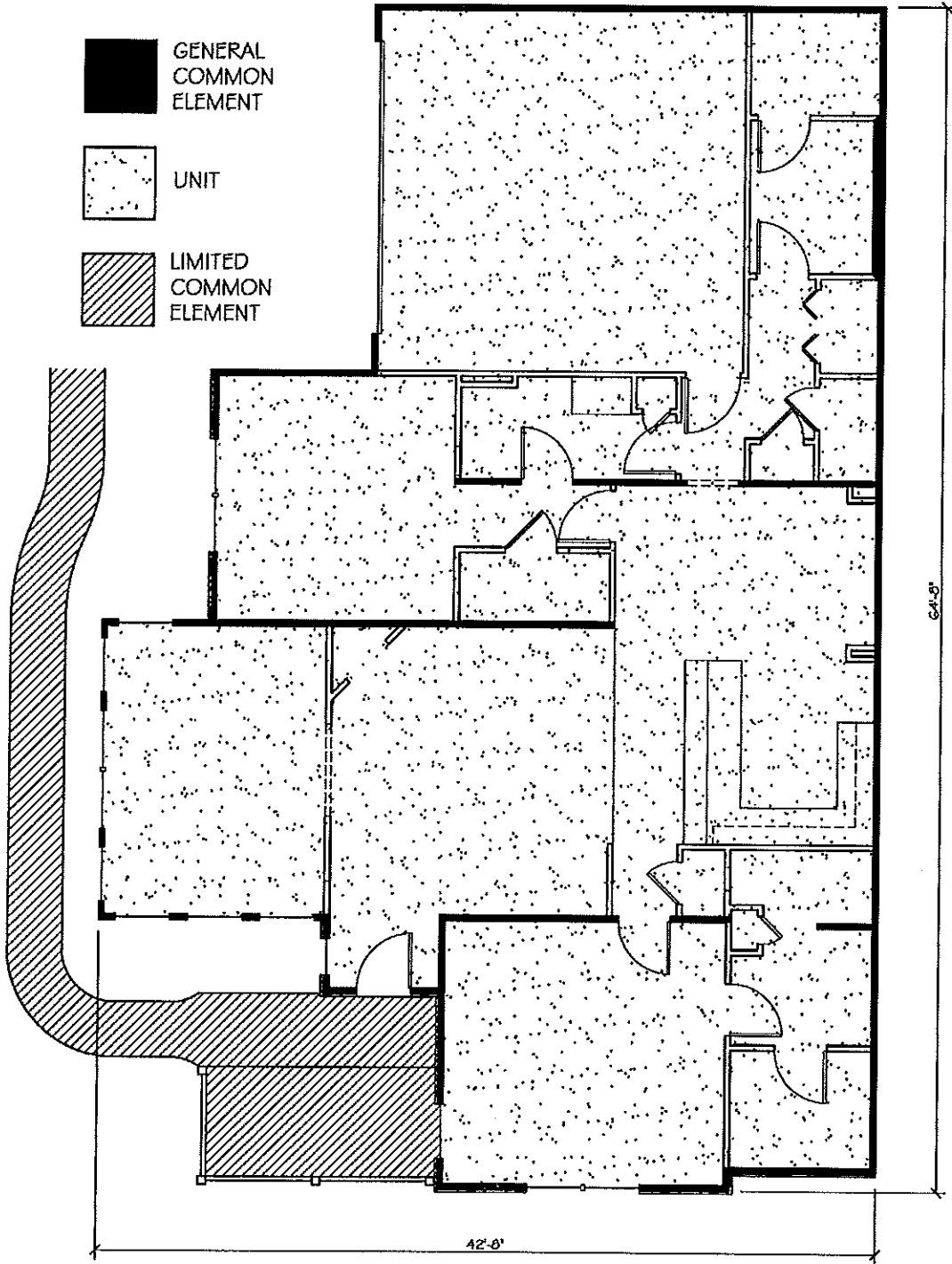
GENERAL
COMMON
ELEMENT



UNIT



LIMITED
COMMON
ELEMENT



THE ABBEY

THE ABBEY

GENERAL
COMMON
ELEMENT

UNIT

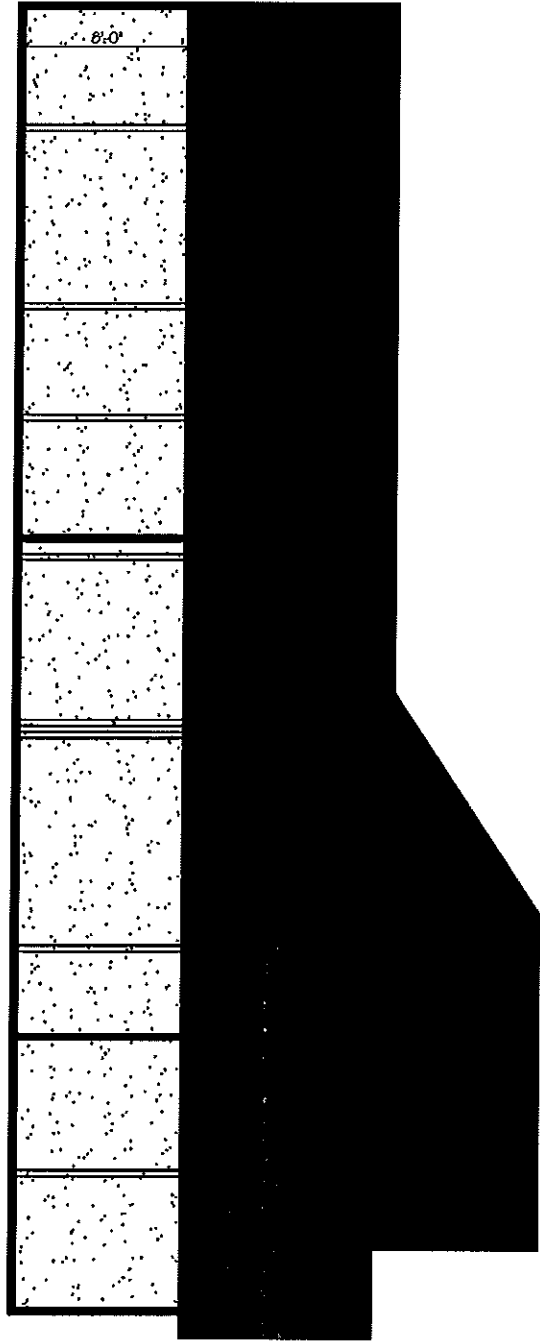


EXHIBIT "D"

Building Numbers and Unit Designations
(See attached pages for Unit style/floor plan applicable to each Unit)

