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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**  
**FOR**  
**SMITH FARMS**

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
SMITH FARMS**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SMITH FARMS (the "Declaration") is made this 13<sup>th</sup> day of December, 2022, by Clayton Properties Group, Inc., a Tennessee corporation d/b/a Goodall Homes (hereinafter referred to as "Declarant").

Declarant is the owner of the real property located in Murfreesboro, Rutherford County, Tennessee and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. Declarant intends by this Declaration to create a planned unit development and impose upon the Subdivision (as defined herein) mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of residential property within the Subdivision. Declarant desires to provide a flexible and reasonable procedure for the overall development of the Subdivision, and to establish a method for the administration, maintenance, preservation, use and enjoyment of such Subdivision as are now or hereafter subjected to this Declaration;

Declarant hereby declares that all of the property described in Exhibit "A" and any additional property as is hereafter subjected to this Declaration by Supplemental Declaration (as defined herein) shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of and which shall run with the real property subjected to this Declaration and which shall be binding on all parties having any right, title, or interest in the described Subdivision or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

Declarant desires to complete the development of Smith Farms (hereinafter referred to as "Smith Farms" or the "Subdivision") including the infrastructure thereof and the common amenities attendant thereto.

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

Declarant has caused or will cause to be incorporated under the laws of the State of Tennessee, as a non-profit corporation, Smith Farms Homeowners Association, Inc. for the purpose of exercising the functions aforesaid.

Now, therefore, the Declarant hereby declares that the real property described in Exhibit "A" hereof is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding upon all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors or assigns, and shall inure to the benefit of each owner thereof.

Article I  
Definitions

Section 1. "Area of Common Responsibility" shall mean and refer to the Common Areas, together with those areas, if any, which by the terms of this Declaration or by contract become the responsibility of the Association. The office of any property manager employed by or contracting with the Association, if located on the Subdivision, or any public rights-of-way within or adjacent to the Subdivision, may be part of the Area of Common Responsibility.

Section 2. "Assessments" shall mean and refer to any Assessments levied upon the Lots pursuant to the terms and provisions herein, including the Base Assessments and any Special Assessments.

Section 3. "Association" shall mean and refer to Smith Farms Homeowners Association, Inc., a Tennessee non-profit corporation, and its successors and assigns.

Section 4. "Base Assessment" shall mean and refer to Assessments levied against all Lots in the Subdivision to fund Common Expenses.

Section 5. "Board" or "Board of Directors" shall be the elected governing body of the Association having its normal meaning under Tennessee corporate law.

Section 6. "Builder(s)" shall mean any other Person holding fee simple title to a Lot for purposes of development and construction of a Unit and other improvements thereon to be sold to a third-party purchaser; provided, however, that Declarant shall not be considered a Builder for purposes of the Assessment obligations imposed upon Builders under Article X, Section 10 and the insurance obligations imposed upon Builders under Article V, Section 2 herein.

Section 7. "Bylaws" shall mean and refer to the Bylaws of Smith Farms Homeowners Association, Inc., attached hereto as Exhibit "C" and incorporated herein by reference, as they may be amended from time to time.

Section 8. "Charter" shall mean and refer to the Charter of Smith Farms Homeowners Association, Inc., as filed with the Secretary of State of the State of Tennessee. A copy of the Charter of the Association is attached hereto as Exhibit "B".

Section 9. "Class "B" Control Period" shall mean and refer to the period of time during which the Declarant, as the Class "B" Member, is entitled to appoint the members of the Board of Directors, as provided in Article III, Section 2(b), of the Declaration, and Article III, Section 2 of the Bylaws.

Section 10. "Common Area(s)" shall mean all real and personal property, including the Properties, but excluding Residential Lots (as defined below), components thereof and easements appurtenant thereto, now or hereafter owned, controlled, or used by the Association for common use and enjoyment of the Owners, including, but not limited to, all areas labeled Common Area on the Plat, all lawns, any and all streets, roads, bridges, parking areas, drainage facilities, open spaces, community swimming pool(s), clubhouses, walking trails, benches, mail kiosk, or other common amenities (if any) and all related facilities, ponds, viewsheds, waterways, fences, structures, sidewalks, curbs, signs, lights, common utilities, and other improvements and elements (other than the Lots) desirable or rationally of common use or necessary to the existence, upkeep and safety of the Subdivision.

Section 11. "Common Expenses" shall mean and include the actual and estimated expenses of operating the Association and maintaining the Common Areas, including any

reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Bylaws, and the Charter of the Association.

Section 12. "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Subdivision. Such standard may be more specifically determined by the Board of Directors and the ARC (as defined in Article XI).

Section 13. "Declarant" shall mean and refer to Clayton Properties Group, Inc., a Tennessee corporation d/b/a Goodall Homes, or its successors, successors-in-title or assigns who take title to any portion of the property described on Exhibit "A" for the purpose of development and sale and are designated as the Declarant hereunder in a recorded instrument executed by the immediately preceding Declarant.

Section 14. "Documents" shall mean and refer to this Declaration, any exhibits or supplements thereto, including the Bylaws and Charter of the Association, as well as the rules and regulations adopted by the Association, all of which as may be amended and/or supplemented from time to time.

Section 15. "Land Bank" shall mean GCAM LB IV LLC, or its successors, successors-in-title or assigns who take title to any portion of the property described on Exhibit "A" and are designated as Land Bank hereunder in a recorded assignment instrument executed by the immediately preceding Land Bank.

Section 16. "Member" shall mean and refer to a Person or entity entitled to membership in the Association, as provided herein.

Section 17. "Mortgage" shall mean and refer to a first lien mortgage, a deed of trust, a deed to secure debt, or any other form of security deed encumbering one (1) or more Lots.

Section 18. "Mortgagee" shall mean and refer to any Person that is an institutional lender and that holds a bona fide Mortgage encumbering a Lot, which has notified the Association, in writing, of its name and address, and that it holds a Mortgage with respect to a Lot(s). The term "institutional lender" specifically includes a bank, savings and loan association, a mortgage lending company, an insurance company, and the Federal National Mortgage Association or similar agency.

Section 19. "Mortgagor" shall mean and refer to any Person who gives a Mortgage.

Section 20. "Owner" shall mean and refer to one (1) or more Persons or entities, including Declarant who holds fee simple title to any Residential Lot which is part of the Subdivision, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Residential Lot is sold under a recorded contract of sale and the contract specifically so provides, then the purchaser (rather than the fee owner) will be considered the Owner.

Section 21. "Person" means a natural person, a corporation, a limited liability company, a partnership, a trustee, a fiduciary or other legal entity.

Section 22. "Properties" shall mean and refer to the real property described in Exhibit "A" attached hereto, together with such additional property as is hereafter subjected to this Declaration by Supplemental Declaration.

Section 23. "Residential Lot" or "Lot" shall mean a portion of the Subdivision, whether developed or undeveloped, intended for the development, use, and occupancy as a single family residence. The term shall include all portions of the Lot owned, including any structure thereon. A Residential Lot shall include all easement rights appurtenant to such Lot as set forth herein or as shown on the final subdivision plat for the respective phase or section of Smith Farms (the "Plat").

Section 24. "Residential Unit" or "Unit" shall mean and refer to improvements situated upon any Lot designated and intended for use and occupancy as a residence by a single family.

Section 25. "Special Assessments" shall mean and refer to Assessments levied in accordance with Article X, Section 3 of this Declaration.

Section 26. "Supplemental Declaration" shall mean an amendment or supplement to this Declaration which subjects additional property to this Declaration or imposes, expressly or by reference, additional restrictions and obligations on the land described therein, or both.

## Article II Property Rights

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

Declarant reserves the right to amend this Declaration unilaterally at any time, without prior notice and without the consent of any Person, for the purpose of removing certain portions of property within the Subdivision then owned by the Declarant or its affiliates or the Association from the provisions of this Declaration to the extent originally included in error or as a result of any changes whatsoever in the plans for Smith Farms desired to be effectuated by the Declarant, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for Smith Farms. To the extent that any property to be removed from the Subdivision is owned by a Person other than Declarant, such Person's consent must be obtained to said removal, as evidenced by such Person's signature affixed to the Declaration amendment.

## Article III Membership and Voting Rights

Section 1. Membership. Every Owner, as defined in Article I, shall be deemed to have a membership in the Association.

No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot owned. In the event the Owner of a Lot is more than one (1) Person, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the Bylaws. The membership rights of a Lot owned by a corporation, limited liability company, or partnership shall be exercised by the individual designated by the Owner in a written instrument provided to the Secretary, subject to the provisions of this Declaration and the Bylaws.

Notwithstanding the foregoing, Declarant may at any time assign, pledge, hypothecate or alienate its membership, but any transfer by Declarant of title to a Residential Lot shall automatically transfer the membership in the Association appurtenant thereto, free and clear from such assignment.

Section 2. Voting. The Association shall have two (2) classes of membership, Class "A" and Class "B", as follows:

(a) Class "A". Class "A" Members shall be all Owners with the exception of the Class "B" Members, if any.

Class "A" Members shall be entitled to one (1) equal vote for each Lot in which they hold the interest required for membership under Section 1 hereof; there shall be only one (1) vote per Lot.

In any situation in which more than one (1) Person holds the interest in a Lot required for membership, the vote for such Lot shall be exercised as those Persons determine among themselves and advise the Secretary of the Association in writing prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended if more than one (1) Person seeks to exercise it.

(b) Class "B". The Class "B" Members shall be the Declarant and any successor of Declarant who takes title for the purpose of development and sale and who is designated as such in a recorded instrument executed by Declarant or its successor. The Class "B" Members shall originally be entitled to one (1) equal vote for each Lot in which they hold the interest required for membership under Section 1 hereof plus for each vote outstanding in favor of any other person or entity, Declarant will have four (4) additional votes until the expiration or termination of the Class "B" Control Period. The rights of the Class "B" Members, including the right to approve actions taken under this Declaration and the Bylaws, are specified elsewhere in the Declaration and the Bylaws. The Class "B" Members shall be entitled to, in their sole discretion, appoint the members of the Board of Directors during the Class "B" Control Period, subject only to the Bylaws. The Class "B" Control Period shall terminate, and the Class "B" membership shall terminate and become converted to Class "A" membership upon the earlier occurrence of:

(i) six (6) months following the date on which one hundred percent (100%) of the Lots with respect to all phases of Smith Farms have been conveyed to Owners other than the Declarant, Land Bank, or any Builders; or

(ii) twenty (20) years after the date on which the first Lot has been conveyed to an Owner other than the Declarant, Land Bank, or any Builders; or

(iii) when, in their discretion, the Class "B" Members so determines.

