RESTRICTIVE COVENANTS
THE HEIGHTS AT ISLAND POINT
UNIT I

Ray Moss Development, Inc. a corporation organized and existing under the laws of the State of Tennessee (hereinafter sometimes called "Developer") being the owner in fee simple absolute of that certain parcel of real property duly platted and recorded as The Heights at Island Point, a subdivision in Hamilton County, Tennessee, in Book __, Page ___, at the Register's Office of Hamilton County, Tennessee, in order to insure the value and aesthetic quality to all purchasers and future owners of property in the subdivision, herewith promulgates the following declarations of limitations, use and restrictions to the lots of The Heights at Island Point, Unit 1 (the "Unit") as covenants to run with the land and to provide a general design for the development and improvement of the Unit, for the benefit of and to be binding upon all purchasers of such property, their heirs, executors, administrators, successors and assigns for a period of forty (40) years from the date of recording of this instrument.

RESTRICTIONS

1. The Dwelling Unit. The property lots as now platted, known as The Heights at Island Point, Unit I, shall be used for private, single family residential purposes only, and no structures of any type shall be erected or maintained in the Unit other than detached, single family dwellings not to exceed two stories in height, and basement, with a minimum of a two (2) car garage which shall be attached to the dwelling, covered and enclosed, constructed at the same time as the dwelling unit, have a width of not less than twenty (20') feet, and not have the vehicle access opening facing any of the public ways upon which the property lot borders. No carports are allowed. The Board, as defined herein, may waive the foregoing vehicle access opening restriction.

2. Building Standards. For the purpose of further insuring the development of the lands so platted as an area of high standards, the Developer reserves the power to control the buildings, structures, and other improvements placed on each property lot, as well as to make such exceptions to these Restrictive Covenants as the Board, hereinafter designated, shall deem necessary and proper. Whether or not provision therefor is specifically stated in any conveyance of a property lot made by the Developer, the owner or occupant of each and every property lot, by acceptance of title thereto or by taking possession thereof, covenants and agrees that no building, structure, or other improvement shall be placed upon such property lot unless and until the plans and specifications therefor and plot plan have been presented for to the Board hereinafter provided, all building envelopes have been staked or ribboned off with what trees shall be cleared, and the Board shall have approved in writing the plans, specifications, site plan and clearing. Each such building, structure or improvement shall be placed on the property lot only in accordance with the plans, specifications and plot plan so approved. Refusal to approve the plans, specifications or plot plan by such Board may be based on any grounds, including purely aesthetic grounds, which, in the sole and uncontrolled discretion of the Board, shall be deemed sufficient. No alteration in the exterior appearance or the internal living areas of the buildings, structures or improvements shall be made without like approval. It is understood and agreed by the purchasers of lots in the Unit that Board, may make stipulations not otherwise required in these restrictive covenants, may prohibit items not otherwise prohibited in these restrictive covenants and, subject to the minimum requirements contained these restrictive

covenants, generally shall have discretion as to size, design, style, location, type of material, exterior color, etc. It also is understood and agreed that the restrictions contained herein establish minimum standards which may be augmented by the Board, whose decision as to such matters shall be final.

The Board shall consist of not less than three persons, one of whom is an officer of the Developer, and shall have such rights as expressed in or by fair implication are necessary to carry out the intent and purposes of this instrument, and which shall include, but not be limited to, injunctive action in equity should the requisite approval not be obtained and construction or alteration attempted by any lot owner.

