

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS
PENINSULA'S EDGE SUBDIVISION**

**STATE OF TENNESSEE §
 § **KNOWN ALL MEN BY THESE PRESENTS**
COUNTY OF DEKALB §**

This declaration made on the date hereinafter set forth by PETNLP, LLC a Florida Limited Liability Company, hereinafter referred to as "Developer".

WITNESSETH:

WHEREAS, Developer is the Owner of that certain lot of land located in Dekalb County, Tennessee, containing 156 acres more or less and being more fully described on the map and plat to be recorded of the Map and Plat Records of Dekalb County, TN and shown on attached Exhibit A hereinafter referred to as "Subdivision;"

WHEREAS, it is the desire and purpose of Developer to place certain restrictions, easements, covenants, conditions and reservations (hereinafter "Restrictions") upon the Subdivision in order to establish a uniform plan for its development, insure the use of the subdivision for residential purposes only, prevent nuisances, prevent the impairment of the value of the Subdivision, maintain the desired character of the community, and insure the preservation of such uniform plan for the benefit of the present and future Owners of the Lots within the Subdivision, and to promote the health, safety, and welfare of the residents within the Subdivision;

NOW, THEREFORE, Developer hereby adopts, establishes and imposes upon the Subdivision, the following Restrictions for the purposes of enhancing and protecting the value, desirability and attractiveness of the Subdivision, which Restrictions shall run with the land and inure to the benefit of each Owner and his invitees:

**ARTICLE I
DEFINITIONS**

1.01 Architectural Control Committee or ACC. "Architectural Control Committee" or "ACC" shall mean the Developer until the Control Transfer Date and thereafter a committee initially appointed by the Developer pursuant to these Restrictions to review and approve plans for the construction of Improvements as more specifically provided by Section 4.02 hereof.

1.02 Annual Assessment. "Annual Assessment" means the amount set forth in Section 6.02 hereof.

1.03 Assessment. "Assessment" means the Annual Assessment, Special Assessments or other charges, interest, penalties and fees authorized by these Restrictions together with the cost and expense incurred in collecting Assessments, including, but not limited to court costs and attorney's fees.

1.04 Association. “Association” means and refers to the to be formed association, tentatively named Peninsula’s Edge Property Owners’ Association, Inc. and its successors and assigns.

1.05 Board of Directors. “Board of Directors” means and refers to the Board of Directors of Peninsula’s Edge Property Owners’ Association, Inc.

1.06 Bylaws. “Bylaws” mean the Bylaws of the Association as from time to time amended.

1.07 Certificate of Formation. “Certificate of Formation” shall mean the Certificate of Formation of the tentatively named Peninsula’s Edge Property Owners’ Association, Inc., and any amendments thereto, which have been or will be filed in the office of the Secretary of State of the State of Tennessee.

1.08 Common Area. “Common Area” means the portions of the Subdivision, including any applicable easements, owned by the Association for the common use and enjoyment of the Members including, but not limited to, all roads and the entrance, together with such other property as the Association may acquire in the future for the common use and enjoyment of the Members.

1.09 Common Area Expense. “Common Area Expense” means all expense necessary to maintain, replace, repair and expand the Common Area as well as all necessary expense to operate the Association including, but not limited to, casualty and liability insurance, directors and officer’s liability insurance and all other reasonable and necessary expenses of the Association. Additionally, Common Area Expense shall include (a) the cost of repair and maintenance of the roads, (b) mowing of the Common Areas (c) Common Area maintenance and replacement of landscaping, (d) as well as such other expense and capital enhancements as may be determined by the Board of Directors to promote the safety, health, recreation and welfare of the Members and maintain the Subdivision in an attractive manner.

1.10 Control Transfer Date. The “Control Transfer Date” shall mean the earlier date of: 1.) Developer no longer owns any part of the entire Subdivision, including but not limited to Common Areas; 2.) Fifteen (15) years from date of recordation of this Declaration; or 3.) Developer, in its sole discretion, voluntarily relinquishes control of the Association as set forth in Sections 4.02(a) or 7.01 hereof.