From the happening of this event, the Class "B" Members shall be deemed to be Class "A" Members entitled to one vote for each Residential Lot in which it holds the interest required for membership under Section 1 hereof. At such time, the Declarant shall call a meeting, as provided in the Bylaws for special meetings, to advise the membership of the termination of Class "B" status.

Notwithstanding any provisions to the contrary contained in this Declaration or the Bylaws, during the Class "B" Control Period, any action, policy or program of the Association requiring approval by the vote of the Members of the Association shall not be taken or adopted until also approved in writing by the Class "B" Members.

Article IV  
Maintenance

Section 1. Association's Responsibility. The Association shall maintain and keep in good repair, order, and condition (including exterior surfaces and landscaping) the Common Areas and all improvements, furnishings, equipment and other personal property of the Association, as further described in Article IX, Section 1 herein, with such maintenance to be funded as hereinafter provided, subject to any insurance then in effect. Maintenance may also include such portions of any additional property included within the Subdivision as may be dictated by this Declaration, or by a contract or agreement for maintenance thereof by the Association. Except as otherwise specifically provided herein, all costs associated with the maintenance, repair and replacement of Common Areas shall be a Common Expense to be allocated among all Lots as part of the Base Assessment.

The Association may maintain property which it does not own, including, without limitation, property dedicated to the public, if the Board of Directors determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

Section 2. Owner's Responsibility. Each Owner shall maintain his or her Lot, as well as the Residential Unit and all other structures or improvements thereon, including exterior surfaces of the residence, parking areas, fences and other improvements located on the Lot in a manner consistent with the Community-Wide Standard and all applicable provisions of the Documents, unless such maintenance responsibility is otherwise assumed by or assigned to the Association.

If any Owner fails properly to perform his or her maintenance responsibility as provided under this Section 2, the Association may perform it and assess all costs incurred by the Association against the Lot and the Owner thereof, in accordance with Article X, Section 4 of this Declaration, which assessment shall be a lien against said Lot and Owner; provided, however, except when entry is required due to an emergency situation, the Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry. The Board may alternatively enforce this Section through reasonable monetary fines against the Owner or Lot and each day the maintenance, repair, or replacement is not completed shall constitute a separate violation for which fines may be assessed on a daily basis.

Article V  
Insurance and Casualty Losses

Section 1. Insurance. The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain blanket all-risk insurance, if reasonably available, for all insurable improvements on the Common Area. If blanket all-risk coverage is not reasonably available, then at a minimum an insurance policy providing fire and extended coverage shall be obtained, including coverage for vandalism and malicious mischief. Insurance shall be in an amount sufficient to cover one hundred (100%) percent of the replacement cost of any repair or reconstruction of said improvements in the event of damage or destruction from any insured hazard.

The Board shall also obtain a public liability policy covering the Common Area, the Association and its Members for all damage or injury caused by the negligence of the Association or any of its Members or agents. The public liability policy shall have at least a One Million

(\$1,000,000.00) Dollar single person limit as respects bodily injury and property damage, a Two Million (\$2,000,000.00) Dollar limit per occurrence, if reasonably available, and a Five Hundred Thousand (\$500,000.00) Dollar minimum property damage limit. Furthermore, the Association shall obtain workers compensation insurance and employer's liability insurance if and to the extent required by law, with fidelity insurance covering all Persons responsible for handling Association funds.

Premiums for all insurance shall be Common Expenses of the Association and shall be included in the Base Assessment, as defined in Article 1 and as more particularly described in Article X, Section 1. The policy may contain a reasonable deductible, and, in the case of casualty insurance, the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. However, if the Board reasonably determines, after notice and an opportunity to be heard, that the loss is the result of the negligence or willful misconduct of one (1) or more Owners, their guests, invitees, or lessees, then the Board may specifically assess the full amount of such deductible against such Owner(s) and their Residential Lot pursuant to Article X, Section 3 and in the event of multiple parties being at fault, shall be allocated in relation to the amount each party's loss bears to the total deductible.

All insurance coverage obtained by the Board of Directors shall be written in the name of the Association as trustee for the respective benefited parties, as further identified in (b) below. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company licensed to do business in Tennessee which holds a Best's rating of A or better and is assigned a financial size category of XI or larger as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating.

(b) All policies shall be for the benefit of the Association and its Members and their Mortgagees, as their interests may appear.

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

(d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.

(e) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the Rutherford County, Tennessee, area.

(f) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners, and their respective tenants, servants, agents, and guests;

(ii) a waiver by the insurer of its rights to repair and reconstruct, instead of paying

cash;

(iii) a statement that no policy may be cancelled, invalidated, suspended, or subject to nonrenewal on account of the actions of any one or more individual Owners;

(iv) a statement that no policy may be cancelled, invalidated, suspended, or subject to nonrenewal on account of the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its manager, any Owner, or Mortgagee;

(v) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(vi) that the Association will be given at least thirty (30) days' prior written notice of any cancellation, substantial modification, or non-renewal.

In addition to the other insurance required by this Section, the Board shall obtain, as a common expense, worker's compensation insurance, if and to the extent required by law, directors' and officers' liability coverage, if reasonably available, a fidelity bond or bonds on directors, officers, employees, and other Persons handling or responsible for the Association's funds, if reasonably available, and flood insurance, if required. The amount of fidelity coverage shall be determined in the directors' best business judgment but, if reasonably available, may not be less than three (3) months' Assessments on all Lots, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and shall require at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal.

Section 2. Individual Insurance. By virtue of obtaining title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry full replacement cost casualty insurance on the Units and all other improvements built upon the Lot(s) meeting the same requirements as set forth in Section 1 of this Article V for insurance on the Common Area. In addition, each Owner shall carry liability insurance covering the Owner's Lot and Unit for all damage or injury, including bodily injury, death, and property damage, arising from any condition or occurrence on the Owner's Lot or in the Owner's Unit. The Board shall, upon request, make available for review by Owners a copy of the Association's insurance policies to allow Owners to assess their personal insurance needs. All insurance obtained by the Owner of each Lot shall, whenever such provisions shall be available, provide that the insurer waives its right of subrogation as to any claims against other Owners, the Association or Declarant, and their respective servants, agents, employees and guests. Each Builder, other than the Declarant, shall, in addition to the other insurance requirements set forth herein, carry liability insurance with coverage limits reasonably satisfactory to Declarant and the Association for all damage or injury, including bodily injury, death and property damage, arising from the exercise of the Builder Construction Easement granted by Declarant in Article XVII, Section 2. Prior to exercising any rights granted pursuant to said Builder Construction Easement, each Builder shall deliver to the Declarant and the Association a certificate of insurance (i) evidencing that the aforementioned insurance coverage has been obtained and (ii) naming the Declarant and the Association as Additional Insureds.

Each Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction of the Unit and other improvements located

upon said Owner's Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article XI of this Declaration. The Owner shall pay any costs of repair or reconstruction which is not covered by insurance proceeds. In the event that the structure is totally destroyed the Owner may decide not to rebuild or to reconstruct, in which case the Owner shall clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction and thereafter the Owner shall continue to maintain the Lot in a neat and attractive condition consistent with the Community-Wide Standard.

Section 3. Damage and Destruction.

(a) Immediately after damage or destruction by fire or other casualty to all or any part of the Properties covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with filing and adjusting all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed portion of the Properties. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Properties to substantially the same condition in which they existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

(b) Any damage or destruction to the Common Area, except for the drainage and water detention areas, shall be repaired or reconstructed unless the Members representing at least eighty (80%) percent of the total vote of the Association, shall decide within sixty (60) days after the casualty not to repair or reconstruct. Any damage or destruction to the drainage or water detention areas located within the Common Areas must be timely repaired or reconstructed. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to Common Area shall be repaired or reconstructed.

(c) In the event that it should be determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the affected portion of the Properties shall be restored to their natural state and maintained by the Association in a neat and attractive condition consistent with the Community-Wide Standard.

(d) Notwithstanding any provision in the Documents to the contrary, if the damage or destruction to the Common Area is to be repaired or reconstructed, and such insurance proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Members, levy a Special Assessment against all Owners on the same basis as provided for Base Assessments. Additional Assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

Section 4. Disbursement of Proceeds. If the damage or destruction for which the proceeds of insurance policies are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as herein provided. Any proceeds remaining after defraying such costs of repair or reconstruction to the Common Area shall be retained by and for the benefit of the Association and placed in a capital improvements account. In the event no repair or reconstruction is made to any portion of the Common Area, any proceeds remaining, after making such settlement as is

necessary with the Mortgagee, shall be retained by and for the benefit of the Association and placed in a capital improvements account. In the event no repair or reconstruction is made to any Lot or Unit, any proceeds remaining, after making such settlement as is necessary with the Mortgagee, shall be paid to the respective Owner(s).

Section 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 as set forth in this Article to be disbursed by the Association 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 designated by the Board.

Article VI  
No Partition

Except as is permitted in the Declaration or amendments thereto, there shall be no physical partition of the Common Area or any part thereof, nor shall any Person acquiring any interest in the Subdivision or any part thereof seek any judicial partition unless the Subdivision has been removed from the provisions of this Declaration. This Article shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

Article VII  
Condemnation

Whenever all or any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Members representing at least two-thirds (2/3) of the total Association vote and the Declarant, as long as the Declarant owns any property subjected to and encumbered by this Declaration) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking the Declarant, so long as the Declarant owns any property described in Exhibit "A" or seventy-five (75%) percent of the total vote of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefore, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

Article VIII  
Annexation of Additional Property

Section 1. Annexation Without Approval of Class "A" Membership. As the owner thereof, or if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option, from time to time at any time until the date that is twenty (20) years from the date on which the first Lot is conveyed to an Owner other than the Declarant or Builders (the "Declarant Annexation Period"), subject to the provisions of this Declaration and the jurisdiction of the Association, to annex any other real property not described on Exhibit "A" attached hereto and by reference made a part hereof. Such annexation shall be accomplished by filing in the Register's Office for Rutherford County, Tennessee, a Supplemental Declaration annexing such property. Such Supplemental Declaration shall not require the consent of Members, but shall require the consent of the owner thereof if such owner is not the Declarant. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein. Declarant shall have the unilateral right to transfer to any other Person the said right, privilege, and option to annex additional property which is herein reserved to Declarant, provided that such transfer is memorialized in a written, recorded instrument executed by the Declarant.