Subject to the foregoing, the following are certain minimum requirements:

a. In the erection and construction of dwelling houses and improvements on said lots, there shall be no exposed concrete blocks, nor shall there be any asbestos siding used. Cedar wood, Hardiplank, concrete siding or similar quality material must be used on sides and rear of houses. The front elevation of all dwellings shall consist of at least one-half stone, brick, or masonry (other than concrete block) facing, with the balance, if any, being cedar wood, Hardiplank, concrete siding or similar quality material. On corner lots, it is required that there shall be at least one-half stone, brick or masonry (excluding concrete block) facing used on both sides of the dwelling where it fronts upon the public ways.

b. There may be submitted for approval by the (hereinafter defined) for use as a facing material in lieu of the requirement for one-half stone, brick or masonry (other than concrete block) material having a value and quality equal to or better than stone, brick or masonry (other than concrete block) when the aesthetic design of the dwelling house makes such substitution more harmonious and compatible with the design effect sought to be achieved.

c. Garage doors shall be in keeping with the style and quality of the houses in the Unit, such as carriage doors, paneled doors or similar designs. The Board reserves the right to approve all doors as part of its general architectural and design authority.

d. All air conditioning and heating units shall be architecturally screened or landscaped so as not to be visible from any Street.

e. Roofs of all structures shall be covered with asphalt shingles, architectural grade or better cedar shingles, slate or other comparable tiles.

f. Satellite dishes or antennas should be placed on the rear of the home or in landscaping so as not to be seen from the Street.

g. Each single level residence shall have not less than 1800 square feet of heated and cooled living area exclusive of porches, decks, breezeways and garages. Each multi-level residence shall have not less than 2000 square feet of heated and cooled living area exclusive of porches, decks, breezeways and garages. Each dwelling shall include at least an enclosed double garage as specified in Paragraph 1. Carports are specifically excluded from the Subdivision.

h. No structures shall be located nearer than twenty-five (25') feet to the street on which the main entrance to the dwelling faces, nor nearer than ten (10') feet to any side or back lot or property line, nor nearer than twenty (20') feet to any side street line, where this applies, exclusive of open porches, stoops, terraces or similar items. "Street" as used herein shall be defined as the "right of way" which encompasses eleven (11') feet on each side of the curb line of the roadway, measured from the face of the curb furthest away from the road center line in the direction away from said center line. Subject to all applicable ordinances and legal restrictions, the set-back restrictions may be waived or adjusted by the Developer or the Board.

i. The contours, slope, grade and elevation of the lots in the Unit shall not be altered or changed in any significant manner. Minor changes to accommodate a residence or drive shall, if prior approval of the Board is first obtained, be allowed, provided same does not obstruct the view, accessibility of, or the character or nature of the run-off of surface water to other lots or the abutting water (wherever such situation applies).

j. No fence may be erected or maintained without the prior written approval of the Developer. All fences must be aluminum or wrought iron. Wire, wood or chain-link fences are strictly prohibited.

k. Any sidewalks, curbs or public rights of way damaged by construction or access to lots must be replaced and repaired the owners of said lots to conform to the improvement prior to such damage. Such repair or replacement to be completed within the time required to complete the residence as hereinafter specified.

l. It shall be permissible to use one or more lots or parts of several lots as a single building unit, provided, the width, square foot area and other physical features thereof shall conform to zoning ordinances and regulations in effect; that such re-subdivision shall be acceptable to the zoning or health authorities; and, further, that in no event shall the lot so formed or the lots from which parts are taken be less than the lot area as originally platted. Should re-subdivision occur, the requirements of paragraph "4" above shall apply to such newly defined lot.

m. Before any dwelling on the property lots of the Unit shall be occupied, a septic tank, or a sewage disposal facility, constructed in accordance with the requirements of the Tennessee State Board of Health, shall be installed; all sewage from the dwelling house shall be turned into such sewage disposal facility and the same shall be continuously maintained in the proper state of sanitation. The effluent from such septic tank or sewage disposal shall not be permitted to be discharged into a stream, storm sewer, open ditch, or drain unless first it has been passed through an absorption field approved by the public health authority; provided that upon an approved sanitary system of sewers being installed for the use of the community on which the property lots of the Unit are located and proper connection of said property lot's sewage system is made available therewith, then in such event the owner shall connect to such sewer system and any private sewage disposal or septic tank shall be filled and abandoned.

n. Any and all exterior lighting installed on any dwelling unit shall be indirect or of such controlled focus and intensity as not to disturb the residents of the adjoining lots. Any and all lighting for Christmas and other holidays must be removed within fifteen (15) days of the holiday or before January 15th after the Christmas holiday season. Lights may not

exceed 1,000 watts.

o. A landscape plan shall accompany every new home application submitted to the Board for approval. All front lawns must have one magnolia tree and shall be sodded.

p. All lots shall use public water supply for all water needs whether for dwelling, outbuildings, pools, irrigation or otherwise.