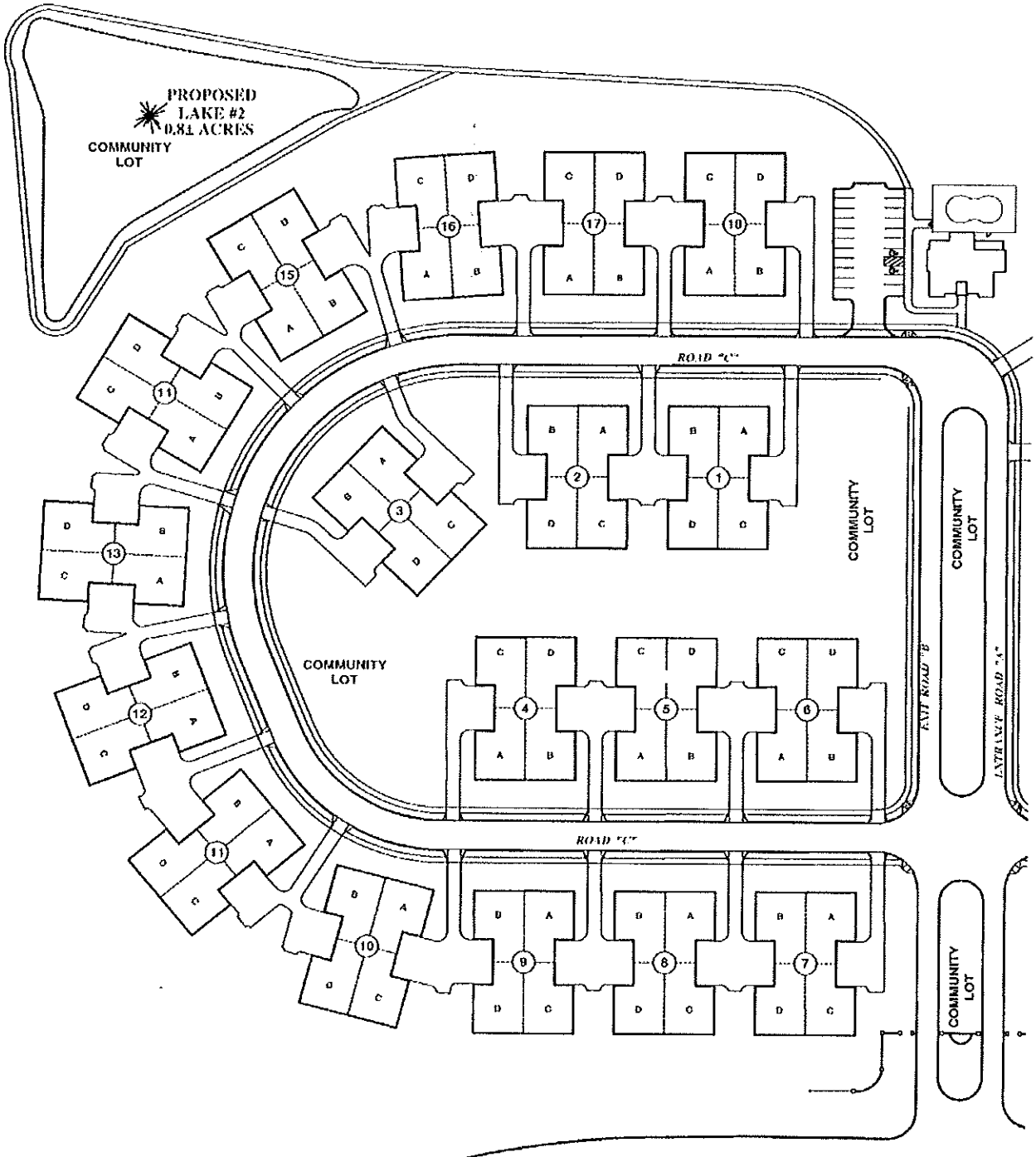


EXHIBIT "D" (Continued)

<u>Unit Designation</u>	<u>Condominium Style/Floor Plan From Exhibit C</u>
Unit 1-A	The Colonnade.
Unit 1-B	The Ducal.
Unit 1-C	The Ducal.
Unit 1-D	The Bramante.
Unit 2-A	To be specified on subsequent amendments hereto.
Unit 2-B	To be specified on subsequent amendments hereto.
Unit 2-C	To be specified on subsequent amendments hereto.
Unit 2-D	To be specified on subsequent amendments hereto.
Unit 3-A	To be specified on subsequent amendments hereto.
Unit 3-B	To be specified on subsequent amendments hereto.
Unit 3-C	To be specified on subsequent amendments hereto.
Unit 3-D	To be specified on subsequent amendments hereto.
Unit 4-A	To be specified on subsequent amendments hereto.
Unit 4-B	To be specified on subsequent amendments hereto.
Unit 4-C	To be specified on subsequent amendments hereto.
Unit 4-D	To be specified on subsequent amendments hereto.
Unit 5-A	To be specified on subsequent amendments hereto.
Unit 5-B	To be specified on subsequent amendments hereto.
Unit 5-C	To be specified on subsequent amendments hereto.
Unit 5-D	To be specified on subsequent amendments hereto.
Unit 6-A	The Canterbury.
Unit 6-B	The Canterbury.
Unit 6-C	The Canterbury.
Unit 6-D	The Canterbury.
Unit 7-A	To be specified on subsequent amendments hereto.
Unit 7-B	To be specified on subsequent amendments hereto.
Unit 7-C	To be specified on subsequent amendments hereto.
Unit 7-D	To be specified on subsequent amendments hereto.

Unit 8-A	To be specified on subsequent amendments hereto.
Unit 8-B	To be specified on subsequent amendments hereto.
Unit 8-C	To be specified on subsequent amendments hereto.
Unit 8-D	To be specified on subsequent amendments hereto.
Unit 9-A	To be specified on subsequent amendments hereto.
Unit 9-B	To be specified on subsequent amendments hereto.
Unit 9-C	To be specified on subsequent amendments hereto.
Unit 9-D	To be specified on subsequent amendments hereto.
Unit 10-A	To be specified on subsequent amendments hereto.
Unit 10-B	To be specified on subsequent amendments hereto.
Unit 10-C	To be specified on subsequent amendments hereto.
Unit 10-D	To be specified on subsequent amendments hereto.
Unit 11-A	To be specified on subsequent amendments hereto.
Unit 11-B	To be specified on subsequent amendments hereto.
Unit 11-C	To be specified on subsequent amendments hereto.
Unit 11-D	To be specified on subsequent amendments hereto.
Unit 12-A	To be specified on subsequent amendments hereto.
Unit 12-B	To be specified on subsequent amendments hereto.
Unit 12-C	To be specified on subsequent amendments hereto.
Unit 12-D	To be specified on subsequent amendments hereto.
Unit 13-A	To be specified on subsequent amendments hereto.
Unit 13-B	To be specified on subsequent amendments hereto.
Unit 13-C	To be specified on subsequent amendments hereto.
Unit 13-D	To be specified on subsequent amendments hereto.
Unit 14-A	To be specified on subsequent amendments hereto.
Unit 14-B	To be specified on subsequent amendments hereto.
Unit 14-C	To be specified on subsequent amendments hereto.
Unit 14-D	To be specified on subsequent amendments hereto.
Unit 15-A	To be specified on subsequent amendments hereto.
Unit 15-B	To be specified on subsequent amendments hereto.
Unit 15-C	To be specified on subsequent amendments hereto.

Unit 15-D	To be specified on subsequent amendments hereto.
Unit 16-A	To be specified on subsequent amendments hereto.
Unit 16-B	To be specified on subsequent amendments hereto.
Unit 16-C	To be specified on subsequent amendments hereto.
Unit 16-D	To be specified on subsequent amendments hereto.
Unit 17-A	To be specified on subsequent amendments hereto.
Unit 17-B	To be specified on subsequent amendments hereto.
Unit 17-C	To be specified on subsequent amendments hereto.
Unit 17-D	To be specified on subsequent amendments hereto.
Unit 18-A	The Ducal.
Unit 18-B	The Bramante.
Unit 18-C	The Colnade.
Unit 18-D	The Ducal.

EXHIBIT "E"

This Exhibit as set forth on the succeeding pages is intended to illustrate some common maintenance, cleaning, repair, replacement, insurance and restoration responsibilities and whether those responsibilities are to be undertaken by the Association or the Owner. The illustrations cover routine and normal repair, maintenance, replacement and insurance obligations and are not intended to cover repairs or replacements necessitated by actions of Owners, occupants or guests, other than normal wear and tear. The categories and responsibilities in this list are not intended to be exhaustive of all areas of responsibility and are not intended to supersede the applicable provisions of either the Declaration or the Bylaws.

Items	I General Common Elements Under Association Responsibility	II Limited Common Elements	III Owner Responsibility
1. Decoration of Unit, including but not limited to, floor and wall coverings, interior window treatment, molding, etc.			X
2. Plumbing (excluding hot water heaters) and components thereof: insurance, maintenance, repair, replacement, etc.			
(a) Pipes and components serving Common Elements.	X		
(b) Pipes and components serving Units.	X		
(c) Fixtures located with the boundaries of a Unit.			X
3. Hot water heater wherever located.			X
4. Heating and Air Conditioning compressor or furnace: Insurance, maintenance, repair, replacement, etc. regardless where located.			X
5. Electrical Wiring and Other Utility Installations (to the outlets): Insurance, maintenance, repairs, replacement, etc.			

Items	I General Common Elements Under Association Responsibility	II Limited Common Elements	III Owner Responsibility
(a) Wiring and installations serving Common Elements.	X		
(b) Wiring and installations serving Units.	X		
(c) Fixtures within a Unit's boundaries.			X
6. Garbage removal from Property.	X		
7. Pest Control.	X		
8. Landscaping:			
(a) Of General Common Elements.	X		
(b) Areas of Limited Common Elements maintained by individual Owners with Board approval.		X	
9. Parking areas.			
(a) For General Common Elements (e.g. clubhouse).	X		
(b) For Units.	X		
10. Building exteriors, roofs and foundations: Insurance, maintenance, repair, replacement, etc.	X		
11. Windows and screens:			
(a) Serving General Common Elements: Insurance, maintenance, repair, replacement, routine cleaning, etc.	X		

Items	I General Common Elements Under Association Responsibility	II Limited Common Elements	III Owner Responsibility
(b) Serving individual Units: exterior cleaning. (c) Serving individual Units: replacement. (d) Serving individual Units: interior cleaning.	X		X X
12. Doors: (a) Serving individual Units, whether interior or located in perimeter wall: Insurance, maintenance, repair, replacement, routine cleaning. (b) Serving General Common Elements: Insurance, maintenance, repair, replacement, routine cleaning.	X		X
13. Patios, Vestibules, Porches, Sidewalks (a) Attached to any General Common Elements. (b) Attached to only Units (maintenance, repairs). (c) Attached to Units (general cleaning).	X	X	X
14. Bathroom fixtures, including, but not limited to, soaking tubs, toilet, ceramic tile, shower, vanities: (a) Insurance and replacement upon casualty. (b) Routine maintenance, repair, replacement other than casualty, etc.			X X