Section 2. Annexation with Approval of Class "A" Membership. Subject to the consent of the owner thereof, the Association, after the expiration of the Declarant Annexation Period, may annex real property other than that described on Exhibit "A" to the provisions of this Declaration and the jurisdiction of the Association. Such annexation shall require (i) the affirmative vote of Members representing a majority of the Class "A" votes of the Association present at a meeting duly called for such purpose and (ii) the affirmative vote of the Declarant, so long as Declarant owns property subject to this Declaration or which may become subject hereto in accordance with Section 1 of this Article.

Annexation shall be accomplished by filing of record in the Register's Office of Rutherford County, Tennessee, a Supplemental Declaration describing the property being annexed. Any such Supplemental Declaration shall be signed by the President and the Secretary of the Association, the Declarant if required pursuant to this Section 2, and by the owner of the property being annexed, and any such annexation shall be effective upon filing unless otherwise provided therein. The relevant provisions of the Bylaws dealing with regular or special meetings, as the case may be, shall apply to determine the time required for and the proper form of notice of any meeting called for the purpose of considering annexation of property pursuant to this Section 2 and to ascertain the presence of a quorum at such meeting.

Section 3. Acquisition of Additional Common Area. Declarant may convey to the Association additional real estate, improved or unimproved, annexed to, and located within, the Subdivision which upon conveyance or dedication to the Association shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of all its Members.

Section 4. Amendment. This Article shall not be amended without the prior written consent of Declarant during the Class "B" Control Period.

#### Article IX Rights and Obligations of the Association

Section 1. Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including, without limitation, furnishings and equipment related thereto and common landscaped areas), and shall keep it in good, clean,

attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions hereof and consistent with the Community-Wide Standard.

Section 2. Water and Other Utilities in Common Areas Only. The Association shall be responsible for acquiring, providing, and/or paying for, water, sewerage, garbage disposal, electrical, telephone, gas and other necessary utility services for the Common Areas and all utility services to enable the Association to maintain the Area of Common Responsibility.

Section 3. Taxes and Assessments. The Association shall promptly pay all real and personal property taxes and assessments separately levied upon or assessed against the Association and/or of the property owned by the Association, including the Common Areas owned by the Association. Such taxes and Assessments may be contested or compromised by the Association; provided that they are paid or a bond in an amount at least equal such taxes and Assessments is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes or Assessments.

Section 4. Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, shall accept any real or personal property, leasehold, or other property interests within the Subdivision conveyed to it by the Declarant.

Section 5. Enforcement in General.

(a) Enforcement of the standards as specified in this Declaration may be by any proceedings at law or in equity against any person or persons violating or attempting or threatening to violate a covenant or restriction, either to restrain a violation or to recover damages. In addition, the Association may establish monetary fines as well as suspend voting rights and usage of the Common Areas for any violations of the restrictions and provisions set forth in the Documents. Any failure by the Declarant, the Association or Owner to enforce any restriction or other provisions herein contained shall in no event be deemed a waiver of the rights to do so thereafter nor constitute an acquiescence in or an estoppel against enforcing any, actual or future, breaches or violations of these covenants and restrictions.

(b) In the event any cost or expenses, including attorneys' fees and any costs of litigation, are incurred by the Declarant or Association in connection with the action to correct or abate any violation or breach of the provisions hereof, the Owner or occupant of a Unit located upon such Owner's Lot shall pay any such costs or expenses, and provided that reasonable notice to the Owner of the subject Lot(s) has been given, such cost and expenses shall be a lien against the Lot(s) of such Owner and such charges shall be subject to the provisions for lien rights and collection as specified in Section 6 below. No such cost or expenses shall be a lien when the nonexistence of a violation or breach hereof has been established by a court of competent jurisdiction.

Section 6. Covenant and Creation of the Lien of Personal Obligation for Court Ordered Violation in Section 5. The Declarant for each Lot owned by him within the subdivision hereby covenants and agrees, and each owner of any Lot by acceptance of a deed therefore whether or not it shall be so expressed in such deed as the conveyance shall be deemed to covenant and agree, to pay any court ordered violation cost and other costs or expenses incurred in Section 5 above, together with such interest thereon and cost of collection thereof, including attorneys' fees, as provided herein, and shall be a charge on the land and shall be a continuing lien upon the Lot(s) against which each such obligation is made. It shall also be the personal obligation of each Person who was an Owner of such property at the time of the

violation.

Section 7. Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Subdivision, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions may include monetary fines, which if unpaid, shall constitute a lien on such Owner's Lot subject to enforcement as provided under Article X hereunder, as well as suspension of the right to vote and the right to use the recreational facilities. The Board shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. Such rules and regulations, as amended, shall be binding upon all Owners and occupants until and unless overruled, cancelled or modified in a regular or special meeting of the Association by the vote of Members representing a Majority of the total Class "A" votes in the Association and with the consent of the Class "B" Members, so long as such membership shall exist.

The Association, acting through the Board by contract or other agreement, shall have the right to permit Rutherford County, Tennessee, to enforce ordinances on the Subdivision for the benefit of the Association and its Members.

Section 8. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege, including, but not limited to:

- (a) imposing monetary fines and suspending use and voting privileges;
- (b) granting permits and licenses, utility easements and other easements, permits or licenses under, through or over the Common Areas;
- (c) sell, transfer or convey portions of the Common Area, but only upon approval of two-thirds (2/3) of the total eligible votes of the Association.

#### Article X Assessments

Section 1. Creation of Assessments. There are hereby created Assessments for Association expenses as may from time to time specifically be authorized by the Board of Directors to be commenced at the time and in the manner set forth in Section 6 of this Article. There shall be two (2) types of Assessments: (a) Base Assessments to fund Common Expenses for the benefit of all Members of the Association as described in Section 2 below; and (b) Special Assessments as described in Section 3 below.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual Base Assessment for delinquents, including Owners delinquent in the payment of fines imposed in accordance with Article IX, Section 5 of this Declaration as well as Article III, Section 21, of the Bylaws. Unless the Board otherwise provides, the Base Assessment shall be paid in monthly installments.

No Owner, except for the Declarant and Land Bank during the Class "B" Control Period and a Builder during the Builder Exception Period as discussed in Section 10 below, may waive or otherwise exempt himself from liability for the Assessments provided for herein, including, by way

of illustration and not limitation, by non-use of Common Areas or abandonment of the Lot. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner, and each Owner, by acceptance of his or her deed or recorded contract of sale, is deemed to covenant and agree to pay these Assessments. No diminution or abatement of Assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 2. Base Assessments; Computation. Base Assessments shall be levied equally on all Lots, except as otherwise provided under Section 9 below with respect to Common Area and Section 10 below with respect to Declarant and any Builders. It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year, to prepare a budget covering the estimated Common Expenses of the Association during the coming year. The budget may include a capital contribution establishing a reserve fund in accordance with a capital budget separately prepared. The Base Assessment to be levied for the coming year against each Lot subject to Assessment shall be in such amount as reasonably determined by the Board to cover the budgeted Common Expenses for the coming year. The Board shall cause a copy of the Common Expense budget and notice of the amount of Base Assessment to be levied against each Lot for the following year to be delivered to each Owner at least thirty (30) days prior to the beginning of the fiscal year. Such budget and Assessment shall become effective unless disapproved at a meeting of the members by the vote of Members representing at least a majority of the total Class "A" vote in the Association, and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings in Article II, Section 4, of the Bylaws.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

Section 3. Special Assessments. In addition to the other Assessments authorized in this Article, and except for Lots owned by a Builder, the Association may levy a Special Assessment or Special Assessments from time to time; provided, however, that such Assessment shall have the affirmative vote or written consent of Members representing at least fifty-one (51%) percent of the total vote in the Association and the written consent of the Class "B" Member, if such exists. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

The Board may also levy a Special Assessment against any Member, without the necessity of a vote of the Members, to reimburse the Association for costs incurred in bringing a Member and his Lot into compliance with the provisions of the Declaration, any amendments thereto, the Charter, the Bylaws, and the Association rules, and to pay the deductible provided in Article V, Section 1, which Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing.

Section 4. Lien for Assessments; Power of Sale to Enforce Lien.

(a) For and in consideration of the privileges, protections, mutual enjoyment and use of the Common Areas, the assumption of the obligations of Owners set forth in this Declaration

by grantees as required hereunder, the receipt of which is hereby acknowledged, and to secure the payment of Assessments, interest, late charges and attorneys' fees as provided herein (hereinafter collectively referred to as the "Secured Charges"), a lien is expressly retained in favor of the Association on each and every Owner's Lot and pro rata interest in the Common Areas.

(b) For the purpose of better and more effectually securing the Secured Charges, rendering unnecessary court proceedings for the enforcement of said lien in the event of the proceedings for the enforcement of said lien in the event of the nonpayment of the Secured Charges, and for the consideration of One Dollar (\$1.00) paid in cash, receipt of which is acknowledged, the Owners, their respective heirs, successors, administrators, and assigns (hereinafter sometimes referred to, collectively, as "Trustors" and individually as "Trustor") hereby transfer and convey unto Jeremy H. Cherry, Trustee, of Williamson County, Tennessee, his successors and assigns, their respective Lots with the appurtenances, estates, titles and interests thereto belonging, upon the uses and trusts set forth in this Section 4.

(c) Each Trustor agrees (i) to pay the Secured Charges attributable to such Trustor's Lot when due, as provided in this Declaration; (ii) to pay, discharge, or remove, any and all liens (except a first mortgage or deed of trust) which may be hereafter placed against its Lot and which shall adversely affect the lien of this instrument or enforcement of the terms and provisions hereof; (iii) to comply with all of the terms and conditions of the Documents; and (iv) to pay upon demand of Trustee or the Association, all the costs and expenses, together with reasonable attorneys' fees, of any court appearance or other proceedings required by Trustee, his successors or the Association to enforce any provision of this Declaration and Bylaws or any rule and regulation of the Association. If any Trustor fails to do any of these things, then Trustee or the Association may do any or all of those things, and the amounts so paid shall bear interest at the highest rate allowed under applicable law in effect from time to time from the date of payment and shall become a part of the Secured Charges secured hereby.