9. Gas Heat and Water. In order to provide natural gas service to the development, the natural gas utility has required a commitment to service by the property owners; therefore, each property owner shall install gas central heating and air conditioning units and gas water heaters unless they pay Developer for the benefit of Chattanooga Gas Company, or the successor gas utility providing service to the property, a one-time fee of One Thousand One Hundred Dollars ($1,100.00).

10. Easement. A perpetual easement is reserved on each lot for the construction and maintenance of utilities such as electric, water, sewer, drainage, etc. All utility wires from street to building of each lot or parcel shall be buried. There shall be no exposed service connecting wires for electricity, telephone, cable or otherwise from street to any structure nor from any other point to any structure.

11. Public Activities. No exhibition, fair, festival, show or other activity that attracts or is intended to attract, divert or collect a large number of people shall be conducted or allowed on any property lot in the Unit.

12. Temporary Residence. No mobile homes, trailers or temporary structures of any kind shall be erected or maintained on the property lots; nor shall such items, or tents, garages, basements, bath houses or any incomplete structure or enclosure be used for residential purposes.

13. Commencement and Completion of Construction. Each Owner, excepting the Developer, agrees that within (12) months of the date on which they take title to a Lot, they will commence construction of a Home on that Lot. Once construction is commenced, each Owner shall continuously and diligently pursue such construction until complete, but in no case shall completion be more than (12) months from the date of commencement of construction. "Complete" shall mean that a final inspection and approval is granted by the governmental authority having the power to grant such approval and shall also include completion of the landscaping in accordance with the landscape plan as required herein. Provided that for good cause shown, the Developer may grant an extension by written approval to an Owner who, in the opinion of the Developer in their sole and absolute discretion, has made a demonstrable good faith effort to comply with this provision.

An Owner who violates this requirement, and after receipt of notice of such violation from the Developer and the passage of a reasonable amount of time to commence construction, fails to commence, pursue or complete construction shall be liable for a fine of Five Hundred Dollars ($500.00) for each month said Owner is in violation of this covenant, payable to The Heights at Island Point Property Owners Association, Inc. (hereinafter “HOA”). Further, during construction, all trash, garbage, debris, scrap material, etc. shall be cleaned up and placed in

refuse containers and hauled off the site at the end of the day on Friday of each week that any work takes place. All building materials shall be stored neatly and in such a way as not to interfere unreasonably with normal traffic on any Street.

14. Pets. Only the usual domestic pets may be kept and no horses, cattle, swine, goats, poultry, fowl or other similar farm animals shall be permitted on any property lot of the Unit. No lot owner shall have more than six (6) pets at any one time, consisting of not more than four (4) indoor pets and not more than two (2) outdoor pets. Pet owners may not allow pets to roam unattended. Pet owners are responsible for the removal of any and all pet excrement on all roads, sidewalks and public use areas. The pet owners shall also muzzle any pet which consistently barks, caterwauls or make loud noises. If the barks, caterwauls or noise persists, the pet owner may be required by the Developer or the Board to have the pet removed from the development. All doghouses, dog runs or kennels shall be neat and maintained and to the extent feasible shall be located out of sight of adjacent Streets.

15. Appearance. No clotheslines or drying yards shall be permitted. No tree houses are permitted. Garage doors shall not remain open for more than a twenty-four (24) hour period. No owner, guest or resident shall use bedding sheets, blankets, flags, etc. as window curtains.

16. Sports Equipment. Basketball backboards shall be confined to the side or rear of the dwelling unit. All other athletic equipment shall be limited to the rear of the home.