1.11 Construction Deposit. The Construction Deposit has the meaning described in Section 4.06 hereof.

1.12 Developer. “Developer” means and refers to PETNLP, LLC a Florida Limited Liability Company, its successors and assigns.

1.13 Improvement. “Improvement” means every structure and all appurtenances of every type and kind, including but not limited to buildings, outbuildings, patios, storage buildings, barns, garages, decks, stairs, retaining walls, screening walls, fences, landscaping art or statuary, poles, signs, exterior air conditioning units, exterior water softener fixtures or equipment, pumps, wells,

tanks, reservoirs, pipes, utilities, lines, meters, antennas, towers, satellite dishes or any other sound or data receivers or transmitters. The term "Improvement" excludes the interior of each residence, guest quarters, barn or other approved building and the ACC shall have no authority to approve or disapprove improvements made to the interior of such buildings where the exterior of the building is not affected by the interior improvement.

1.14 Member. "Member" means and refers to every current Owner of a lot.

1.15 Notice. Whenever any "notice" is required by these Restrictions, such notices shall be in writing and shall be deemed received when actually received, or five days after the deposit of such notice in the United States mail, postage prepaid and addressed to the last known address of an Owner appearing on the books of the Association, whether or not such notice is actually received. It shall be the duty of each lot Owner to keep the Association apprised of its current address.

1.16 Owner. "Owner" or "Lot Owner" means and refers to the record owner, whether one or more persons or entities, of the fee-simple title to any Lot(s), but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure. Said term "Owner" or "Lot Owner" shall also refer to the heirs, successors and assigns of any Owner. The Developer shall not be deemed an Owner.

1.17 Plans or Specifications. "Plans" or "Specifications" means any and all drawings and documents describing the construction or erection of any Improvement, including, but not limited to, those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, fencing plans, elevation drawings, floor plans, specifications concerning building products and construction techniques, samples of exterior colors and materials, plans for utility services, and all other documentation or information relevant to the construction or installation of any Improvement.

1.18 Road. Road or roads means property or any road located within the Subdivision which has been dedicated for the purpose of ingress and egress through the Subdivision for the benefit of the property Owners.

1.19 Recreational Vehicle or RV. Recreational Vehicle is defined in Section 3.08 hereof.

1.20 Special Assessment. "Special Assessment" shall have the meaning given to that term in Section 6.03 hereof.

1.21 Subdivision. "Subdivision" means Peninsula's Edge Subdivision to be filed with Plat Records of Dekalb County, Tennessee.

1.22 Lot or Lots. "Lot" or "Lots" means the 82 individual lots of land or lots identified on the Plat or any amendments thereto.

1.23 Vote of Members. "Vote of Members" means the affirmative vote of two thirds (2/3) of the Members entitled to vote who are present at a meeting of Members, either in person or by

written proxy. In accordance with Section 5.04, only one Member is entitled to vote for each Lot and only one vote shall be counted for each Lot even though a Lot may have several Owners.

ARTICLE II
RESERVATIONS, EXCEPTIONS AND DEDICATIONS

2.01 Property Subject to Restrictions. The Subdivision, including all the individual Lots, are subject to these Restrictions which shall run with the land and be binding on all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof.

2.02 Easements. The Subdivision and each Lot shall be subject to the easements reserved herein and in favor of the Association, the Lot Owners and the utility companies. An easement measuring twenty feet (20') in width is reserved outside the existing Road Right of Way. Easement shall be used for the construction, maintenance and repair of utilities, including but not limited to, electrical systems, telephone, cable, water, gas and any other utilities which the Developer or utility providers may install for the benefit of the Lot Owners. Notwithstanding the foregoing, the Developer has no obligation to provide utilities and all such utilities shall be provided by the local utility companies in accordance with the policies of such utility companies. Easements in the Subdivision may also be used for the construction of drainage facilities in order to provide for improved surface drainage of the Lots. The Developer reserves the right to grant specific easements without the joinder of any Lot Owner to public utility providers within the boundaries of any of the easements herein reserved. Any utility company serving the Subdivision shall have the right to enter upon any easement for the purpose of installing, repairing, and maintaining their respective facilities. Neither Developer nor any utility company, political subdivision or other authorized entity using the easements herein reserved shall be liable for any damages done by them or their assigns, agents or employees to fences, shrubbery, trees and lawns or any other property of the Lot Owners located within the easements. Said easement may also be used for community fencing, community signage, community mailboxes, and other community features that may benefit or enhance the subdivision.