(d) If the Secured Charges with respect to any Lot are not paid promptly when due, then the Trustee, or his successor in trust, is hereby authorized and empowered, upon giving twenty (20) days' notice by three (3) publications in any newspaper, daily or weekly, published in Rutherford County, Tennessee, to sell said Lot at the front door of the Court House in said County to the highest bidder for cash, at public outcry, free from the equity of redemption, the statutory right of redemption, homestead, dower and all exemptions of every kind, all of which are hereby expressly waived; and the Trustee, or his successor in trust, is authorized and empowered to execute and deliver a deed to the purchaser. The Association may bid at any sale under this trust conveyance. The Association may, at any time after default in the payment of any of the Secured Charges, enter and take possession of the Lot, and shall only account for the net rents actually received by it. It is further agreed that, in the event the Association fails, before instructing Trustee to sell said Lot, as herein provided, to enter and take possession thereof, the purchaser shall be entitled to immediate possession thereof upon the delivery to him by the Trustee of a deed for said property. In case of sale hereunder, the proceeds shall be applied by the Trustee as follows:

(i) First, to the payment of all costs, charges and expenses of executing this conveyance and enforcing the lien herein provided, including reasonable attorneys' fees and

expenses incurred for instituting or defending any litigation which may arise on account of the execution of this conveyance, or the enforcement of said lien;

(ii) Second, to the payment of all taxes which are due but unpaid with respect to such Lot;

(iii) Third, to the payment of all unpaid Secured Charges with respect to such Lot; and

(iv) Fourth, the residue, if any, will be paid to the Owner of such Lot, its order, representatives or assigns.

The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Lot is owned by the Association following foreclosure: (i) no right to vote shall be exercised on its behalf; (ii) no Assessment shall be assessed or levied on it; and (iii) each other Lot shall be charged, in addition to its usual Assessment, its equal pro rata share of the Assessment that would have been charged such Lot had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid common expenses and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

(d) In the case of the death, absence, inability, or refusal to act of the Trustee, or if the Board so decides in its sole discretion, at any time when action under the foregoing power and trusts may be required or for any other reason, the Association is hereby authorized and empowered to name and appoint a successor to the Trustee by an instrument in writing to be recorded in the Register's Office for Rutherford County, Tennessee, and the title and rights herein conveyed to the above named Trustee shall be vested in said successor.

Section 5. Capital Budget and Contribution. The Board of Directors may annually prepare a capital budget to 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 may 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, with respect both to amount and timing by Assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within the Base Assessment and distributed with the budget, as provided in Section 2 of this Article.

Section 6. Date of Commencement of Assessments & Effect of Nonpayment of Assessments.

(a) Except as otherwise agreed to in writing by the Association, the Assessments provided for herein shall commence as to all Lots upon conveyance of the first Lot to an Owner other than the Declarant or Land Bank; provided, however, if such conveyance is to a Builder, such Assessment shall not commence until the expiration of the Builder Exception Period (as defined in Section 10 below). Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first Assessments levied by the Association shall be adjudged according to the number of days remaining in the fiscal year at the time Assessments commence on the Lot.

(b) All Assessments, together with interest at a rate not to exceed ten (10%) percent or the highest rate allowed by Tennessee law as computed from the date the delinquency first

occurs, costs, and reasonable attorney's fees (including post-judgment attorneys' fees from a prior judgment, if any), shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each Assessment is made. Each such Assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Person who was the Owner of such Lot at the time the Assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance. No first Mortgagee who obtains title to a Lot pursuant to the remedies provided in the Mortgage shall be liable for unpaid Assessments which accrued prior to acquisition of title, unless otherwise provided under applicable laws.

(c) The Association shall, within a reasonable time upon written request, furnish to any Owner, Mortgagee or Person having executed a contract for the purchase of a Lot, or a lender considering a loan to be secured by a Lot, a certificate in writing signed by an officer or the managing agent of the Association, setting forth the amount of Assessments due and unpaid, including any late charges, interest, fines or other charges against a Lot, if any. Such certificate shall be conclusive evidence of payment to the Association of such Assessment therein stated to have been paid. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

Section 7. Subordination of the Lien to First Mortgages. The lien of Assessments, including interest, late charges (subject to the limitations of Tennessee law), and costs (including attorney's fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Lot. The sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage, or by a deed in lieu of foreclosure, shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from lien rights for any Assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title pursuant to remedies under the Mortgage, its successors and assigns shall not be liable for the share of the common expenses or Assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such acquirer. Such unpaid share of common expenses or Assessments shall be deemed to be common expenses collectible from Owners of all the Lots, including such acquirer, its successors and assigns.

Section 8. Capitalization of Association; Working Capital Fund. In conjunction with the acquisition of record title to any Lot by the purchaser thereof, other than the Declarant, Land Bank, or a Builder, a contribution shall be made by or on behalf of the purchaser at the closing of the purchase of the Lot to the working capital of the Association in an amount as determined in the Board's discretion, but in any event, shall not be greater than an amount that is equal to twice the annual Base Assessment per Lot as determined by the Board for the year in which the respective closing occurs. This amount shall not be considered an advance payment on the Base Assessment and shall be deposited into the purchase and sales escrow and disbursed therefrom to the Association for use to cover capital and operating expenses, capital repairs or improvements, and other expenses incurred by the Association pursuant to the terms of this Declaration and the Bylaws. Moreover, when control of the Association is transferred from the Declarant to the Owners as provided in the Documents, said fund and any remaining proceeds thereof shall be transferred to the Association to be used for the same aforementioned purposes.

Section 9. Exempt Property. Notwithstanding anything to the contrary herein, all Common Area and property dedicated or otherwise conveyed to and accepted by any governmental authority or public entity, shall be exempt from payment of Assessments.

Section 10. Obligation of Declarant and Builders for Assessments. Until the expiration of

the Class "B" Control Period, Declarant and Land Bank shall not be liable for the payment of Assessments on its unsold Lots. However, until the expiration of the Class "B" Control Period, Declarant shall be obligated for the difference between the amount of Assessments levied on all Lots subject to assessment and the amount of actual expenditures required to operate the Association during the fiscal year, and any such payments by Declarant shall be considered a subsidy to the Association (a "Subsidy"). Any Subsidy may be treated, in the Declarant's discretion, as either (i) a voluntary contribution, (ii) a prepayment of Assessments due from the Declarant for unsold Lots owned after the expiration of the Class "B" Control Period, if any, or (iii) a loan from the Declarant to the Association. A Subsidy may be evidenced by one or more promissory notes from the Association in favor of the Declarant.

In addition, no Assessments shall be levied on Lots owned by any other Builder until the earlier to occur of: (i) the date that the Lot is conveyed from the Builder to a third-party purchaser holding title to the Lot for purposes permitted herein other than the development and construction of a Unit and other improvements thereon, or (ii) the expiration of six (6) months after the Builder obtains a building permit issued by the applicable governmental authorities for the construction of a Unit on the respective Lot (the "Builder Exception Period"). Notwithstanding the foregoing, Lots on which model homes are constructed by Builders for purposes of marketing the sale of other Lots owned by such Builders in the Subdivision shall not be subject to Assessments until such time that the Lot is conveyed from the Builder to a third-party purchaser holding title to the Lot for purposes permitted herein.

Section 11. Transfer Fees. In conjunction with the acquisition of record title to a Lot by the purchaser thereof, other than the Declarant, Land Bank, or a Builder, a reasonable contribution shall be made by or on behalf of the purchaser at the closing of the purchase of the Lot to the management company or Association, as applicable, to cover certain administrative costs related to establishing the new Owner's account with the Association.

#### Article XI Architectural Standards

No Owner, occupant of an Owner's Lot, or any other Person, other than the Declarant, may: (i) make any exterior change, alteration, modification, or construction on a Lot; (ii) erect, place or post any thing or object which may affect the appearance of a Lot; or (iii) change the grade or slope of a Lot without first obtaining the written approval of the Architectural Review Committee ("ARC"). Notwithstanding the foregoing, the Declarant may, in its sole discretion, overrule any approval or disapproval by the ARC during the Class "B" Control Period, provided that Declarant's decision is in compliance with the Architectural Guidelines, if any, and this Declaration, both as may be amended. The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the ARC established in Section 1 of this Article XI. This Article may not be amended without the Declarant's written consent so long as the Declarant owns any land or Lot subject to this Declaration or subject to annexation to this Declaration.

The Declarant, at the time of sale and/or the plat is recorded for each phase/section of Smith Farms, has the right to establish additional restrictions and/or design-standards with respect to improvements constructed upon the Lots in that particular phase/section of Smith Farms.

Section 1. Architectural Review Committee. The ARC shall have exclusive jurisdiction over all original construction on any portion of the Subdivision as well as modifications, additions, or alterations made on or to existing Lots or structures and improvements thereon, as well as the Common

Areas. The ARC shall prepare and, on behalf of the Board of Directors, shall promulgate design and development guidelines and application and review procedures (the "Architectural Guidelines"). Copies shall be available from the ARC for review. The Architectural Guidelines shall be those of the Association, and the ARC shall have sole and full authority to prepare and to amend the Architectural Guidelines). Any amendments to the Architectural Guidelines shall be prospective only and shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments to the Architectural Guidelines and the ARC is expressly authorized to amend the Architectural Guidelines to remove requirements previously imposed or otherwise to make the Architectural Guidelines less restrictive. A copy of the Architectural Guidelines, as well as any amendment, supplement, or modification thereto, shall be provided to all Owners, including any Builders, and developers who seek to engage in development of or construction upon all or any portion of the Subdivision, and such Owners, Builders and developers shall conduct their operations strictly in accordance therewith. The Architectural Guidelines, if promulgated and adopted, are intended to provide guidance to Owners and Builders regarding matters of particular concern to the ARC in considering applications hereunder, but shall not be the exclusive basis for decisions of the ARC, and compliance with the Architectural Guidelines does not guarantee approval of any application. Notwithstanding the foregoing, the Architectural Guidelines must be consistent with the requirements set by the Rutherford County or other applicable governmental authority.

Until one hundred percent (100%) of the Lots with respect to all phases as shown on the master plan of the Subdivision, as may be revised or amended from time to time, have been developed and conveyed to purchasers in the normal course of development and sale, the Declarant retains the right to appoint all members of the ARC, which shall consist of at least three (3), but no more than five (5), persons. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by Declarant. Upon the expiration of such right, the Board of Directors shall appoint the members of the ARC.