17. Mailboxes. Mailboxes of a type consistent with the character of the property will be selected by the Board; in other words, the Board will select one type of mailbox to be used throughout the Unit. If a mailbox must be replaced and the original type selected is no longer available, the Board will select an alternate.

18. Signs. No signs, billboards or advertising devices of any kind shall be placed, displayed or installed on any property lot or an improvement thereon.

19. Farming. There shall be no farming carried on at any property lot, and no vegetable gardening on any lot within view from users of any public rights of way.

20. Refuse. All refuse shall be collected in suitable containers which shall be stored, except for days of garbage collection, in areas out of view from users of any public right of way.

21. Stored Vehicles. No agricultural, recreational, commercial or inoperable vehicle, including but not limited to boats, boat trailers, campers, or motor homes, shall be stored outside on the premises at any time. No vehicles shall be parked in the yard or any lot. Parking on the Street is strictly prohibited, except short-term parking by guests or invitees. No motorcycles, ATV's, go-carts, etc. shall be ridden in the Unit. No vehicles having more than two axles and a total of four wheels shall come upon or be stored at any property lot, except for the purposes of delivery by a commercial enterprise not affiliated in any way with the property lot owners.

22. Businesses. No business, professional or non-professional, commercial and/or manufacturing enterprise of any kind or nature shall be maintained on, about or in connection

with the property lots of the Unit.

23. Water Pollution. In order to promote the public health and sanitation as well as to protect the recreation, wild life, water supply and public uses of the adjacent bodies of water to the Unit, no property lot owner will use his property for any purpose or permit its condition to become such as to pollute any free water, whether surface run-off or otherwise, by refuse, sewage or other material that might tend to pollute the waters.

24. Bathhouses. Any bathhouse built expressly in conjunction with a private swimming pool located on any property lot of the Unit (and provided the pool is completed prior to the bathhouse) shall not be included under the prohibitions stated in paragraphs "1" and "2" above (thus, for example, a bathhouse will not have to be connected or attached to the dwelling house); provided the proposed bathhouse and pool are submitted for approval in the form of plans, specifications and plot plan and receive the prior approval of the Board. In no event will structural (as opposed to architectural or decorative) concrete block be permitted which shall be exposed to view, nor shall the pool or bathhouse be located at the front of the dwelling structure, or on the side which may face directly upon a public right of way. The bathhouse shall not be included within the term "living area" of paragraph "2" above, and will in all other respects be required to meet the other restrictions contained herein.

25. Offensive Activities. No noxious or offensive activity shall be carried on upon any property lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

26. Maintenance. Each lot owner shall at all times maintain all structures located on such lot including roofs free of debris, and keep all driveways and permitted fences in good repair, which shall include exterior vegetation and landscaping. All street fronts shall be kept clean and free of debris (grass clipping, leaves, etc.) except during the week of any community wide pick-up.

No weeds, underbrush or other unsightly growth shall be permitted to grow or remain upon any property lot of the Unit, and no refuse or other pile of debris or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. In the event that any owner of any property in the subdivision shall fail or refuse to keep such property lot free from weeds, underbrush, litter, trash, refuse or other piles of debris or other unsightly growths, materials or objects, then the Developer or HOA may upon ten (10) days written notice enter upon such lands and remove the same at the expense of the owner and such entry shall not be deemed a trespass. In the event of such a removal, a lien shall arise and be created in favor of the Developer or HOA, as the case may be, for all costs and expenses, for doing such work and the property lot owner will pay upon invoice receipt for all such work.

The foregoing provisions of this paragraph "26" apply to the condition of the grounds required at all times following the first permanent occupation of the property lot.

Owners prior to construction will be required to maintain their respective lots free of litter, trash, refuse, debris or any deposit made thereon, whether with or without said owner's permission, which is not part of the natural growth or the natural condition of the real property at the time of acquiring title.