Items	I General Common Elements Under Association Responsibility	II Limited Common Elements	III Owner Responsibility
<p>15. Kitchen fixtures, including, but not limited to, appliances, cabinets, and floor coverings:</p> <p>(a) Insurance and replacement upon casualty.</p> <p>(b) Routine maintenance, repair, replacement other than casualty, etc.</p> <p>16. Walls, floors and ceilings:</p> <p>(a) Finished but undecorated plaster, sheetrock or wallboard making up ceiling and walls: Insurance and replacement upon casualty.</p> <p>(b) Finished but undecorated plaster, sheetrock or wallboard making up ceiling and walls: Routine maintenance and repair.</p> <p>(c) Uppermost unfinished floor, lowermost unfinished ceiling, wall framing and studs for load-bearing walls; rafters and joists.</p> <p>(d) Wall framing and studs for non load-bearing walls.</p> <p>(e) Carpet, linoleum, or other floor covering.</p> <p>17. Water damage to innocent, third-party Units.</p>	<p>X</p>		<p>X (Association may elect to insure)</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>

Items	I General Common Elements Under Association Responsibility	II Limited Common Elements	III Owner Responsibility
<p>(a) Water damage from water emanating from plumbing or pipes, servicing a Common Element.</p> <p>(b) Water damage from water emanating from pipes deemed to be part of a Unit or from appliances of another Unit.</p>	X		X (being the Unit that is the source of the damage)

EXHIBIT "F"
[Bylaws; See following pages]

MILLER
& MARTIN
PLLC

ATTORNEYS AT LAW

SUITE 1000 VOLUNTEER BUILDING
832 GEORGIA AVENUE
CHATTANOOGA, TENNESSEE 37402-2289
(423) 756-6600
FAX (423) 785-8480

THOMAS L. HAYSLETT, III
Direct Dial (423) 785-8368
Direct Fax (423) 321-1529
thayslett@millermartin.com

February 10, 2009

VIA EMAIL: jamespratt@prattdevelopment.com
ORIGINAL VIA FIRST CLASS MAIL

Mr. James E. Pratt
Pratt & Associates, LLC
179 Hamm Road
Chattanooga, TN 37405

RE: First Amendment to Stonebrook Declaration

Dear James:

As we discussed, enclosed please find the original, recorded First Amendment to Declaration of Stonebrook Condominiums. I would suggest putting this in the Minute Book for the Condominium Association, which already contains a tab for the Condominium Declaration. I have a copy of the Minute Book and will update that copy in the same way.

Please feel free to call with questions or concerns.

Sincerely,



Thomas L. Hayslett, III

TLH/mk
Enclosures

Instrument: 2009021000179
Book and Page: GI 8851 985
Data Processing Fee \$2.00
Misc Recording Fee \$45.00
Total Fees: \$47.00
User: dskeilton
Date: 10-Feb-2009
Time: 01:50:59 PM
Contact: Pam Hurst, Register
Hamilton County Tennessee
Electronically Recorded by Simplifile

**FIRST AMENDMENT TO
DECLARATION
OF
STONEBROOK CONDOMINIUMS
Chattanooga, Hamilton County, Tennessee**

This Instrument Prepared By:
Thomas L. Hayslett, III, Esq.
Miller & Martin PLLC
Suite 1000, Volunteer Building
832 Georgia Avenue
Chattanooga, Tennessee 37402-2289

**FIRST AMENDMENT TO
DECLARATION
OF
STONEBROOK CONDOMINIUMS
UPDATED TABLE OF CONTENTS**

	<u>Page</u>
ARTICLE 1: NAME; GOVERNING STATUTE.....	1
ARTICLE 2: DEFINITIONS	2
2.1 "Act"	2
2.2 "Articles of Incorporation"	2
2.3 "Association"	2
2.4 "Board of Directors" or "Board"	2
2.5 "Buildings"	2
2.6 "By-Laws"	2
2.7 "Common Elements"	2
2.8 "Common Expense(s)"	2
2.9 "Community-Wide Standard"	3
2.10 "Condominium Instruments"	3
2.11 "Eligible Mortgagees"	3
2.12 "General Common Elements"	3
2.13 "Limited Common Elements"	3
2.14 "Majority Approval"	3
2.15 "Mortgage"	3
2.16 "Mortgagee"	4
2.17 "Occupant"	4
2.18 "Owner"	4
2.19 "Percentage Interest"	4
2.20 "Person"	4
2.21 "Plans"	4
2.22 "Plat"	4
2.23 "Unit"	4
ARTICLE 3: PLATS AND PLANS.....	5
ARTICLE 4: UNITS AND BOUNDARIES	5
4.1 General Description.....	5
4.2 Interpretation of Boundaries.....	5
4.3 Ownership of Common Elements is Appurtenant to Units.....	5
4.4 Completion of Units	¹ A1

¹ A1 is the first page of the First Amendment to Declaration of Stonebrook Condominiums

Updated Table of Contents:

	<u>Page</u>
ARTICLE 5: COMMON ELEMENTS.....	5
5.1 General.....	5
5.2 No Partition.....	5
ARTICLE 6: LIMITED COMMON ELEMENTS	6
ARTICLE 7: ASSOCIATION MEMBERSHIP.....	6
7.1 The Association	6
7.2 The Board; Declarant as the Board.....	6
7.3 Powers	7
7.4 General Limitations on Powers	8
7.5 Rules.....	8
7.6 Managing Agent	9
7.7 Nonliability.....	9
ARTICLE 8: DECLARANT RETAINED RIGHTS.....	9
8.1 Expansion of Condominium; Construction of Condominium.....	9
8.2 Sale and Leasing of Units; Signs.....	9
8.3 Construction and Sale Period	9
8.4 Right to Modify Units.....	10
8.5 Re-designation of Condominium Elements.....	10
8.6 Change in Design for Subsequent Phases.....	10
ARTICLE 9: ASSESSMENTS	10
9.1 Proportionate Share of Expenses; Assessments Generally.....	10
9.2 Special Assessments	11
9.3 Specific Assessments.....	11
9.4 Creation of the Lien and Personal Obligation For Assessments	11
9.5 Delinquent Assessments	11
9.6 Computation of Operating Budget and Assessments	12
9.7 Capital Budget and Contribution.....	13
9.8 No Budget During Development/Construction	13
9.9 Date of Commencement of Assessments	13
9.10 Statement of Account	13
9.11 Surplus Funds and Common Profits.....	13
ARTICLE 10: INSURANCE	13
10.1 Association Insurance.....	13
10.2 Owner Insurance.....	16
10.3 Deductibles	16
ARTICLE 11: REPAIR AND RECONSTRUCTION	16
11.1 Cost Estimates	17
11.2 Source and Allocation of Proceeds.....	17
11.3 Plans and Specifications	17
11.4 Encroachments.....	17
11.5 Construction Fund	17

Updated Table of Contents:

	<u>Page</u>
ARTICLE 12: ARCHITECTURAL CONTROL	17
12.1 Architectural Standards	17
12.2 Declarant's Rights	18
12.3 Alteration of Units	18
12.4 Limitation of Liability	19
12.5 No Waiver of Future Approvals	19
12.6 Enforcement.....	20
ARTICLE 13: USE RESTRICTIONS	20
13.1 Use of Units	20
13.2 Use of General Common Elements	21
13.3 Outbuildings	21
13.4 Misuse, Nuisance and Noise; Damage	21
13.5 Firearms and Fireworks	21
13.6 Pets.....	22
13.7 Parking.....	22
13.8 Abandoned Personal Property	22
13.9 Heating of Units in Colder Months	23
13.10 Signs; Flags and Decoration Items	23
13.11 Rubbish, Trash, and Garbage	23
13.12 Impairment of Units and Easements.....	24
13.13 Unsightly or Unkempt Conditions.....	24
13.14 Garage Sales	24
13.15 Antennas and Satellite Equipment.....	24
13.16 Grills	24
13.17 Time Sharing	24
ARTICLE 14: LEASING	25
14.1 Definition.....	25
14.2 Leasing Provisions.....	25
ARTICLE 15: SALE OF UNITS	26
ARTICLE 16: MAINTENANCE RESPONSIBILITY	26
16.1 By the Owner.....	26
16.2 By the Association.....	27
16.3 Failure to Maintain	28
16.4 Maintenance Standards and Interpretation	28
16.5 Measures Related to Insurance Coverage.....	28
ARTICLE 17: PARTY WALLS	29
17.1 General Rules of Law to Apply.....	29
17.2 Sharing of Repair and Maintenance	29
17.3 Damage and Destruction	29
17.4 Right to Contribution Runs With Land	29

Updated Table of Contents:

	<u>Page</u>
ARTICLE 18: EMINENT DOMAIN.....	29
ARTICLE 19: MORTGAGEE RIGHTS.....	30
19.1 Mortgagee Consent to Major Decisions	30
19.2 Liability of First Mortgagees	30
19.3 Mortgagee Notice	30
19.4 Financial Statements.....	31
19.5 Additional Mortgagee Rights	31
19.6 Notice to Association.....	31
19.7 Failure of Mortgagee to Respond	31
19.8 Mortgagee Rights to Insurance and Condemnation Proceeds	² A2
ARTICLE 20: EASEMENTS AND OTHER RESTRICTIONS	31
20.1 Use and Enjoyment.....	31
20.2 Utilities	32
20.3 Pest Control	32
20.4 Declarant Easements.....	32
20.5 Easements of Encroachment.....	33
20.6 Effect of Easements	33
ARTICLE 21: REMEDIES.	33
21.1 General Provisions.....	33
21.2 Emergency Dispossession By the Board	33
21.3 Miscellaneous Additional Enforcement Measures	33
21.4 Expenses in Enforcement; Interest	34
21.5 Owner Enforcement.....	34
ARTICLE 22: GENERAL PROVISIONS	34
22.1 Implied Rights	34
22.2 Amendment.	34
22.3 Severability	35
22.4 Captions	35
22.5 Notices	35

² A2 is the second page of the First Amendment to Declaration of Stonebrook Condominiums

This Instrument Prepared By and Return To:
Thomas L. Hayslett, III, Esq.
Miller & Martin PLLC
Suite 1000, Volunteer Building
832 Georgia Avenue
Chattanooga, Tennessee 37402-2289

**FIRST AMENDMENT TO DECLARATION OF
STONEBROOK CONDOMINIUMS**

(Cross Reference: Book 8753, Page 707)

THIS FIRST AMENDMENT TO DECLARATION OF STONEBROOK CONDOMINIUMS (the "First Amendment") is executed to be effective as of the 13th day of January, 2009, by STONEBROOK PARTNERS, LLC, a Tennessee limited liability company ("Declarant").

Background:

A. Declarant is developing a condominium regime known as Stonebrook Condominiums (the "Condominium"), on property located in Hamilton County, Tennessee.

B. In connection with developing the Condominium, Declarant has recorded that certain Declaration of Stonebrook Condominiums (the "Declaration") recorded at Book 8753, Page 707, Register's Office of Hamilton County, Tennessee.

C. Declarant has determined that it would be beneficial to the Condominium to make certain amendments to the Declaration.

D. Declarant has the power unilaterally to amend the Declaration, as the sole owner of the real property presently subject to the Declaration and pursuant to the power set forth in Section 22.2(a) of the Declaration.

Amendment:

NOW THEREFORE, Declarant acknowledges that the above recitals are true and correct and are herein incorporated, and further amends the Declaration as follows:

1. All capitalized terms used herein, the definitions for which are not expressly herein provided, shall have the meaning ascribed to them in the Declaration.

2. A new Section 4.4 is hereby inserted in and added to the Declaration, reading as follows:

4.4 Completion of Units. Developer acknowledges that the presently contemplated Units, as shown on page 1 of Exhibit D, are to be completed, through a series of phases, within seven years of the date of filing this Declaration. The first three phases are shown on Plat of record at Plat

Book 90, Page 117, Register's Office of Hamilton County, Tennessee, such phases being as follows: (1) Phase One consists of four Units, being Units 18A through 18D; (2) Phase Two consists of four Units, being Units 1A through 1D; and (3) Phase Three consists of four Units, being Units 6A through 6D, all as shown on the referenced Plat.

3. A new Section 19.8 is hereby inserted in and added to the Declaration, reading as follows:

19.8 Mortgagee Rights to Insurance and Condemnation Proceeds. Subject to the terms of the Act, each Eligible Mortgagee shall have a first claim of right to any casualty insurance proceeds or condemnation awards attributable to the Unit(s) against which it holds a Mortgage (if and to the extent such Mortgage creates a claim of right to such proceeds or awards), which claim of right shall have priority over the claims of the Owner(s) of such Unit(s) and any other third party.

4. Except as otherwise expressly herein provided, the Declaration remains in full force and effect without further amendment thereto.

[Signature on Following Page]

IN WITNESS WHEREOF, the Declarant has executed this First Amendment this 13th day of January, 2009.

STONEBROOK PARTNERS, LLC, a Tennessee limited liability company

By: [Signature]
James E. Pratt, Jr., Chief Manager

STATE OF TENNESSEE)

COUNTY OF HAMILTON)

Before me, Haren S. Reeves, a Notary Public in and for the state and county aforesaid, personally appeared JAMES E. PRATT, JR., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be the Chief Manager of Stonebrook Partners, LLC, a Tennessee limited liability company, and that he, in such capacity, and being duly authorized, executed the foregoing instrument on behalf of said entity for the purposes therein contained.

WITNESS my hand, at office, this 13th day of January, 2009.

[Signature]
Notary Public

My Commission Expires:

March 3, 2010

[Notarial Seal]



True Copy Certification

I, Thomas L. Hayslett, III, Esq., do hereby make oath that I am a licensed attorney and/or the custodian of the electronic version of the attached document tendered for registration herewith and that this is a true and correct copy of the original document executed and authenticated according to law.

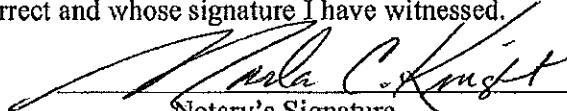


Signature

State of TENNESSEE

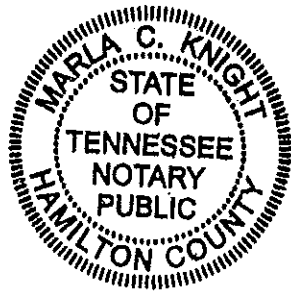
County of HAMILTON

Personally appeared before me, Marla C. Knight, a notary public for this county and state, Thomas L. Hayslett, III, Esq., who acknowledges that this certification of an electronic document is true and correct and whose signature I have witnessed.



Notary's Signature

My Commission Expires: 7/21/2010
Notary' Seal (if on paper)



140927

2

Instrument: 2009072800118
Book and Page: G1 8984 268
MISC RECORDING FEE \$25.00
DATA PROCESSING FEE \$2.00
Total Fees: \$27.00
User: HCDC\KLynn
Date: 7/28/2009
Time: 12:17:02 PM
Contact: Pam Hurst, Register
Hamilton County, Tennessee

m

**SECOND AMENDMENT TO
DECLARATION**

OF

STONEBROOK CONDOMINIUMS

Chattanooga, Hamilton County, Tennessee

HR
2008

This Instrument Prepared By ~~and Return To:~~
Thomas L. Hayslett, III, Esq.
Miller & Martin PLLC
Suite 1000, Volunteer Building
832 Georgia Avenue
Chattanooga, Tennessee 37402-2289

6

**SECOND AMENDMENT TO DECLARATION
OF STONEBROOK CONDOMINIUMS**

(Corrective Recording)

**(Cross References: Book 8753, Page 707 – Original Document;
Book 8851, Page 985 – Most Recent Amendment)**

THIS SECOND AMENDMENT TO DECLARATION OF STONEBROOK CONDOMINIUMS ("Amendment") is executed to be effective as of the 20th day of July, 2009, by STONEBROOK PARTNERS, LLC ("Declarant").

Background:

A. Declarant is developing a condominium regime known as Stonebrook Condominiums (the "Condominium"), on property located in Hamilton County, Tennessee.

B. In connection with developing the Condominium, Declarant has recorded that certain Declaration of Stonebrook Condominiums (the "Declaration") recorded at Book 8753, Page 707, as amended from time to time, Register's Office of Hamilton County, Tennessee.

C. Declarant has determined that it would be beneficial to the Condominium to make certain amendments to the Declaration.

D. Declarant has the power unilaterally to amend the Declaration, pursuant to the power set forth in Section 22.2(a) of the Declaration.

E. Declarant signed a Second Amendment to the Declaration, identical to this corrective instrument (other than this Recital E.), which was recorded at Book 8977, Page 419, even though Declarant had not yet received title to the property below described from Pratt & Associates, LLC; therefore, Declarant now is recording this corrective instrument in replacement of and substitution for such prior instrument so as to clarify the real estate records.

Amendment:

NOW THEREFORE, for and in consideration of the mutual benefits provided herein by this Amendment, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Declarant hereby amends the Declaration as follows:

1. **Definitions.** Capitalized terms, the definitions of which are not herein provided, shall have the meanings ascribed to them in the Declaration.

2. Additional Property. Declarant hereby declares that the Condominium is expanded to include the additional real property described as follows:

In Hamilton County, Tennessee:

Lot 17, as shown on Plat of Stonebrook Condominiums recorded at Plat Book 92, Page 10, Register's Office of Hamilton County, Tennessee.