In addition to the foregoing, plans and specifications showing the nature, kind, shape, color, size, materials, and location of any initial construction, modifications, additions, or alterations for all improvements on the Lots, including, but not limited to, any structure, building, fence, wall, driveway, path, or landscaping shall be submitted, prior to any construction, to the ARC for its written approval as to quality of workmanship and design and as to harmony of external design with existing structures, location in relation to surrounding structures, topography, and finish grade elevation. Prior to the formation of the ARC, such approval shall be granted by the Declarant and any approval granted by the Declarant shall be binding on the Association. The Board, the ARC, or the Association may establish a reasonable processing and review fee related to the consideration of any submitted architectural review requests. No permission or approval shall be required to repaint in accordance with an originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of the residence located upon such Owner's Lot, or to paint the interior of such Owner's residence any color desired. In the event that the ARC fails to approve or to disapprove such plans or to request additional information reasonably required within sixty (60) days after submission, the plans shall be deemed approved, unless such construction, modification or improvement otherwise is in violation of the Declaration, the Bylaws, the Architectural Guidelines, the Association's rules and regulations, or applicable zoning ordinances.

The ARC shall be the sole arbiter of the application and may withhold approval for non-arbitrary reasons, including purely aesthetic considerations. The Association, acting through the Board shall be entitled to stop any construction or modification which is not in conformance with approved plans. In the event that the ARC disapproves any application or part thereof, an Owner shall have the right to appeal

the ARC's decision to the Board of Directors, in writing by certified mail. Said notice of appeal must be received by the Board within fourteen (14) days from the date of the ARC's notice to Owner of its decision, otherwise the decision of the ARC shall be final. The Board shall rule on the appeal with thirty (30) days of receiving written notice requesting an appeal from the Owner; and all decisions of the Board shall be final.

Neither the Board nor the ARC shall bear any responsibility for ensuring the design, quality, structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, zoning regulations and other governmental requirements. Neither the Declarant, Association, the Board, the ARC or any member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner, design, or quality of approved construction on or modifications to any Lot, nor may any action be brought against the Declarant, Association, the Board, the ARC, or any member thereof, for any such injury, damage or loss.

Section 2. No Waiver of Future Approvals. The approval of the ARC of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of such Committee, 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 whatsoever, subsequently or additionally submitted for approval or consent.

Section 3. Variance. The ARC may authorize variances from compliance with any of the provisions of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) estop the Committee from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

Section 4. Enforcement of Architectural Standards. Any construction, alteration, or other work done in violation of this Article, the Declaration, the Bylaws, the design standards or any applicable zoning ordinances, codes, or regulations shall be deemed non-conforming, and upon written request from the Board, such non-conforming construction, alteration, or other work shall be removed at the sole expense of the Owner and the Lot shall be restored to substantially the same condition as existed prior to such construction, alteration or work. Should the Owner fail to do so, the Board or its designees shall have the right, in addition to other remedies provided under Article IX of the Declaration as well as the rules and regulations of the Association, to enter the Lot and remove the violation and restore the Lot, or obtain a court order compelling the violating Owner to do so. All costs thereof, including reasonable attorney's fees, may be assessed against such Lot, regardless of whether or not litigation is filed. The remedies under this Section 4 shall be in addition to, and not in substitution for, any other remedies provided under the Documents, or at law or in equity.

## Article XII Use Restrictions

Section 1. Signs and Flagpoles. No sign of any kind shall be erected or placed within the Subdivision without the written consent of the Board of Directors, except (i) that an Owner may place one (1) sign on such Owner's lot advertising the sale thereof; (ii) for political or campaign posters or signs as permitted pursuant to under the "Tennessee Freedom of Speech Act

of 2017" as codified under Tenn. Code Ann. § 2-7-143, as may be subsequently amended, or any other applicable federal, state, or local laws; and (iii) as otherwise permitted under Article XIV with respect to Declarant and Builders. Notwithstanding the foregoing, the Board of Directors shall have the right to erect signs as it, in its sole discretion, deems appropriate. No flagpoles shall be erected on any Lot, except for (i) Lots owned by the Declarant or any Builder where Units or improvements located thereon are used as models and sales offices or trailers; and (ii) flagpoles permitted under the "Freedom to Display the American Flag Act of 2005" as codified under 4 U.S.C. § 5 (Executive Order 10834, Section 3), as may be subsequently amended, or any other applicable federal, state, or local laws.

Section 2. Parking and Garages. No Owner or occupant shall keep more than two (2) vehicles parked in said Owner's driveway at any time; provided, however, that if the Lot only has a one-car garage, then said Owner or occupant shall not park more than one vehicle in said driveway. All other vehicles must be parked in garages, designated parking spaces, or other areas authorized in writing by the Board. Vehicles shall not be parked on any lawn, yard, private street or alley. There shall also be designated parking spaces located upon the Common Area, which shall be utilized for guest parking as well as special parking permits issued by the Board. Parking upon any public streets or dedicated right-of-ways of the Subdivision shall be in compliance with applicable laws, ordinances, codes, and regulations of the city of Murfreesboro. The Board may also adopt reasonable rules and regulations regarding parking within the Subdivision, which shall be in compliance with this Section.

Garage doors shall remain closed at all times, except for necessary use, ingress, and egress. Each garage should be maintained in such a manner that parking for the maximum number of motor vehicles for which it was originally designed to hold is allowed and possible with the exception of a garage temporarily converted to a sales center by the Declarant or any Builder.

No vehicle that does not have a current license tag or is inoperable may be parked on or within the Subdivision. In addition, no vehicle may be parked upon or within any portion of the Subdivision for a period of thirty (30) consecutive days or more without being driven during said period, unless prior written permission has been obtained from the Board of the Association. Boats, trailers, jet-skis and trailers for same, buses, vans (excluding vans used by handicapped persons, mini-vans or sport utility vehicles used as passenger vehicles and receiving a "cars" or "passenger vehicle" classification by the Tennessee Department of Motor Vehicles), recreational vehicles (including, without limitation, RVs, motor homes, and campers), vehicles used primarily for commercial purposes, and vehicles with commercial writings and/or logos on their exteriors are also prohibited from being parked upon any portion of the Subdivision property, except in areas, if any, that may be designated by the Board as parking areas for particular types of vehicles. Notwithstanding the foregoing, commercial motor vehicles may be parked or otherwise located upon the Subdivision property as follows: (i) any light-duty or medium-duty vehicle, as classified by the Federal Highway Administration and having a gross weight vehicle rating less than 16,000 lbs., with or without commercial writings and/or logos on the exterior of said vehicle, that is owned or operated by an Owner or occupant, for use in such Person's employment or business ventures, may be parked in such Owner's driveway or in the garage; provided, however, that such vehicle shall not have an exterior rack, tools, or equipment attached to the vehicle, unless it is located in the garage at all times when parked on the Lot; (ii) commercial vehicles shall be allowed temporarily on a Lot or the Common Area during normal business hours for the purpose of serving any Lot or the Common Area; provided, however, no such vehicle shall remain on a Lot or the Common Area overnight or for any purpose unless prior written consent of the Board is first obtained; and (iii) all emergency response and local, state, and federal law enforcement vehicles may be parked on the Subdivision property so long as they are either owned by an Owner or occupant or they are

parked on the Subdivision property in furtherance of emergency response or law enforcement purposes.

If any vehicle is parked on any portion of the Subdivision property in violation of this subsection or in violation of the Association's rules and regulations, a Board member or other agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed or booted. The notice shall include the name and telephone number of the person or entity that will do the towing or booting and the name and telephone number of a person to contact regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six (6) months of such notice, the Board or other agent of the Association may have the vehicle towed or booted in accordance with the notice, without further notice to the Owner or user of the vehicle. If a vehicle is parked in a fire lane or a space designated for handicapped parking, is blocking another vehicle or access to another parking space, is obstructing the flow of traffic, is parked in a parking space which has been assigned as exclusively serving another Lot, or otherwise creates a hazardous condition or is an obstruction to the safety or health of other persons on the Subdivision property, no notice shall be required and the Board or agent of the Association may have the vehicle towed immediately. If a vehicle is towed or booted in accordance with this subsection or if a vehicle is seized or towed by any other Person that is not an employee or agent of the Association, then neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage as a result of the seizure or towing activity. Also, the Association, and its officers or agents, shall not be liable for any vehicle that is stolen or otherwise unlawfully removed from property within the Subdivision by a third party. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions under the rules and regulations or remedies at law or in equity, rather than exercise its authority to tow or boot.

Section 3. Occupants Bound. All provisions of the Documents which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants, guests and invitees of any Lot Owner.

Section 4. Animals and Pets. No animals, reptiles, rodents, livestock, birds, fish or poultry of any kind shall be raised, bred, or kept in or on any portion of the Subdivision, except as otherwise provided below. Dogs, cats, or other usual and common household pets not to exceed a total of three (3) may be permitted with respect to each Lot. Pets are not permitted to roam free, and in the sole discretion of the Association, any pets which endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Lots or the owner of any portion of the Subdivision may be removed in accordance with applicable state and/or local laws, statutes, codes, ordinances, and regulations. No pets shall be kept, bred, or maintained for any commercial purpose. Dogs which are household pets shall at all times whenever they are outside a residence be confined on a leash held by and under the physical control of a responsible person. Local laws governing leashing, control, etc., of animals shall apply to the residents of Smith Farms. Homeowners shall be responsible to clean-up after their pet. Any Owner or occupant who keeps or allows any pet on a portion of the Subdivision shall be deemed to have indemnified and agreed to hold the Association, its, directors, officers, and agents free and harmless from any loss, claim, or liability of any kind or character whatever arising by reason of keeping, maintaining, or allowing such pet within the Subdivision.

Section 5. Governmental Laws and Nuisance. No portion of the Subdivision shall be used, in whole or in part, in violation of any applicable local, state, or federal laws, statutes,

regulations, codes, or ordinances ("Governmental Laws"). In the event that any provision of applicable Governmental Laws conflicts with the provisions of this Declaration, the more restrictive provision shall apply.

No portion of the Subdivision shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye. Moreover, no substance, thing, or material shall be kept upon any portion of the Subdivision that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any portion of the Subdivision, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any portion of the Subdivision. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of Subdivision.

Section 6. Unsightly or Unkempt Conditions. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Lot. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Subdivision.

Section 7. Basketball or Playground Equipment, Clotheslines, and Garbage Cans.

(a) No clothes lines, above-ground tanks, and other similar items shall be placed, allowed or maintained upon any portion of the Subdivision, including any Lot. All garbage cans and trash receptacles shall be stored in the garage or in other ARC approved structures located upon the Owner's Lot so as to be screened and concealed from view of neighboring Lots, streets, and other property adjacent to the Lot, except that garbage cans or other trash receptacles may be placed at curbside on days designated for trash pick-up for that particular Lot. All rubbish, trash, and garbage shall be regularly removed from the Subdivision and shall not be allowed to accumulate thereon.

