

RESTRICTIVE COVENANTS FOR BAL HARBOR SUBDIVISION

WHEREAS, undersigned, Milligan-Reynolds Guaranty Title Agency, Inc., Trustee, is vested with fee simple title to certain land located in the Second Civil District of Hamilton County, Tennessee, which has been subdivided, and is now known as Bal Harbor Subdivision, as will appear by Plat of record in the Registrar's Office of Hamilton County, Tennessee; and,

WHEREAS, it is the plan of the beneficiaries of the trust to devote said lots exclusively to residential uses and purposes; and,

WHEREAS, it is a part of the development plan of said land that the same shall be restricted according to use and development;

NOW, THEREFORE, for the protection of the present owner of said property as well as future owners of lots in said subdivision, this declaration and agreement is made:

The aforesaid lots in the subdivision shall be subject to the conditions, reservations, covenants and agreements herein set forth, which will be covenants running with the land, whether referred to in subsequent conveyances or not, to wit: -

- a. All of said lots in said Subdivision shall be and be known and described as residential lots, and no structure shall be erected, altered, placed or permitted to remain on any residential building lot other than one single family dwelling, not to exceed two stories in height, with attached two car or more finished carport or garage, and usual domestic servants quarters. In addition, there will be permitted outdoor fireplace facilities, barbeque, etc., and also construction and installation of a swimming pool, with the normal facilities for the same, for private use.
- b. No residence shall be designed, patterned, constructed, or maintained to serve or be for the use of more than one single family, and no residence shall be used as a multifamily dwelling at any time, or used in whole or in part for any business service or activity, or for any commercial purpose. Nor shall the lot be used for business purposes, or for trucks or other equipment inconsistent with ordinary residential uses. No commercial trucks or similar equipment shall be kept parked, except the same shall be kept in an enclosed garage.
- c. No residence shall be located on any one of said residential building plots nearer to the front line or nearer to any side street line than thirty-five (35) feet; nor nearer than fifteen (15) feet to any side lot line, excepting that Mountain City Land Company, Inc. will have the authority to permit reduction as to any side yard down to twelve (12) feet; nor shall the same be located nearer than twenty-five (25) feet to the rear lot line, except as to water front lots, where the minimum rear yard shall be thirty-five (35) feet.

d. No trade of any kind, or noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance to the neighborhood.

e. That no part of said lot shall be used for residential purposes or otherwise until a dwelling house, including yard work, conforming fully to the provisions of this instrument, shall have been erected thereon, and fully completed; Once the footings of any building are poured, construction must progress continuously until said building is completed and the exterior including the yard work must be completed within six (6) months, else the owner of said lot must forfeit damages in the amount of ten (10) and no/100 dollars (\$10.00) per day after six (6) months has expired until said exterior and all yard work are completed. These damages are to be paid to Mountain City Land Company, Inc., its successors or assigns.

f. No trailer, basement, tent, shack, incompleated structure, barn, or other outbuilding shall be erected or maintained on any one of said lots or at any time shall be used as a residence or otherwise temporarily or permanently. No structure of a temporary character shall be erected, used as a residence, or permitted to remain on any lot.

g. No dwelling shall be erected or permitted to remain on any one of said residential lots, of less enclosed main living area of the main structure, exclusive of open porches, servants quarters, carports, or garages, than sixteen hundred (1600) square feet; provided the main living area or quarters may be included in what is known as a split-level houses (any level to qualify as main living area shall be exposed for full height on three sides). In the event of a two story house, not less than two thousand (2000) square feet, of which at least twelve hundred (1200) square feet shall be on the ground or main floor level. A 10% variance or reduction of this may be approved by the Architectural Committee, hereinafter provided for.

h. No lot may be resubdivided into lots or smaller area except for incorporating into another lot or lots, in which case the subdivided area and lot to which it is attached shall be considered on lot for the purpose of this plan, in which event, the restriction imposed by paragraph "C" above pertaining to side lines, shall be construed as pertaining to the outer side lines of said two or more lots as combined.

i. Before any construction or alteration is commenced or carried on, plans, specifications and plot plan for any dwelling house to be constructed or altered on any one of said lots shall be submitted for approval to a committee appointed by Mountain City Land Company, Inc., and written approval secured, but approval shall not be unreasonably withheld. A duplicate set of approved plans and specifications will remain on file with Mountain City Land Company, Inc. This includes the construction of docks, piers and boathouses (other than floating boathouses).

j. No asbestos siding or permastone shall be used on houses on any of said building lots, all exposed masonry shall be brick or natural stone, laid in an approved pattern.

k. That no horses, mules, burros, cattle or other like animals shall be kept or allowed to remain on any portion of any lot; and none of such animals belonging to the owner or occupant of said premises, shall be allowed to roam or run at large on the streets or alleys bounding such premises.