Accordingly, Exhibit "A" of the Declaration is hereby amended by adding thereto such additional real property. It is the intent that this additional real property is hereby made subject to the Declaration and shall be deemed to be within the definition of the "Property" for all purposes as used throughout the Declaration.

3. New Phase. The additional property hereby made subject to the Declaration shall be deemed a new phase of the Condominium, being Phase Four, consisting of four Units, being Unit Numbers 17-A through 17-D as shown on Plat of record at Plat Book 92, Page 10, Register's Office of Hamilton County, Tennessee.

4. Specific Condominium Styles/Floor Plans. Exhibit "D" to the Declaration is hereby amended by designating that each of the following Units is or will be constructed in the following condominium style/floor plan (taken from Exhibit "C" to the Declaration):

<u>Unit Designation</u>	<u>Condominium Style/Floor Plan</u>
Unit 17-A	Ducal
Unit 17-B	Aboreta
Unit 17-C	Ducal
Unit 17-D	Ducal

5. No Further Amendment. Except as hereby expressly amended, the Declaration remains in full force and effect without further amendment thereto.

[Signatures on Following Page]

EXECUTED, to be effective as of the date and year above written.

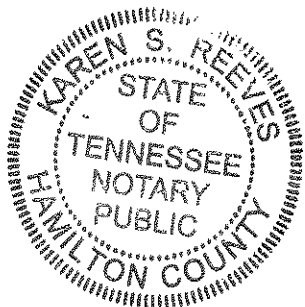
STONEBROOK PARTNERS, LLC, a Tennessee limited liability company

By: [Signature]
James E. Pratt, Jr., Chief Manager

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, Karen S. Reeves, of the state and county aforementioned, personally appeared the within named James E. Pratt, Jr., to me known (or proved to me on the basis of satisfactory evidence), and who acknowledged to me that he is the Chief Manager of STONEBROOK PARTNERS, LLC, the within named bargainer, a Tennessee limited liability company, and that for and on behalf of said bargainer, being first duly authorized so to do by bargainer, he executed and delivered the within instrument on the date and in the year therein mentioned, for the purpose therein contained, by personally signing the name of the company as its Chief Manager.

WITNESS my hand and official seal, at office, this 20th day of July, 2009.



[Signature]
NOTARY PUBLIC

My Commission Expires: March 3, 2010

Document comparison done by Workshare DeltaView on Friday, July 17, 2009 4:51:17 PM

Input:	
Document 1	interwovenSite://MMAPP2/Content/6183156/1
Document 2	interwovenSite://MMAPP2/Content/6183156/2
Rendering set	M&M Color Standard (doesn't compare headers and footers)

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved-deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	4
Deletions	1
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	5

Instrument: 2010041300183
Book and Page: GI 9146 111
Data Processing Fee \$2.00
Misc Recording Fee \$25.00
Total Fees: \$27.00
User: KH
Date: 13-Apr-2010
Time: 01:41:10 PM
Contact: Pam Hurst, Register
Hamilton County Tennessee
Electronically Recorded by Simplifile

**THIRD AMENDMENT TO
DECLARATION
OF
STONEBROOK CONDOMINIUMS
Chattanooga, Hamilton County, Tennessee**

This Instrument Prepared By and Return To:
Thomas L. Hayslett, III, Esq.
Miller & Martin PLLC
Suite 1000, Volunteer Building
832 Georgia Avenue
Chattanooga, Tennessee 37402-2289

**THIRD AMENDMENT TO DECLARATION
OF STONEBROOK CONDOMINIUMS**

**(Cross References: Book 8753, Page 707 – Original Document;
Book 8984, Page 268 – Most Recent Amendment)**

THIS THIRD AMENDMENT TO DECLARATION OF STONEBROOK CONDOMINIUMS ("Amendment") is executed to be effective as of the 13th day of April, 2010, by STONEBROOK PARTNERS, LLC ("Declarant").

Background:

A. Declarant is developing a condominium regime known as Stonebrook Condominiums (the "Condominium"), on property located in Hamilton County, Tennessee.

B. In connection with developing the Condominium, Declarant has recorded that certain Declaration of Stonebrook Condominiums (the "Declaration") recorded at Book 8753, Page 707, as amended from time to time, Register's Office of Hamilton County, Tennessee.

C. Declarant has determined that it would be beneficial to the Condominium to make certain amendments to the Declaration.

D. Declarant has the power unilaterally to amend the Declaration, pursuant to the power set forth in Section 22.2(a) of the Declaration.

Amendment:

NOW THEREFORE, for and in consideration of the mutual benefits provided herein by this Amendment, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Declarant hereby amends the Declaration as follows:

1. Definitions. Capitalized terms, the definitions of which are not herein provided, shall have the meanings ascribed to them in the Declaration.

2. Additional Property. Declarant hereby declares that the Condominium is expanded to include the additional real property described as follows:

In Hamilton County, Tennessee:

Lot 2 and Lot 5, as shown on Plat of Stonebrook Condominiums recorded at Plat Book 92, Page 132, Register's Office of Hamilton County, Tennessee.

Accordingly, Exhibit "A" of the Declaration is hereby amended by adding thereto such additional real property. It is the intent that this additional real property is hereby made subject to the Declaration and shall be deemed to be within the definition of the "Property" for all purposes as used throughout the Declaration.

3. New Phases. The additional properties hereby made subject to the Declaration shall be deemed new phases of the Condominium, being (i) Phase Five, consisting of four Units, being Unit Numbers 2-A through 2-D, and (ii) Phase Six, consisting of four units, being Unit Numbers 5-A through 5-D, both Phases as shown on Plat of record at Plat Book 92, Page 132, Register's Office of Hamilton County, Tennessee.

4. Specific Condominium Styles/Floor Plans. Exhibit "D" to the Declaration is hereby amended by designating that each of the following Units is or will be constructed in the following condominium style/floor plan (taken from Exhibit "C" to the Declaration):

<u>Unit Designation</u>	<u>Condominium Style/Floor Plan</u>
Unit 2-A	Bramante
Unit 2-B	Ducal
Unit 2-C	Ducal
Unit 2-D	Ducal
Unit 5-A	Canterbury
Unit 5-B	Canterbury
Unit 5-C	Canterbury
Unit 5-D	Canterbury

5. No Further Amendment. Except as hereby expressly amended, the Declaration remains in full force and effect without further amendment thereto.

[Signatures on Following Page]

EXECUTED, to be effective as of the date and year above written.

STONEBROOK PARTNERS, LLC, a Tennessee limited liability company

By:

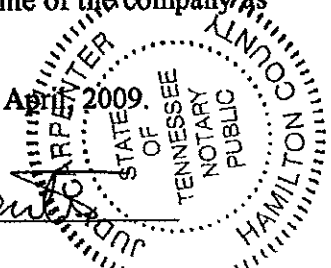
James E. Pratt, Jr.
James E. Pratt, Jr., Chief Manager

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, Judy Carpenter, of the state and county aforementioned, personally appeared the within named James E. Pratt, Jr., to me known (or proved to me on the basis of satisfactory evidence), and who acknowledged to me that he is the Chief Manager of STONEBROOK PARTNERS, LLC, the within named bargainer, a Tennessee limited liability company, and that for and on behalf of said bargainer, being first duly authorized so to do by bargainer, he executed and delivered the within instrument on the date and in the year therein mentioned, for the purpose therein contained, by personally signing the name of the company as its Chief Manager.

WITNESS my hand and official seal, at office, this 13th day of April, 2009.

Judy Carpenter
NOTARY PUBLIC



My Commission Expires: My Commission Expires January 23, 2013

Instrument: 2010111900112
Book and Page: GI 9293 992
MISC RECORDING FEE \$25.00
DATA PROCESSING FEE \$2.00
Total Fees: \$27.00
User: KDS
Date: 11/19/2010
Time: 3:48:22 PM
Contact: Pam Hurst, Register
Hamilton County, Tennessee

FOURTH AMENDMENT TO

DECLARATION

OF

STONEBROOK CONDOMINIUMS

Chattanooga, Hamilton County, Tennessee

116117, 116116
1/3

This Instrument Prepared By and Return To:
Thomas L. Hayslett, III, Esq.
Miller & Martin PLLC
Suite 1000, Volunteer Building
832 Georgia Avenue
Chattanooga, Tennessee 37402-2289

**FOURTH AMENDMENT TO DECLARATION
OF STONEBROOK CONDOMINIUMS**

(Cross References: Book 8753, Page 707 – Original Document;
Book 9146, Page 111 – Most Recent Amendment)

THIS FOURTH AMENDMENT TO DECLARATION OF STONEBROOK CONDOMINIUMS ("Amendment") is executed to be effective as of the 4th day of November, 2010, by STONEBROOK PARTNERS, LLC ("Declarant").