(b) Portable basketball hoops, backboards and poles will be allowed under the following conditions: (1) the portable basketball hoop, backboard and pole must be taken down and stored out of site when not in actual use; (2) the portable basketball hoop, backboard and pole cannot remain up overnight and must be stored out of site; (3) the above mentioned basketball equipment can be used between the hours of eight (8) a.m. and ten (10) p.m. only; and (4) the portable basketball equipment must be set up and used as far away as feasibly possible from the Units located on adjacent Lots. Permanent basketball shall not be permitted to be installed upon any Lot within the Subdivision, unless prior written approval has been obtained from the ARC. Basketball hoops attached or affixed to the residence shall not be permitted upon any portion of the Subdivision.

(c) All playground equipment located upon the Lots, including but not limited to, swing sets, slides, seesaws, playhouses, and/or climbing apparatuses, shall be maintained in good condition, constructed of natural wood, and finished with a natural wood exterior surface, and shall be approved by the ARC prior to installation. No painted wood finish, predominately plastic or

metal structures shall be allowed. Any allowable playground equipment must be hidden as much as possible from the street view and from the view of adjoining Owners.

Section 8. Guns. The discharge of firearms within the Subdivision is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types.

Section 9. Lighting. Except for seasonal decorative lights, which may be displayed between Thanksgiving and January 10 only, all exterior lights must be approved in accordance with Article XI of this Declaration

Section 10. Leasing.

(a) Definition. "Leasing" for purposes of this Declaration, is defined as regular, exclusive occupancy of a residence located upon a Lot 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.

(b) General. Lot residences may be rented only in their entirety; no fraction or portion may be rented. There shall be no subleasing of residences or assignment of leases unless prior written approval is obtained from the Board of Directors. No transient tenants may be accommodated in any residence or other improvements located upon the Lots. All leases shall be in writing and shall be for an initial term of no less than six (6) months, except with the prior written consent of the Board of Directors. Notice of any lease, together with such additional information as may be required by the Board, shall be given to the Board by the Owner within ten (10) days of execution of the lease. The Owner must make available to the lessee copies of the Documents. The Association, or managing agent of the Association, may charge the Owner a reasonable review and processing fee with respect to the lease submitted under this subsection.

(c) Compliance with Declaration, Bylaws and Rules and Regulations. Every Owner shall cause all occupants of his or her residence to comply with the Documents, and shall be responsible for all violations and losses to the Common Areas caused by such occupants, notwithstanding the fact that such occupants of a residence are fully liable and may be sanctioned for any violation of the Documents.

Section 11. Amenities. Any amenities (including, but not limited to parks, playground equipment, walking trails, community pool(s), mail kiosk, and clubhouse) provided by the Association or erected within the Subdivision, if any, shall be used at the risk of the user, and the Association shall not be held liable to any person for any claim, damage, or injury occurring thereon or related to use thereof. The Board may promulgate additional rules and regulations governing the use of such amenities.

Section 12. Residential Use Only. Each Lot shall be used for residential purposes only and no trade or business may be conducted in or from any Lot located within Smith Farms, except that an Owner, or lessee or other occupant of a residence, may conduct business activities within the residence so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the residence; (b) the business activity conforms to all zoning requirements for the Subdivision; (c) the business activity does not involve persons coming onto the Subdivision who do not reside in the Subdivision or door-to-door solicitation of residents of the Subdivision, provided however, this provision shall not preclude delivery of materials or items by U S Postal delivery or by other customary parcel delivery services (UPS, Fed Ex, etc.);

and (d) the business activity is consistent with the residential character of the Subdivision and does not increase traffic, does not increase insurance premiums paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage, and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Subdivision, as may be determined in the sole discretion 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: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore. Notwithstanding the above, the leasing of a residence located on a Lot in accordance with Section 10 of this Article or the leasing of a model home or a sales trailer on a Lot by the Declarant or a Builder shall not be considered a trade or business within the meaning of this Section.

Section 13. Garage Sales. No garage sale, yard sale, or similar activity shall be conducted in the Subdivision without prior approval of the Board. The Board may additionally permit Subdivision garage sale or yard sale days.

Section 14. Antennas and Satellite Dishes. All television antennas, satellite dishes, dishes which receive video programming services via multipoint distribution services and any other device used for the reception of television broadcast signals, direct broadcast satellite services or multi-channel multipoint distribution (wireless cable) services must be twenty-four (24) inches or less in diameter, must be located to the rear of the residence located on the Lot and not visible from the street (unless such location would preclude reception of an acceptable quality signal) and may not be affixed to any portion of the Common Areas. Television antennas must be located to the rear of the roof ridgeline, cable or centerline of the principal dwelling. Freestanding antennas must be attached to and located behind the rear wall of the main residential structure. No antenna may be erected on a wooden pole. Any deviation from this policy must be approved in advance by the Board of Directors. To the extent that any of the foregoing provisions of this Declaration or provisions of the rules and regulations adopted by the Board with respect to satellite dishes and antennas is not permitted under the Federal Communications Commission ("FCC") rules and regulations, the remaining portion of this Section 14 shall survive independently to the extent permissible under the FCC rules and regulations.

Section 15. Swimming Pools. Swimming pools below ground level for the use of Owners, Unit occupants, and their guests may be constructed on Lots provided that: (1) the location, plans and specifications thereof are approved by the Declarant, and after the expiration of the Class "B" Control Period, the ARC, (2) all applicable laws, ordinances, rules and regulations of governmental agencies are complied with, and all necessary governmental permits are obtained; and (3) such construction is not commenced until after construction of the residence has begun. Should a residence become vacant, that is, not occupied for residential purposes, the owner shall see that the pool is drained and kept drained during the period of such non-occupancy, so as to prevent health and safety hazards. Above-ground pools are prohibited within the Subdivision.

Section 16. Tents, Trailers and Temporary Structures. Except as otherwise permitted with respect to the Declarant and Builders under Article XIV hereunder, no tent, utility, shed, shack, trailer or other structure, whether it be of a temporary or permanent nature, shall be placed upon a Lot or any part of the Subdivision, unless expressly permitted under the Architectural Guidelines

and prior written approval is obtained for such structure from the ARC.

Section 17. Drainage and Septic Systems. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Person other than Declarant may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. Septic systems are prohibited upon or within the Subdivision.

Section 18. Subdivision of Lot. No Lot shall be subdivided or its boundary lines changed except with the prior written approval of (a) the Board of Directors of the Association, and (b) the local governmental authorities. Declarant, however, hereby expressly reserves the right to replat any Lot or Lots owned by Declarant. Any such division, boundary line change, or replatting shall not be in violation of the applicable subdivision and zoning regulations. Moreover, any two or more Lots that are combined into one or more Lots by Owners, other than the Declarant, shall continue to be responsible for the Base Assessments and Special Assessments allocated to said Lots as if the combination of Lots had not taken place.

Section 19. Sight Distance at Intersections. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem.

Section 20. Artificial Vegetation; Yard and/or Outdoor Decorations. No artificial vegetation shall be permitted on the exterior of any portion of the Subdivision. No decorative appurtenances, including, but not limited to, sculptures, birdhouses, birdbaths, fountains or other similar decorative embellishments shall be placed on or in any front yard or on any part of a Lot visible from any street or other Lot, unless the placement and design of such embellishments has been approved by the ARC pursuant to the provisions of Article XI.

#### Article XIII Mortgage Provisions

The following provisions are for the benefit of holders of first Mortgages on Lots in the Subdivision. The provisions of this Article apply to both this Declaration and to the Bylaws, notwithstanding any other provisions contained therein.

Section 1. Notices of Action. A Mortgagee shall be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Subdivision or which affects any Lot on which there is a Mortgage held, insured, or guaranteed by such eligible holder;

(b) any delinquency in the payment of Assessments or charges owed by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any Mortgagee, upon request, is entitled to written notice from the Association of any default in the performance by an Owner of a Lot of any obligation under the Declaration or Bylaws of the Association which is not cured within sixty (60) days;

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

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

Section 2. No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of a Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

Section 3. 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 Lot.

Section 4. Amendment by Board. Should the U.S. Department of Housing and Urban Development/Federal Housing Administration, Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

Section 5. Applicability of Article XIII. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, Bylaws, or Tennessee law for any of the acts set out in this Article.

Section 6. 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 sixty (60) days of the date of the Association's request.

Section 7. Inspection of Books. The Association shall permit any holder, insurer, or guarantor of a Mortgage with respect to a Lot, or any Owner to inspect the project documents, including the Documents, as amended, as well as the records, books, and financial statements of the Association during normal business hours.

Section 8. Financial Statements. The Association shall provide any holder, insurer, or guarantor of a Mortgage with respect to a Lot which submits a written request with a copy of an annual financial statement within one hundred twenty (120) days following the end of each fiscal year of the Association, and any cost associated with the preparation of said financial statement shall be borne by said holder, insurer, or guarantor of the Mortgage.

Section 9. Conformity with Federal Guidelines. Notwithstanding anything to the contrary contained in the Declaration and Bylaws, all terms, conditions, and regulations now existing, or which may be promulgated from time to time, by the U.S. Department of Housing and Urban Development/Federal Housing Administration, Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation pertaining to planned unit developments are hereby incorporated as terms and conditions of this Declaration and such shall be governing upon the Subdivision, so long as such conditions are not inconsistent with the laws of the State of Tennessee and do not impinge on any substantial property rights of individual Lot Owners.

Section 10. Conflicts. This Article XIII is supplemental to, and not in substitution for, any other provisions of the Declaration, but in the case of conflict, the provisions of this Article XIII

shall control.

Article XIV  
Declarant's Rights

Section 1. Any or all of the special rights and obligations of the Declarant set forth in this Declaration or its Bylaws may be transferred or assigned in whole or in part to any other Person, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Register's Office of Rutherford County, Tennessee.

Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and the initial sale of Lots shall continue, it shall be expressly permissible for Declarant, and any Builder to maintain and carry on upon portions of the Subdivision, including any Lot, such facilities and activities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the construction or sale of such Lots, including, but not limited to, business offices, signs, model homes, and sales offices, trailers and related parking facilities, and the Declarant and such Builder(s) shall have an easement for access to such facilities. The right to maintain and carry on such facilities and activities shall include specifically the right of Declarant to use designated portions of the Common Area and Lots owned by the Declarant and the right of any Builder to use Lots owned by Builder, as models and sales offices or trailers, respectively.