l. That no sheep, goats, swine, fowls, rabbits or other animals of a kind and number not ordinarily associated with residential uses and customs, shall be kept or allowed to remain on any portion of any lot in said subdivision; neither shall any sheep, goats, swine, fowls or rabbits belonging to the owners or occupants thereof, be allowed to roam or run at large on the streets or alleys bounding such premises. There shall be no commercial kennels or breeding of dogs or other pets on the premises. No vicious or obnoxious pets shall be kept or permitted to remain on any lot in the subdivision, and no dogs or other pets shall be permitted to run at large at night.

m. No sign of any kind shall be exposed to public view on any lot except one sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

n. That before any building on said premises shall be occupied, a septic tank, or a sewage disposal, constructed in accordance with the requirements of the Tennessee State Board of Health, shall be installed, all sewage from the premises shall be turned into such sewage disposal facility, and the same shall be continuously maintained in proper state of sanitation. The effluent from such septic tank or sewage disposal shall not be permitted to discharge into a stream, storm sewer, open ditch or drain unless it has first passed through an absorption field approved by the public health authority; provided, that upon an approved system of sanitary sewers being installed for the use of the community on which said premises are located, then proper connection of said premises shall be made therewith, in which event said private sewage disposal or septic tank shall be abandoned.

o. Whether expressly stated so or not in Deed conveying any one or more of said lots, each conveyance shall be subject to Zoning Laws and Regulation are now in effect on the premises, or which may hereafter become effective hereon.

p. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. Submerged containers for garbage shall be provided by property owners. Any containers of the submerged type shall be used in the front yard for storage or disposal.

q. No obstruction of any nature, including fences, walls, shrubbery, etc. may be placed nearer than five (5) feet to the curb line of the roads bounding the lots. This is for the purpose of allowing access to underground utilities, and for use and safety of pedestrians, where there is less than five (5) feet between the curb line and the property line.

r. Where transformer Pads on the ground surface are located, and are available for subdivision lots, then all service connections for electric service and telephone service shall be installed underground in accordance with specification by the Chattanooga Electric Power Board and the Southern Bell Telephone and Telegraph Company, connected with such pad, and serving the residence on the lot.

s. No hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in the cases of a rounded property corner from the intersection lines of the street property lines extended. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. No hedges or shrub planting shall be erected, placed, altered, or maintained over four (4) feet in height, unless approved as per Paragraph "i". No fence or walls of any type or height shall be erected, placed, altered or maintained unless approved as per Paragraph "i".

t. No lot or part of lot shall be used as a right of way leading from any street in the subdivision to another adjacent tract, which would provide access from Bal Harbor Subdivision to any adjacent tract, unless approved by Mountain City Land Company, Inc.

u. Cut-ins for driveways may be made in the curbs, and these alterations of the curb for any purposes such as driveways, entrances and etc. shall be performed by the owner only after written approval and in a manner as approved by Mountain City Land Company, Inc.

In event, that for any reason, any one of the protective covenants or restrictions be construed by judgment or decree of any Court of record to be invalid, such action shall affect in no wise any of the other provisions, which shall remain in full force and effect, the owner hereby declaring that said restrictions are not interdependent but severable, and any one would have been adopted even without the others.

Each and every one of the aforesaid covenants, conditions, and restrictions shall attach to and run with each and every one of the said lots of land, and all titles to, and estates therein, shall be subject thereto, and the same shall be binding upon, and in favor of, each and every owner and occupant of the same until May 11th, 1996, and shall be extended automatically to apply to each of said lots for successive periods of ten (10) years unless by vote of the then owners of the lots it is agreed to change such covenants in whole or in part, provided further that the instrument evidencing such action must be in writing and shall be duly recorded in the Registrar's Office of Hamilton County, Tennessee. Neither the undersigned nor any party or parties claiming under it shall or will convey, devise, or demise any or either of said lots or any part of the same as being subject to the said covenants, conditions and restrictions, and the obligation to observe and perform the same. The said conditions, covenants

and restrictions shall run with and be appurtenant to the said land and every part thereof as fully as if expressly contained in proper and obligatory covenants or conditions in each and every contract or conveyance of or concerning any part of the said land or the improvements to be made thereon.

If the undersigned or any party or parties claiming thereunder shall violate or attempt to violate any of the covenants or restrictions herein provided before May 11th, 1996, or within the extended time as hereinbefore provided, it shall be lawful for the grantor, or other person or persons owning any other lot or lots in said development of subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants or conditions and either to prevent him or them from so doing, or to recover damages or other dues for such violation.

In WITNES THEREOF Milligan-Reynolds Guaranty Title Agency, Inc., has caused its name to signed as Trustee, by its Treasurer, L.F.Ellis, and its Secretary, S.P. Hale, on this 11th day of May, 1966.

Milligan-Reynolds Guaranty Title Agency, Inc.
Trustee

By L.P.Ellis (signature)
S.P.Hale (signature)

Notarized May 11, 1996 Hatie B. Ellis ? Commission expires 12-30-1968