Background:

A. Declarant is developing a condominium regime known as Stonebrook Condominiums (the "Condominium"), on property located in Hamilton County, Tennessee.

B. In connection with developing the Condominium, Declarant has recorded that certain Declaration of Stonebrook Condominiums (the "Declaration") recorded at Book 8753, Page 707, as amended from time to time, Register's Office of Hamilton County, Tennessee.

C. Declarant has determined that it would be beneficial to the Condominium to make certain amendments to the Declaration.

D. Declarant has the power unilaterally to amend the Declaration, pursuant to the power set forth in Section 22.2(a) of the Declaration.

Amendment:

NOW THEREFORE, for and in consideration of the mutual benefits provided herein by this Amendment, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Declarant hereby amends the Declaration as follows:

1. Definitions. Capitalized terms, the definitions of which are not herein provided, shall have the meanings ascribed to them in the Declaration.

2. Additional Property. Declarant hereby declares that the Condominium is expanded to include the additional real property described as follows:

In Hamilton County, Tennessee:

Lot 3, as shown on Plat of Stonebrook Condominiums recorded at Plat Book 93, Page 86, Register's Office of Hamilton County, Tennessee, and Lot 16, as shown on Plat of Stonebrook

Condominiums recorded at Plat Book 93, Page 35, Register's Office of Hamilton County, Tennessee.

Accordingly, Exhibit "A" of the Declaration is hereby amended by adding thereto such additional real property. It is the intent that this additional real property is hereby made subject to the Declaration and shall be deemed to be within the definition of the "Property" for all purposes as used throughout the Declaration.

3. New Phases. The additional properties hereby made subject to the Declaration shall be deemed new phases of the Condominium, being (i) Phase Seven, consisting of four Units, being Unit Numbers 3-A through 3-D, and (ii) Phase Eight, consisting of four units, being Unit Numbers 16-A through 16-D, such Phases as shown, respectively, on Plats of record at Plat Book 93, Page 86, and Plat Book 93, Page 35, Register's Office of Hamilton County, Tennessee.

4. Specific Condominium Styles/Floor Plans. Exhibit "D" to the Declaration is hereby amended by designating that each of the following Units is or will be constructed in the following condominium style/floor plan (taken from Exhibit "C" to the Declaration):

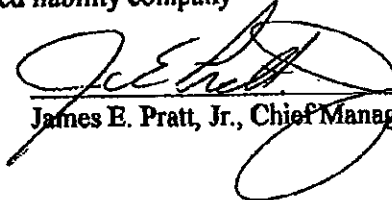
<u>Unit Designation</u>	<u>Condominium Style/Floor Plan</u>
Unit 3-A	Ducal
Unit 3-B	Ducal
Unit 3-C	Ducal
Unit 3-D	Ducal
Unit 16-A	Colonnade
Unit 16-B	Bramante
Unit 16-C	Ducal
Unit 16-D	Ducal

5. No Further Amendment. Except as hereby expressly amended, the Declaration remains in full force and effect without further amendment thereto.

[Signatures on Following Page]

EXECUTED, to be effective as of the date and year above written.

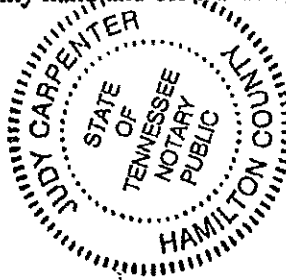
STONEBROOK PARTNERS, LLC, a Tennessee limited liability company

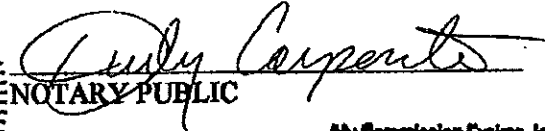
By: 
James E. Pratt, Jr., Chief Manager

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, Judy Carpenter, of the state and county aforementioned, personally appeared the within named James E. Pratt, Jr., to me known (or proved to me on the basis of satisfactory evidence), and who acknowledged to me that he is the Chief Manager of STONEBROOK PARTNERS, LLC, the within named bargainer, a Tennessee limited liability company, and that for and on behalf of said bargainer, being first duly authorized so to do by bargainer, he executed and delivered the within instrument on the date and in the year therein mentioned, for the purpose therein contained, by personally signing the name of the company as its Chief Manager.

WITNESS my hand and official seal, at office, this 4th day of November, 2010.




NOTARY PUBLIC

My Commission Expires: January 23, 2013

CONSENT AND SUBORDINATION BY LENDER

In consideration of \$10.00, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Regions Bank consents to the execution by Stonebrook Partners, LLC of this Fourth Amendment to Declaration of Stonebrook Condominiums, to which this Consent and Subordination is attached, and the recording of same against the property herein described, and subordinates any and all liens it holds against such property to this Fourth Amendment to Declaration of Stonebrook Condominiums. By subordinating its liens against the property herein described, Regions Bank does not consent to any other matters.

EXECUTED, this 10th day of November, 2010.

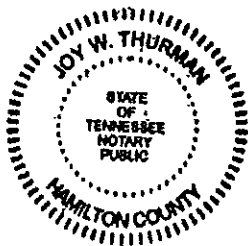
REGIONS BANK

By: Mick Bagby
Mick Bagby, Assistant Vice President

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, Joy W. Thurman of the state and county aforementioned, personally appeared the within named MICK BAGBY, to me known (or proved to me on the basis of satisfactory evidence), and who acknowledged to me that he is the Assistant Vice President of REGIONS BANK, the within named bargainor, and that for and on behalf of said bargainor, being first duly authorized so to do by bargainor, he executed and delivered the within instrument on the date and in the year therein mentioned, for the purpose therein contained, by personally signing the name of the bargainor as its Assistant Vice President.

WITNESS my hand and official seal, at office, this 10th day of November, 2010.



Joy W. Thurman
NOTARY PUBLIC

My Commission Expires: 10-9-13

Instrument: 2011031100133
Book and Page: GI 9365 146
Data Processing Fee \$2.00
Misc Recording Fee \$30.00
Total Fees: \$32.00
User: CS
Date: 11-Mar-2011
Time: 01:12:30 PM
Contact: Pam Hurst, Register
Hamilton County Tennessee
Electronically Recorded by Simplifile

**FIFTH AMENDMENT TO
DECLARATION
OF
STONEBROOK CONDOMINIUMS
Chattanooga, Hamilton County, Tennessee**

This Instrument Prepared By and Return To:
Thomas L. Hayslett, III, Esq.
Miller & Martin PLLC
Suite 1000, Volunteer Building
832 Georgia Avenue
Chattanooga, Tennessee 37402-2289

**FIFTH AMENDMENT TO DECLARATION
OF STONEBROOK CONDOMINIUMS**

(Cross References: Book 8753, Page 707 – Original Document;
Book 9293, Page 992 – Most Recent Amendment)

THIS FIFTH AMENDMENT TO DECLARATION OF STONEBROOK CONDOMINIUMS ("Amendment") is executed to be effective as of the 10th day of March, 2011, by STONEBROOK PARTNERS, LLC ("Declarant").

Background:

A. Declarant is developing a condominium regime known as Stonebrook Condominiums (the "Condominium"), on property located in Hamilton County, Tennessee.

B. In connection with developing the Condominium, Declarant has recorded that certain Declaration of Stonebrook Condominiums (the "Declaration") recorded at Book 8753, Page 707, as amended from time to time, Register's Office of Hamilton County, Tennessee.

C. Declarant has determined that it would be beneficial to the Condominium to make certain amendments to the Declaration.

D. Declarant has the power unilaterally to amend the Declaration, pursuant to the power set forth in Section 22.2(a) of the Declaration.

Amendment:

NOW THEREFORE, for and in consideration of the mutual benefits provided herein by this Amendment, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Declarant hereby amends the Declaration as follows:

1. Definitions. Capitalized terms, the definitions of which are not herein provided, shall have the meanings ascribed to them in the Declaration.

2. Act. Article 2, Section 2.1 is hereby deleted in its entirety and replaced with the following:

“Act.” Tennessee Condominium Act of 2008, Tennessee Code Annotated, Sections 66-27-101, et seq., as amended from time to time.

It is the intent of this Section that the Condominium hereafter operate under and be governed by the Tennessee Condominium Act of 2008, as was contemplated in Section 1 of the Declaration.