27. Firearms and Fireworks. No firearms or fireworks of any type shall be discharged from any lot street or public use area. The HOA may waive the restriction as to fireworks on the Fourth of July and may establish alternative rules and regulations in lieu thereof.

28. Covenants; Homeowners' Association. The restrictive covenants contained herein are universal and reciprocal among all property lot owners of the Unit and minor variations permitted by the Board are not to create an inequitable burden or benefit. Such permitted variations shall be given by the Board in form for recording and the burden of recording shall be upon the person seeking such variation.

It is the intention of these restrictions to mutually benefit all purchasers and future owners in the Unit and to give to each grantee of property in the Unit the right to enforce any restrictions of record as to any of the other lots of the subdivision. Such right of enforcement as may reside in the Developer shall be assigned to The Heights at Island Point Property Owners Association, Inc. by the Developer with the avowed purpose of permitting the community of The Heights at Island Point Estates to act through its HOA as well as individually to promote adherence to the spirit and letter of these Restrictive Covenants for the benefit of all property owners. All owners of Units shall be members of the HOA.

As to enforcement, after ten (10) days written notice of any claimed violation to the offending property owner by certified or registered mail, return receipt requested, any grantee, the Developer or the HOA as the case may be who gave notice, shall be entitled to injunctive relief which shall be cumulative and not in lieu of any other available remedies at law or in equity which may be pursued concurrently or consecutively.

It is the expressed intention of the Developer that these restrictive covenants be deemed an appurtenance to each property lot of the Unit, to run with the land and be binding upon the heirs, executors, administrators, successors and assigns of all grantees taking title to any lot of the Unit from the Developer.

29. No Waiver. Any failure to enforce upon the breach of any covenant shall not be deemed a waiver or estoppel to enforce any other breaches of the covenants contained herein; and, in addition, a continuing failure to observe any covenant herein shall be deemed a new breach on each calendar day it continues, regardless of the fact no new act or occurrence has been taken by defaulter, but shall be deemed to arise simply by the continuing event of breach which is contrary to the Restrictive Covenants.

30. Invalidity. Any restrictive covenant found non-enforceable or invalid by any court or other tribunal having jurisdiction thereof under any state of facts shall not affect the validity or enforceability of such restrictions as to other dissimilar state of facts or any of the other restrictions, all of which for such purpose shall be deemed severable and independent.

31. Dues. The Developer prior to the establishment of the HOA and the HOA thereafter may assess against each owner of a vacant lot and each owner of an improved lot dues or fees to offset the expenses of the HOA and of the Developer in maintain common areas or amenities of the Unit, in performing the functions of the HOA hereunder and in the enforcement

of these Restrictive Covenants. The Developer or the HOA, as the case may be, shall present to then owners an estimate or budget of such expenses. In the case of the HOA, such budget shall be approved as provided in the governing documents of the HOA. The Developer or the HOA may place a lien upon the lot of any owner who shall fail to pay any dues assessed within thirty (30) days after delivery.

32. Damages. In any proceeding brought by the Developer, HOA, Board or grantee to enforce the Restrictive Covenants set out above, or any lien created thereby, said plaintiff shall be entitled, in addition to injunctive relief and damages, to the costs of such action or proceeding, including a reasonable attorneys fee, should the court grant in whole or in part the relief sought in such action or proceeding.

IN WITNESS WHEREOF, THE DEVELOPER, has caused this instrument to be executed by its President, attested by its Secretary, this _____ day of _____, 2006.

RAY MOSS DEVELOPMENT, INC., Developer

By: _____
Raymond Moss, III, President

ATTEST:

BY: _____
_____Secretary

STATE OF GEORGIA
COUNTY OF _____

Personally appeared before me, a notary public for the above State and County, Raymond Moss, III, to me known, who acknowledged himself to be President of Ray Moss Development, Inc., a Tennessee corporation, and that by authority duly given, he executed the foregoing instrument on its behalf as such President as its true act and deed.

Witness my hand and seal this ___ day of _____, 2006.

_____
Notary Public

[SEAL]

This instrument prepared by:
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