2.03 Construction of Improvements on Easements. No buildings or walls shall be located over, under, upon or across any portion of any easement set forth in these Restrictions. The Owner of each Lot shall have the right to construct, keep and maintain concrete drives, landscaping, fences and similar improvements across any utility easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Lots, provided, however, any concrete drive, landscaping, fencing or similar improvement placed upon any utility easement shall be constructed, maintained and used at the Owner's risk and each Lot Owner shall be responsible for repairing any damage caused by the utility providers to Improvements constructed within the easements located on his Lot. There shall be no Improvements constructed on the Utility Maintenance Easement.

2.04 Common Areas and Easement Maintenance. It is the duty of the Association to maintain all Common Areas, including but not limited to the community roads & community.

2.05 Culverts & Driveways. Developer will not be installing culverts and makes no

representation about the size or placement that will be required by the respective governing bodies.

2.06 Water Utilities. Water in the Peninsula's Edge community will be provided by the DeWhite Utility District. There is currently a one-time \$850 tap fee (inclusive of water meter) paid at the time service is requested, this amount is subject to change.

ARTICLE III USE RESTRICTIONS FOR LOTS

3.01 Single Family. Except as specifically set forth in these Restrictions, all Lots shall be used for single family residential purposes only. Except as expressly permitted herein, only one single family residence for each Lot is permitted.

3.02 Minimum Square Footage. Every single-family dwelling shall contain at least One Thousand (1,000) square feet of living area, excluding porches, garages and storage areas.

3.03 Guest Quarters. One guest quarter may be built upon each Lot provided the guest quarters contains no less than Five Hundred (500) square feet and is no greater than 50% of the primary residence total square feet. Guest quarters must be constructed with material harmonious with the main dwelling.

3.04 Barns, Workshops & Storage Buildings. One permanent metal, stucco, rock, and/or hardiplank barn, workshop or storage building shall be allowed. Detailed plans and specifications for barns and workshops must be submitted to the Developer or ACC in order to be considered for approval. Such structures must be located behind the main dwelling site and may be constructed on the Lots prior to the main dwelling being constructed or occupied. All portable storage buildings must be approved by the Developer or after the Control Transfer Date, the ACC.

3.05 Barns as Temporary Living Space. Guest quarters located inside of a barn which is constructed on the Property shall be allowed so long as the guest quarters are not used as a permanent residence. Such guest quarters may be used as the lot owner's temporary residence during the construction of the main dwelling or as a "weekend getaway" for no more than a total of one hundred (180) days per calendar year. All barns, workshops, and storage buildings must be approved by the Developer or after the Control Transfer Date, the ACC.

3.06 No Mobile Homes. No mobile homes are permitted to be located on any Lot except as permitted by Section 3.07 & 3.08 hereof.

3.07 Temporary Structures & Use of RVs. No structure of a temporary character, whether trailer, motor home, recreational vehicle, tent, basement, shack, garage, barn or other outbuilding shall be maintained or used on any Lot at any time as a residence, either temporarily or permanently, except as provided below.

An Owner may use a recreational vehicle camper or motor home (Recreation Vehicle or "RV") for camping purposes no more than a total of one hundred (180) days per calendar year. With

written approval from the ACC, an RV may be used as a temporary residence during construction, not to exceed twelve (12) months. RV's in any situation can only be utilized in a self-sustainable/self-contained manor.

Temporary structures, including a portable restroom facilities or construction storage facilities may be located on a Lot while the main residence for a Lot is actively under construction, provided that such are removed upon substantial completion of construction and are not located on a Lot for longer than the time allowed for construction of a main residence pursuant to Section 3.10 hereunder.

The Developer reserves the exclusive right to install and make use of a temporary office or temporary storage facilities within Subdivision while the developer is selling Lots.