No Person shall (1) institute legal or equitable proceedings involving the alleged defective design or construction of any Unit, structure, or improvement within the Subdivision or (2) retain an expert for the purpose of inspecting the design or construction of any Unit, structure, or improvement within the Subdivision in connection with or in anticipation of any potential or pending claim, demand, or litigation involving such design or construction, unless Declarant and the respective Builder have been first notified in writing and given an opportunity to meet with the Owner of the Lot to discuss the Owner's concerns and conduct their own inspection(s). Declarant and the respective Builder(s) reserve the right for themselves and others designated to inspect, monitor, test, redesign and correct any Unit, improvement or condition which may exist on any portion of the Subdivision, including the Lots and Common Area, and a perpetual easement of access through the Subdivision for such purposes. No entry into a Unit shall be permitted without the express consent of the Owner. Any Person exercising this right shall promptly repair, at such Person's expense, any damage resulting from the exercise thereof.

So long as Declarant continues to have rights under this paragraph, no Person shall record any declaration of covenants, conditions and restrictions, or similar instrument affecting any portion of the Subdivision without Declarant's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

Section 2. This Article may not be amended, and the rights contained herein may not be terminated, waived, or released, without the express written consent of the Declarant. The rights contained in this Article shall terminate only upon the recording by Declarant of a written statement that all sales activity has ceased and that Declarant releases such rights by express reference thereto.

Article XV  
Professional Management

The Association may, but shall not be required to, hire a professional management agent or agents, at a reasonable compensation established by the Board, to perform such duties and services as the Board of Directors shall authorize. Except for agreements entered into with the Declarant during the Class "B" Control Period, any agreement for professional management of the Association shall not have a term greater than three (3) years.

Article XVI  
Non-liability of Declarant

Declarant, as developer of the Subdivision, may sell all or portions of the Subdivision to other parties for purposes of constructing individual residences to be located on the Lots. Consequently, all Owners acknowledge and affirm that the Declarant shall not be liable for any claims or causes of action of any kind whatsoever in law or in equity arising from or in any way relating to the construction of improvements upon the Lots that was performed by parties other than Declarant its agents, employees, subsidiaries or other affiliated entities.

To the extent that a claim(s) may be asserted against the Declarant or its affiliates by the Association or by Owners with respect to the design, construction, sale, maintenance, habitability or, condition of any Lots or the Common Areas of the Development, said claim(s) shall be resolved by a final and binding arbitration hearing conducted in Nashville, Tennessee by a panel of no more than three (3) arbiters with a company actively involved in the dispute resolution business and mutually agreeable to all parties, but if no agreement can be reached, then the hearing will be conducted by a company chosen by the Declarant. The Association is hereby authorized to act as the exclusive representative of all Owners in asserting any such claims and causes of action relating to the Common Areas of Smith Farms. Each Owner does hereby appoint the Association to exclusively act as its power of attorney (which power shall be irrevocable) with respect to the above-referenced claims and causes of action including the right to compromise and settle the same. No Owner shall assert a claim or cause of action relating to the Common Areas except through the Association. Any arbitration award may be confirmed and enforced in any court of competent jurisdiction, and the legal principles of *res judicata* and collateral estoppel shall be applicable to any arbitration award. Any attempt by any such person or entity to enforce this arbitration provision shall constitute conclusive evidence of its intent to be bound hereby. Any portion of this provision that may be held to be unenforceable shall be severable from the balance of this provision so that the remainder of this provision shall remain in full force and effect.

Article XVII  
Easements

In addition to, and without limitation of, any other easements or rights reserved elsewhere in this Declaration, the following rights and easements are hereby reserved:

Section 1. Easements for Utilities, etc. There is hereby reserved unto Declarant and any Builder, so long as the Declarant and such Builder(s) owns any property described on Exhibit "A" or any Additional Property subsequently annexed to the Subdivision, the Association, and the designees or grantees of each (which may include, without limitation, City of Murfreesboro, Tennessee, Rutherford County, CUD STEP System, CUDF, MTEMC, Comcast, and AT&T, and any other public or private utility), blanket easements upon, across, over, and under all, or a portion, of the Common Areas and upon, across, over, and under all, or a portion, of the Lots, and

any Units located thereon, for ingress, egress, installation, replacing, altering, repairing, and maintaining cable television systems, master television antenna systems, security, and similar systems, roads, walkways, bicycle pathways, drainage systems, street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephones, HVAC systems, gas, and electricity. Notwithstanding anything to the contrary contained in this Article, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Subdivision except as may be approved by the Association's Board of Directors or as provided by Declarant or any Builder with respect to utilities to be installed or located upon such Builder's Lot(s). Within these easements, no structure, planting, or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. Any portion of the Subdivision property that has been subjected to, or encumbered by, easements granted pursuant to this Declaration or as shown on the Plat(s) for Smith Farms shall be maintained by, and at the expense of, the Association. Should any entity furnishing a service covered by the general easements herein provided request a specific easement by separate recordable document, the Board of Directors shall have the right to grant such easement on said Subdivision without conflicting with the terms hereof. The easements provided for in this Article shall in no way adversely affect any other recorded easement on the Subdivision.

Section 2. Declarant and Builder Easements. (a) Until completion of Declarant's intended development of the Property, an easement is reserved to the Declarant for ingress and egress generally across the Property, including any Lot, at reasonable places, for the purpose of completing Declarant's intended development of the Properties, provided that said easement shall be reasonable and shall not interfere with the construction of improvements on a Lot nor the use and enjoyment of a Lot by a Lot Owner. Declarant hereby grants and conveys to any Builder an easement for ingress and egress generally across the Properties reasonably required to allow completion, repair and maintenance of any and all utility areas or improvements upon any Lots owned by Builder. In addition, Declarant hereby grants and conveys to any Builder a temporary construction easement, 5 feet in width along the side yard boundary lines of any Lot for the purpose of facilitating home construction on an adjacent Lot owned by such Builder (the "Builder Construction Easement"), which temporary construction easement shall automatically terminate upon the issuance of a certificate of occupancy for the Unit constructed on the adjacent Lot by Builder. Builder shall indemnify, defend, and hold harmless the Declarant, the Association, and the Owner upon whose Lot the Builder Construction Easement is located from and against any and all claims, damages, demands, penalties, costs, liabilities, losses, and expenses (including reasonable attorneys' fees and expenses at the trial and appellate levels) that may result from Builder's use of the Builder Construction Easement.

(b) Until completion of Declarant's intended development of the Property, an easement is reserved to the Declarant to enter the Common Areas and to maintain thereon such facilities and perform such operations as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the intended development of the Property by the Declarant.

(c) Until the expiration of the Class "B" Control Period, Declarant may grant such easements over and across the Common Areas and/or any Lots owned by Declarant as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the intended development of the Subdivision by the Declarant.

Section 3. Easements for Maintenance, Repair, Emergency, and Other Purposes. A perpetual nonexclusive easement is granted and reserved to the Association, its officers, agents,

employees, including employees of any management company having a contract with the Association, police, firemen, ambulance personnel and similar emergency personnel in the performance of their duties, over, across, and upon the Common Area and the Lots for emergency, security, safety and for other purposes reasonably necessary for proper maintenance, operation and repair of the Subdivision, including the maintenance of any utilities for which an easement has been granted, and to prevent damage to the Common Area or any Lot or Unit situated thereon. Except in an emergency situation, entry shall be only during reasonable hours and after notice to the Owner or Occupant. This right of entry shall include the right of the Association to enter a Lot to cure any violation of the Documents and any condition which may increase the possibility of a fire or other hazard in the event that an Owner fails or refuses to cure the condition upon request by the Board. The Association shall have the authority to grant easements over the Common Areas for such other purposes as may be determined by the Association, which do not unreasonably interfere with the Owners' use of the Common Areas.

Section 4. Entrance Signage and Landscaping Easement. The Declarant reserves the right to build the entrance signage and landscaping at the entrance(s) for the Subdivision, together with any utility or water lines serving the entrance features. Once constructed, the entrance sign and landscaping and utility or water lines shall become the property of the Association, together with the sole liability for maintenance, repair and replacement thereof. The Declarant reserves all rights of ingress and egress onto said Common Area as may be necessary to construct said entrance signage. Additionally, the Association shall have an easement over any portion of a Lot on which any entrance feature, including, but not limited to, the Subdivision sign and landscaping are located, including utility and waterlines across the Lot to the entrance features.

Section 5. Fence Easement. Declarant hereby reserves an easement to itself, any Builder, and the Association across any Lot which borders the perimeter of the Subdivision and any Lot that borders or contains a portion of any water facility, detention pond, or retention pond for the purpose of erecting a fence. The Owner of a Lot on which any portion of a fence is located shall be responsible for the maintenance and repair of the fence as part of the Owner's maintenance obligation; provided however, the Declarant or the Association may, but are not obligated to, repair and maintain any fence installed by or on behalf of Declarant or any Builder, and any expenses or costs associated therewith, including reasonable attorney's fees, may be assessed against such Lot, regardless of whether or not litigation is filed.

#### Article XVIII General Provisions

Section 1. Term. The covenants and restrictions of this Declaration shall run with and bind the Subdivision, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any Subdivision subject to this declaration, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein.

Section 2. Amendment.

(a) Prior to the conveyance of the first Lot, Declarant may unilaterally amend this

Declaration. After such conveyance, the Declarant may unilaterally amend this Declaration so long as has the unilateral right to annex Additional Property pursuant to Article VIII, Section 1 of this Declaration and so long as the amendment has no material adverse effect upon any right of any Owner. Thereafter and otherwise, this Declaration may be amended only by the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of Members representing sixty-seven percent (67%) of the total votes of the Association, and the written approval of the Class "B" Members so long as the Class "B" membership exists. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(b) If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

(c) No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.

(d) Notwithstanding any provision to the contrary in this Section 2, amendments of a material nature must be approved by Owners who represent at least sixty-seven (67%) percent of the total allocated votes in the Association, by fifty-one (51%) percent of Mortgagees, and the written approval of the Class "B" Members so long as the Class "B" membership exists. A change to any of the provisions governing the following will be considered an amendment of a material nature:

- (i) Voting rights;
- (ii) Increases in Assessments that raise the previously assessed amount by more than 25%, Assessment liens, or the priority of Assessment liens;
- (iii) Reductions in reserves for maintenance, repair, and replacement of Common Areas;
- (iv) Responsibility for maintenance and repairs of the Common Areas;
- (v) Convertibility of Lots into Common Areas or vice versa;
- (vi) Hazard, liability or fidelity insurance requirements;
- (vii) Restrictions on the leasing of residences located on the Lots;
- (viii) A decision by the Association to establish self-management if professional management had been required previously by the Declaration, Bylaws, or by a holder of a Mortgage with respect to a Lot;
- (ix) Restoration or repair of the project (after damage or partial condemnation) in a manner other than that specified in the Documents; or
- (x) Any provisions that expressly benefit holders, insurers, or guarantors of a Mortgage with respect to a Lot.