3. The Board; Declarant as the Board. Article 7, Section 7.2 is hereby deleted in its entirety and replaced with the following:

7.2 The Board; Declarant as the Board. The Association shall be governed by the Board of Directors. Subject to the Act and this Declaration, the Board shall have standing to act in a representative capacity on behalf of the Association, exercising all rights and powers of the Association without a vote of the Association. Declarant shall exercise the sole and exclusive authority of the Board until the date that is one hundred twenty (120) days after conveyance of the eighteenth Unit (which amounts to twenty-five percent (25%) of the Units in all Phases presently contemplated by Declarant), at which point one (1) member of the Board must be elected by Owners other than the Declarant. Thereafter, Declarant will continue to appoint and control the remaining positions on the Board until the later of (i) that date that is one hundred twenty (120) days after conveyance of the fifty-fourth Unit (which amounts to seventy-five percent (75%) of the Units in all Phases presently contemplated by Declarant) or (ii) five (5) years after the conveyance of the first Unit to a purchaser other than Declarant, whereupon Declarant shall conduct an election for all seats on the Board as set forth in Section 3.1 of the Bylaws, and Declarant promptly after such election shall transition control of the Association to the newly elected Board. Declarant at any point may transfer his authority as a Board member at an earlier date.

4. Mortgagee Consent to Major Decisions. The introductory phrase of Article 19, Section 19.1 (pertaining to Mortgagee consents) is hereby deleted in its entirety and replaced with the following:

Unless Eligible Mortgagees representing at least eighty percent (80%) of the Units give their consent, the Association or the Owners shall not:

5. Election of Board Member. As of the date hereof, Declarant hereby stipulates that twenty-two (22) of the seventy-two (72) Units anticipated to be constructed in all Phases of the Condominium have been conveyed to Owners other than Declarant, and, as a result, Declarant hereby acknowledges that Owners, other than the Declarant, in accordance with the Declaration, as hereby amended, must elect one (1) additional member to the Board.

6. No Further Amendment. Except as hereby expressly amended, the Declaration remains in full force and effect without further amendment thereto.

[Signatures on Following Page]

EXECUTED, to be effective as of the date and year above written.

STONEBROOK PARTNERS, LLC, a Tennessee limited liability company

By: [Signature]
James E. Pratt, Jr., Chief Manager

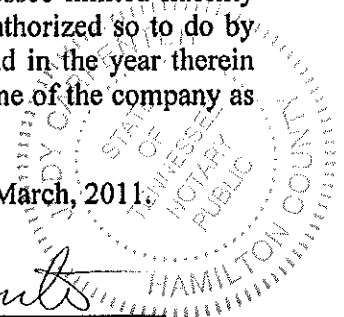
STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, Judy Carpenter, of the state and county aforementioned, personally appeared the within named James E. Pratt, Jr., to me known (or proved to me on the basis of satisfactory evidence), and who acknowledged to me that he is the Chief Manager of STONEBROOK PARTNERS, LLC, the within named bargainor, a Tennessee limited liability company, and that for and on behalf of said bargainor, being first duly authorized so to do by bargainor, he executed and delivered the within instrument on the date and in the year therein mentioned, for the purpose therein contained, by personally signing the name of the company as its Chief Manager.

WITNESS my hand and official seal, at office, this 10th day of March, 2011.

[Signature]
NOTARY PUBLIC

My Commission Expires: ~~My Commission Expires~~ January 23, 2013



CONSENT AND SUBORDINATION BY LENDER

In consideration of \$10.00, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Regions Bank consents to the execution by Stonebrook Partners, LLC of this Fifth Amendment to Declaration of Stonebrook Condominiums, to which this Consent and Subordination is attached, and the recording of same against the property herein described, and subordinates any and all liens it holds against such property to this Fifth Amendment to Declaration of Stonebrook Condominiums. By subordinating its liens against the property herein described, Regions Bank does not consent to any other matters.

EXECUTED, this 10th day of March, 2011.

REGIONS BANK

By: *Mick Bagby*
Mick Bagby
Assistant Vice-President

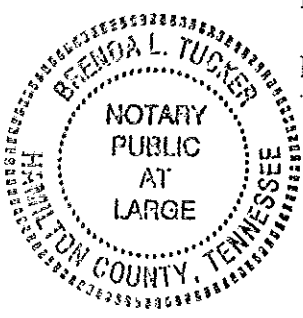
STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, *Brenda L. Tucker*, of the state and county aforementioned, personally appeared the within named Mick Bagby, to me known (or proved to me on the basis of satisfactory evidence), and who acknowledged to me that he is the Assistant Vice-President of REGIONS BANK, the within named bargainer, and that for and on behalf of said bargainer, being first duly authorized so to do by bargainer, he executed and delivered the within instrument on the date and in the year therein mentioned, for the purpose therein contained, by personally signing the name of the bargainer as its Assistant Vice-President.

WITNESS my hand and official seal, at office, this 10th day of March, 2011.

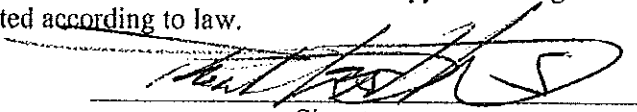
Brenda L. Tucker
NOTARY PUBLIC

My Commission Expires: 4-18-12



True Copy Certification

I, Thomas L. Hayslett, III, do hereby make oath that I am a licensed attorney and/or the custodian of the electronic version of the attached document tendered for registration herewith and that this is a true and correct copy of the original document executed and authenticated according to law.

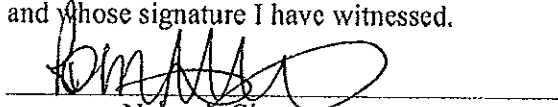


Signature

State of Tennessee

County of Hamilton

Personally appeared before me, Robln E. Musumeci, a notary public for this county and state, Thomas L. Hayslett, III who acknowledges that this certification of an electronic document is true and correct and whose signature I have witnessed.



Notary's Signature

My Commission Expires: 2/18/2015
Notary' Seal (if on paper)



Instrument: 2011081600109
Book and Page: GI 9456 636
MISC RECORDING FEE \$40.00
DATA PROCESSING FEE \$2.00
Total Fees: \$42.00
User: MNS
Date: 8/16/2011
Time: 2:14:11 PM
Contact: Pam Hurst, Register
Hamilton County, Tennessee

SIXTH AMENDMENT TO

DECLARATION

OF

STONEBROOK CONDOMINIUMS

Chattanooga, Hamilton County, Tennessee

294

This Instrument Prepared By and Return To:
Thomas L. Hayslett, III, Esq.
Miller & Martin PLLC
Suite 1000, Volunteer Building
832 Georgia Avenue
Chattanooga, Tennessee 37402-2289

**SIXTH AMENDMENT TO DECLARATION
OF STONEBROOK CONDOMINIUMS**

**(Cross References: Book 8753, Page 707 – Original Document;
Book 9365, Page 146 – Most Recent Amendment)**

THIS SIXTH AMENDMENT TO DECLARATION OF STONEBROOK CONDOMINIUMS ("Amendment") is executed to be effective as of the 12th day of August, 2011, by STONEBROOK PARTNERS, LLC ("Declarant").

Background:

A. Declarant is developing a condominium regime known as Stonebrook Condominiums (the "Condominium"), on property located in Hamilton County, Tennessee.

B. In connection with developing the Condominium, Declarant has recorded that certain Declaration of Stonebrook Condominiums (the "Declaration") recorded at Book 8753, Page 707, as amended from time to time, Register's Office of Hamilton County, Tennessee.

C. Declarant has determined that it would be beneficial to the Condominium to make certain amendments to the Declaration.

D. Declarant has the power unilaterally to amend the Declaration, pursuant to the power set forth in Section 22.2(a) of the Declaration.

Amendment:

NOW THEREFORE, for and in consideration of the mutual benefits provided herein by this Amendment, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Declarant hereby amends the Declaration as follows:

1. **Definitions.** Capitalized terms, the definitions of which are not herein provided, shall have the meanings ascribed to them in the Declaration.

2. **Additional Property.** Declarant hereby declares that the Condominium is expanded to include the additional real property described as follows:

In Hamilton County, Tennessee:

Lot 15, as shown on Plat of Stonebrook Condominiums recorded at Plat Book 95, Page 33, Register's Office of Hamilton County, Tennessee.

Accordingly, Exhibit "A" of the Declaration is hereby amended by adding thereto such additional real property. It is the intent that this additional real property is hereby made subject to the Declaration and shall be deemed to be within the definition of the "Property" for all purposes as used throughout the Declaration.

3. New Phases. The additional property hereby made subject to the Declaration shall be deemed a new phase of the Condominium, being Phase Nine, consisting of four Units, being Unit Numbers 15-A through 15-D, such Phase as shown on Plat of record at Plat Book 95, Page 33, Register's Office of Hamilton County, Tennessee.