3.08 Storage of Trailers, RVs, Boats, Etc. Larger items such as Trailers, RVs, trucks, boats, and personal water crafts can be kept on the property but must be done so in a neat and orderly fashion. All smaller items including, but not limited to the following: tractors, wagons, motorcycles, motor scooters, all-terrain vehicles, golf carts and other recreational vehicles, lawn or garden equipment, farm or ranch equipment, construction equipment and other similar items shall be stored in enclosed structures. No Owner shall be allowed to drive an 18-wheeler into the Subdivision on a regular basis, except during construction or for deliveries.

3.09 Construction Sites. All construction sites shall have sufficient portable restroom facilities or other adequate restroom facilities as determined by the Architectural Control Committee or Developer prior to transfer control date. Construction Sites shall be kept neat and clean at all times and comply with such construction site guidelines as may be established by the Architectural Control Committee from time to time.

3.10 Construction Time. Construction of any Improvement shall be completed, as to the exterior, within twelve (12) months from the construction commencement date.

3.11 Height Restrictions. No Improvement shall be erected, altered or placed on any Lot which exceeds the lesser of thirty-five feet (35') in height (measured from the ground to the topmost part of the roof) or 2 - 1/2 stories in height.

3.12 Construction Materials. All Improvements must be built with new construction materials and shall be of materials such as wood, rock, brick, hardiplank, or stucco. The use of vinyl siding is prohibited. The Architectural Control Committee or the developer prior to transfer control date may authorize the use of other materials on a case by case basis. Barns and other out buildings may be constructed of metal or materials listed above. Log Homes shall be allowed in the community.

3.13 Roofing Materials. Only the following roofing materials may be used for the main residence, guest quarters and garages: slate, stone, concrete tile, clay tile, or other tile of ceramic nature, metal or composition shingles with a thirty (30) year or more warranty. Colors of roofing material are subject to the approval of the Architectural Control Committee or the Developer (prior to the transfer control date) approval. The Architectural Control Committee or the Developer (prior to the transfer control date) shall have the authority and sole discretion to approve other roof

treatments and materials which are harmonious with the surrounding homes and the Subdivision as a whole. The materials and colors of Roofs on all other structures must be approved by the Architectural Control Committee or Developer (prior to the transfer control date). Owners may install roof shingles that are wind and hail resistant, energy efficient or solar generating, if the quality and appearance are comparable to the subdivision standard. All such materials will need approval from the Architectural Control Committee or Developer (prior to the transfer control date).

3.14 Color. All exterior color schemes for Improvements are subject to the prior written approval of the Architectural Control Committee or Developer (prior to the transfer control date).

3.15 Construction Equipment Damage. Lot Owners shall be responsible for any damage caused to the roads by construction equipment or trucks making deliveries to their Lots.

3.16 Propane Fuel Storage. Propane fuel storage for residential use may be located on the Lots and may be placed above ground or below ground. The exact location and quantity of said fuel storage tanks are subject to written approval of the Architectural Control Committee or Developer (prior to the transfer control date). All above ground tanks, pumps, vent pipes and other equipment must be concealed or attractively screened.

3.17 Setback Lines. A Thirty (30) foot building setback exists from the road right of way. A Fifteen (15) foot building set back exists from the side property boundaries.

3.18 Maintenance. The Owner shall keep its Improvements in good condition and repair at all times and ensure that all Improvements are adequately painted and otherwise maintained by the Owner.

3.19 Alteration or Removal of Improvements. No exterior Improvements shall be altered, modified or removed without the prior written approval of the Architectural Control Committee or Developer (prior to the transfer control date). Improvements may be repainted the same color without approval of the Architectural Control Committee or Developer (prior to the transfer control date).

3.20 Walls and Fences. Walls, fences and light posts, if any, must be approved prior to Construction by the Architectural Control Committee or Developer (prior to the transfer control date) and must be constructed of new material, and unless otherwise permitted by the Architectural Control Committee or Developer (prior to the transfer control date), constructed of masonry, wrought iron, wood, metal, pipe, or ranch fencing with t-posts. Chain link fencing is prohibited. If pipe fencing is used, such fences must have a minimum of three (3) horizontal pipes along the front of the lot and otherwise conform with the Architectural Control Committee's or Developer's (prior to the transfer control date) specifications.