The failure of a Mortgagee to respond within sixty (60) days after notice of any written request of the Association for approval of an addition or amendment to the Declaration or Bylaws has been provided shall constitute an implied approval of the addition or amendment.

(e) A copy of each amendment shall be certified by the Association as having been duly adopted and shall be effective when recorded in the Register's Office of Rutherford County, Tennessee.

Section 3. Indemnification. The Association shall indemnify every officer, director, and committee member against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer, director, or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member of the Association. The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director, or committee member, or former officer, director, or committee member may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 5. Right of Entry. The Association shall have the right, but not the obligation, to enter onto any Lot, as well as residences located thereon, for emergency, security, and safety, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after reasonable notice to the Owner. This right of entry shall include the right of the Association to enter onto any Lot, as well as residences located thereon, to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon request by the Board.

Section 6. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

Section 7. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five (75%) percent of the Members. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of Assessments as provided in Article X hereof, (c) proceedings involving challenges to *ad valorem* taxation, or (d) counterclaims brought by the Association in

proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Declarant or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 8. Use of the Words "Smith Farms". No Person shall use the words "Smith Farms", or any derivative thereof in any printed or promotional material without the prior written consent of the Declarant. However, Owners may use the terms, "Smith Farms", in printed or promotional matter where such term is used solely to specify that particular property is located within the Subdivision. Notwithstanding the foregoing, Builders are specifically permitted to use the words "Smith Farms" in any business, sales, marketing or planning documents and activities.

Section 9. Disclosures. Each Owner acknowledges the following:

(a) The Subdivision is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved and/or widened in the future.

(b) The views from an Owner's Unit may change over time due to, among other circumstances, additional development and the removal or addition of landscaping.

(c) No representations are made regarding the zoning of adjacent property, or that the category to which adjacent property is zoned may not change in the future.

(d) No representations are made regarding the schools that currently or may in the future serve the Subdivision or any Unit.

(e) Since in every neighborhood, there are conditions that different people may find objectionable, it is acknowledged that there may be conditions outside of the Subdivision that an Owner may find objectionable and that it shall be the sole responsibility of the Owners to become acquainted with neighborhood conditions that could affect the Unit.

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

**[SIGNATURE PAGES TO FOLLOW]**

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration as of the day and year first above written.

**DECLARANT:**

Clayton Properties Group, Inc.,  
a Tennessee corporation d/b/a Goodall Homes

By: *KEP*  
Keith E. Porterfield, Authorized Officer

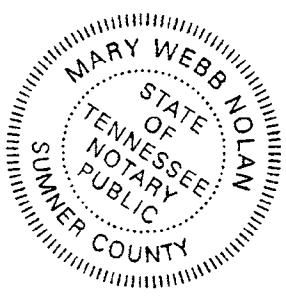
STATE OF TENNESSEE     )  
                                          )  
COUNTY OF Sumner     )

Before me, the undersigned, a Notary Public in and for State and County aforesaid, personally appeared Keith E. Porterfield, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be an Authorized Officer of Clayton Properties Group, Inc., a Tennessee corporation d/b/a Goodall Homes, the within named bargainor, and that he, as an Authorized Officer of the corporation, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as an Authorized Officer.

WITNESS my hand and official seal at Gallatin, Tennessee, this 13 day of December, 2022.

Mary Webb Nolan  
NOTARY PUBLIC

My commission expires: 7/2/2024



**INDEX OF EXHIBITS**

Exhibit "A"

Legal Description for Property

Exhibit "B"

Charter of Smith Farms Homeowners  
Association, Inc.

Exhibit "C"

Bylaws of Smith Farms Homeowners  
Association, Inc.

EXHIBIT "A"

**LEGAL DESCRIPTION FOR PROPERTY**

BEING A TRACT OF LAND IN THE 7TH CIVIL DISTRICT OF RUTHERFORD COUNTY, TENNESSEE. BEING PARCEL NUMBER 31.01 AS SHOWN ON RUTHERFORD COUNTY PROPERTY TAX MAP NUMBER 71. BEING BOUNDED ON THE WEST BY RIGHT-OF-WAY (RNV) OF BLACKMAN ROAD, ON THE NORTH BY THE G.S. AND BARBARA DISMUKES PROPERTY RECORDED IN DEED BOOK 540, PAGE 556 REGISTER'S OFFICE FOR RUTHERFORD COUNTY, TENNESSEE (R.O.R.C.T.), ON THE EAST BY THE CONSOLIDATED UTILITY DISTRICT OF RUTHERFORD COUNTY, TN RECORDED IN RECORD BCOK 1393, PAGE 3029 (R.O.R.C.T.) AND THE HEATHERWOOD SECTION II SUBDIVISION RECORDED IN PLAT BOOK 33, PAGE 154 (R.O.R.C.T.), AND ON THE SOUTH BY THE LINDA ANN BUCKINHAM MOORE ETAL PROPERTY RECORDED IN RECORD BOOK 1273, PAGE 2110 (R.O.R.C.T.) AND THE TEACHOUT AND JIMMIE N. PIRTLE PROPERTY RECORDED IN DEED BOOK 151, PAGE 363 (R.O.R.C.T.) SAID TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BEGINNING** AT A POINT IN THE CENTER OF BLACKMAN ROAD, BEING THE NORTHWEST CORNER OF THE PROPERTY HEREIN DESCRIBED, SAID POINT BEING 19.48' FROM A WITNESS PIN; THENCE LEAVING THE SAID ROAD SOUTH 83 DEGREES 32 MINUTES 45 SECONDS EAST, PASSING THE SAID WITNESS PIN AT 19.48 FEET FOR A TOTAL DISTANCE OF 1700.00 FEET TO A 1" IRON ROD (OLD) BEING THE NORTHWEST CORNER OF THE CONSOLIDATED UTILITY COMPANY PROPERTY; THENCE WITH CONSOLIDATED UTILITIES WESTERLY LINE SOUTH 04 DEGREES 37 MINUTES 08 SECONDS WEST, 1016.98 FEET TO A ½" IRON ROD (OLD); THENCE SOUTH 85 DEGREES 08 MINUTES 30 SECONDS EAST, 100.25 FEET TO A 1" IRON PIPE (OLD) BEING THE NORTHWEST CORNER OF HEATHERWOOD SECTION II; THENCE WITH HEATHERWOOD SECTION II THE FOLLOWING 13 CALLS: SOUTH 05 DEGREES 38 MINUTES 41 SECONDS WEST, 174.59 FEET TO AN IRON ROD (OLD) WITH H & S CAP; THENCE SOUTH 05 DEGREES 41 MINUTES 35 SECONDS WEST, 50.02 FEET TO AN IRON ROD (OLD) WITH H & S CAP; THENCE SOUTH 05 DEGREES 25 MINUTES 18 SECONDS WEST, 123.71 FEET TO AN IRON ROD (OLD) WITH H & S CAP; THENCE SOUTH 05 DEGREES 55 MINUTES 43 SECONDS WEST, 84.86 FEET TO AN IRON ROD (OLD) WITH AN H & S CAP; THENCE SOUTH 05 DEGREES 16 MINUTES 41 SECONDS WEST, 85.15 FEET TO AN IRON ROD (OLD) WITH AN H & S CAP; THENCE SOUTH 05 DEGREES 32 MINUTES 31 SECONDS WEST, 85.20 FEET TO AN IRON ROD (OLD) WITH ANH & S CAP; THENCE SOUTH 06 DEGREES 10 MINUTES 55 SECONDS WEST, 84.89 FEET TO AN IRON ROD (OLD) WITH AN H & S CAP; THENCE SOUTH 04 DEGREES 58 MINUTES 22 SECONDS WEST, 85.01 FEET TO AN IRON ROD (NEW); THENCE SOUTH 05 DEGREES 46 MINUTES 52 SECONDS WEST, 85.03 FEET TO AN IRON ROD (NEW); THENCE SOUTH 06 DEGREES 11 MINUTES 08 SECONDS WEST, 85.01 FEET TO AN IRON ROD (NEW); THENCE SOUTH 05 DEGREES 06 MINUTES 28 SECONDS WEST, 85.06 FEET TO AN IRON ROD (OLD) WITH ANH & S CAP; THENCE SOUTH 06 DEGREES 04 MINUTES 24 SECONDS WEST, 85.07 FEET TO AN IRON ROD (OLD) WITH AN H & S CAP; THENCE SOUTH 05 DEGREES 43 MINUTES 26 SECONDS WEST, 37.86 FEET TO A 1" IRON PIPE (OLD) BEING THE NORTHEAST CORNER OF THE SAID MOORE PROPERTY; THENCE LEAVING HEATHERWOOD SECTION II NORTH 89 DEGREES 48 MINUTES 46 SECONDS WEST, PASSING A WITNESS PIN AT 1437.94 FEET, FOR A TOTAL DISTANCE OF 1454.44 FEET TO A POINT IN THE CENTER OF BLACKMAN ROAD; THENCE WITH THE CENTER OF BLACKMAN ROAD THE FOLLOWING 3 CALLS: NORTH 03 DEGREES 33 MINUTES 44 SECONDS WEST, 1256.60 FEET TO A POINT; THENCE NORTH 02 DEGREES 45 MINUTES

44 SECONDS WEST, 829.80 FEET TO A POINT; THENCE NORTH 04 DEGREE:S 31 MINUTES  
44 SECONDS WEST, 272.20 FEET TO THE POINT OF BEGINNING.

CONTAINING 3,570,477 SQUARE FEET OR 81.97 ACRES, MORE OR LESS.

INCLUDED in the foregoing described property, but specifically EXCLUDED therefrom is the following tract of land: Being Lot No 183 on the Final Plat of Smith Farms Section 1 recorded in Plat Cabinet 48, page 181, Register's Office of Rutherford County, Tennessee, and being the same property conveyed to Consolidated Utility District of Rutherford County, Tennessee by deed recorded in Record Book 2304, page 1050, said Register's Office.

Being a part of the same property conveyed to Clayton Properties Group, Inc., a Tennessee corporation, by deed of record in Record Book 1768, Page 1474, Register's Office for Rutherford County, Tennessee.