4. Specific Condominium Styles/Floor Plans. Exhibit "D" to the Declaration is hereby amended by designating that each of the following Units is or will be constructed in the following condominium style/floor plan (taken from Exhibit "C" to the Declaration):

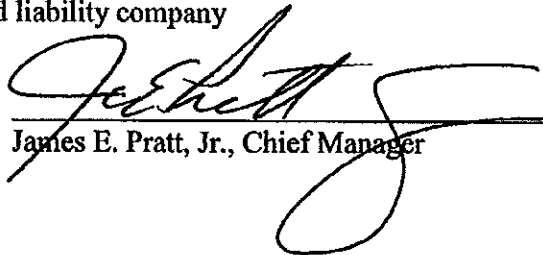
<u>Unit Designation</u>	<u>Condominium Style/Floor Plan</u>
Unit 15-A	Ducal
Unit 15-B	Ducal
Unit 15-C	Ducal
Unit 15D	Ducal

5. No Further Amendment. Except as hereby expressly amended, the Declaration remains in full force and effect without further amendment thereto.

[Signatures on Following Page]

EXECUTED, to be effective as of the date and year above written.

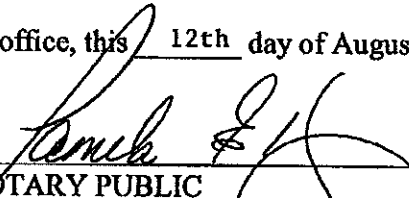
STONEBROOK PARTNERS, LLC, a Tennessee limited liability company

By: 
James E. Pratt, Jr., Chief Manager

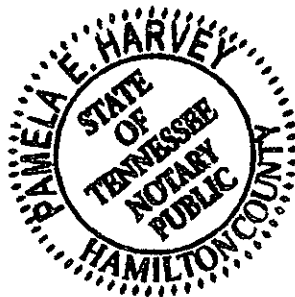
STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, Judy Carpenter, of the state and county aforementioned, personally appeared the within named James E. Pratt, Jr., to me known (or proved to me on the basis of satisfactory evidence), and who acknowledged to me that he is the Chief Manager of STONEBROOK PARTNERS, LLC, the within named bargainor, a Tennessee limited liability company, and that for and on behalf of said bargainor, being first duly authorized so to do by bargainor, he executed and delivered the within instrument on the date and in the year therein mentioned, for the purpose therein contained, by personally signing the name of the company as its Chief Manager.

WITNESS my hand and official seal, at office, this 12th day of August, 2011.


NOTARY PUBLIC

My Commission Expires: 6/3/2015



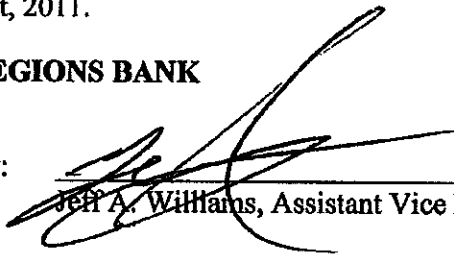
CONSENT AND SUBORDINATION BY LENDER

In consideration of \$10.00, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Regions Bank consents to the execution by Stonebrook Partners, LLC of this Sixth Amendment to Declaration of Stonebrook Condominiums, to which this Consent and Subordination is attached, and the recording of same against the property herein described, and subordinates any and all liens it holds against such property to this Sixth Amendment to Declaration of Stonebrook Condominiums. By subordinating its liens against the property herein described, Regions Bank does not consent to any other matters.

EXECUTED, this 10th day of August, 2011.

REGIONS BANK

By: _____

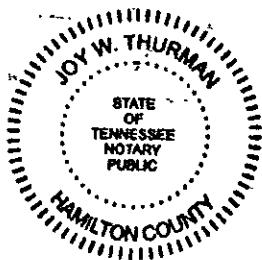


Jeff A. Williams, Assistant Vice President

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON)

Before me, Joy W. Thurman, of the state and county aforementioned, personally appeared the within named JEFF A. WILLIAMS, to me known (or proved to me on the basis of satisfactory evidence), and who acknowledged to me that he is the Assistant Vice President of REGIONS BANK, the within named bargainor, and that for and on behalf of said bargainor, being first duly authorized so to do by bargainor, he executed and delivered the within instrument on the date and in the year therein mentioned, for the purpose therein contained, by personally signing the name of the bargainor as its Assistant Vice President.

WITNESS my hand and official seal, at office, this 10th day of August, 2011.



Joy W. Thurman
NOTARY PUBLIC

My Commission Expires: 10-9-13

PREPARED BY:
Hale, Hale & McInturff
724 Cherry Street
Chattanooga, TN 37402

**SIXTH AMENDMENT TO CONSTRUCTION LOAN AGREEMENT; ASSIGNMENT OF
CONTRACTS AND PERMITS; COLLATERAL ASSIGNMENT OF SALES CONTRACTS; AND
ENVIRONMENTAL CERTIFICATE AND INDEMNITY AGREEMENT**

This SIXTH AMENDMENT TO CONSTRUCTION LOAN AGREEMENT; ASSIGNMENT OF CONTRACTS AND PERMITS; COLLATERAL ASSIGNMENT OF SALES CONTRACTS; AND ENVIRONMENTAL CERTIFICATE AND INDEMNITY AGREEMENT (this "Sixth Amendment") is made and entered effective August 12, 2011, by STONEBROOK PARTNERS, LLC, a Tennessee limited liability company ("Borrower"), REGIONS BANK, an Alabama banking corporation ("Lender"), and JAMES E. PRATT, JR., PRATT & ASSOCIATES, LLC, a Tennessee limited liability company, and ZERO MANAGEMENT CO., INC., a Mississippi corporation (collectively, "Guarantors").

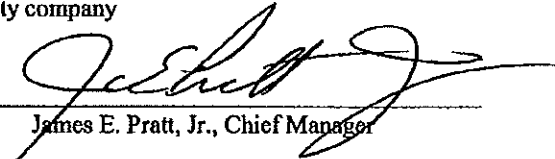
This Sixth Amendment is executed by the parties for the purpose of adding to the property affected by the original Construction Loan Agreement as previously modified the property described on Exhibit "A" hereto.

This Amendment will not affect or change the terms of the original Construction Loan Agreement as previously modified except for the addition of the said property described on Exhibit "A".

IN WITNESS WHEREOF, the parties executed this Sixth Amendment effective as of the day and year first above written.

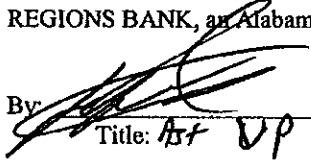
BORROWER:

STONEBROOK PARTNERS, LLC, a Tennessee limited liability company

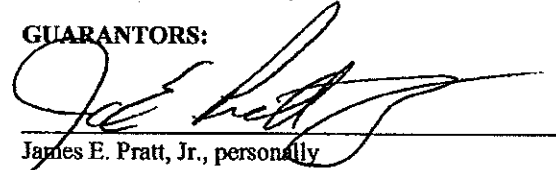
By: 
James E. Pratt, Jr., Chief Manager

LENDER:

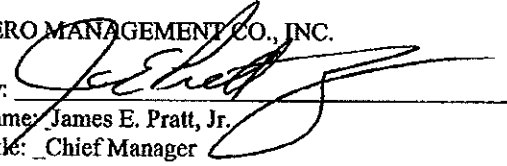
REGIONS BANK, an Alabama banking corporation

By: 
Title: *Asst VP*

GUARANTORS:


James E. Pratt, Jr., personally

ZERO MANAGEMENT CO., INC.

By: 
Name: James E. Pratt, Jr.
Title: Chief Manager

PRATT & ASSOCIATES, LLC

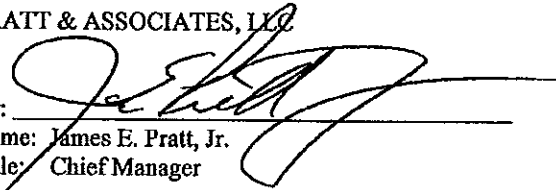
By: 
Name: James E. Pratt, Jr.
Title: Chief Manager

EXHIBIT A

Legal Description

IN THE SECOND CIVIL DISTRICT OF HAMILTON COUNTY, TENNESSEE:

Lot Fifteen (15), Phase Ten (10), Stonebrook Condominiums, a Planned Unit Development, as shown by plat of record in Plat Book 95, page 33, in the Register's Office of Hamilton County, Tennessee.

TOGETHER WITH non-exclusive rights of ingress, egress and utilities over those roadways and easements as shown on said plat.

TOGETHER WITH the easements appurtenant thereto by the terms and provisions of Declaration of Stonebrook Condominiums, pursuant to the Tennessee Condominium Act of 2008, Codified at T.C.A. 66-27-101, et seq., as amended, said Declaration being recorded in Book 8753, page 707, as amended, in the Register's Office of Hamilton County, Tennessee.

REFERENCE is made for prior title to Deed from Pratt & Associates, LLC, a Tennessee Limited Liability Company, to Stonebrook Partners, LLC, a Tennessee Limited Liability Company, recorded in Book 8188, page 933, in the Register's Office of Hamilton County, Tennessee.