3.21 Driveways. All driveways must be shown on the plans submitted to the Architectural Control Committee or Developer (prior to the transfer control date), completed no later than thirty (30) days after the completion of the main residence and approved by the Architectural Control Committee or Developer (prior to the transfer control date) prior to construction.

3.22 Antennas, Towers and Satellite Dishes. Antennas, towers, satellite dishes or other

sound or data receivers or transmitters of any kind shall not exceed Ten feet (10') above the roof of the residence or accessory building upon which they are attached. Any antenna, tower or satellite dishes or other sound or data receivers or transmitters must be located to the side or the rear of the residence or accessory building. The Architectural Control Committee or Developer (prior to the transfer control date) must approve all exterior antennas, towers, satellite dishes or other sound or data receivers or transmitters, including but not limited to the location of the placement of the same.

3.23 Prohibited Activities and Nuisance. No activity whether for profit or not, shall be conducted on any Lot which is not related to the occupation of a Lot for single family residential purposes, unless said activity meets the following criteria: (a) no exterior sign of the activity is present, (b) no additional traffic is created as a result of the activity, and (c) no toxic substances (as determined at the sole discretion of the Association) are stored on the Lot. Nothing herein shall prohibit the use of home offices in compliance with the preceding subsections (a), (b) and (c). This restriction is waived in regard to the customary sales activities required to sell homes in the Subdivision. No activity which constitutes a nuisance or annoyance shall occur on any Lot. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance. All exterior lighting must be approved by the Developer or, after the Control Transfer Date, the ACC. The Developer or ACC has the sole discretion to reject any exterior lighting, as it is the intent of these restrictions that exterior lighting be installed so that there is down lighting.

3.24 Garbage and Trash Disposal. No Lot shall be used to maintain as a dumping ground for rubbish, landscape trimmings, or other debris. All Lots shall be kept in a neat and orderly condition. No refrigerators, freezers, washing machines, dryers, furniture, tools, equipment, toys, or other such items shall be stored outside of a building on any Lot. No junk of any kind or character shall be kept on any Lot. Trash, garbage, landscape trimmings, or other debris shall not be allowed to accumulate on any Lot. Any such items shall be kept in sanitary containers and shall be disposed of regularly in accordance with all applicable laws, rules and regulations. All equipment for the storage or disposal of trash and other debris shall be kept in a clean and sanitary condition.

3.25 Unregistered or Junked Motor Vehicles Prohibited. No Lot shall be used as a depository for abandoned, junked or unregistered motor vehicles, boats, airplanes, trailers or other similar items.

3.26 Signs. No signs, advertising, billboards or advertising structure of any kind may be erected or maintained on any Lot without the consent in writing of the Architectural Control Committee or Developer (prior to the transfer control date). In addition to other signs which may be allowed by the Architectural Control Committee or Developer (prior to the transfer control date), the Architectural Control Committee or Developer (prior to the transfer control date) shall allow one (1) professionally made sign not more than twenty-four inches (24") by thirty inches (30") advertising Owner's residence for sale or rent. Signs erected on any unimproved Lot advertising for sale shall not be permitted.

3.27 Domestic Animals. Household pets and large animals are allowed in a number permitted by Dekalb County zoning codes. No swine or potentially dangerous animals are allowed.

3.28 Mineral Development. No Owner shall be allowed to permit on their own behalf,

commercial drilling, mineral development operations, mineral refining, quarrying, mining or water operation of any kind in, on or under any Lot owned by such lot owner.

3.29 Drainage. Natural established drainage patterns for drainage will not be impaired by any Lot Owner. Driveway culverts must be installed and shall be of sufficient size to afford proper drainage of ditches without allowing water to pool, back up or be diverted from its natural course. Drainage culvert installation is subject to the inspection and approval of the Architectural Control Committee or Developer (prior to the transfer control date) and shall comply with any applicable governmental rules and regulations. All water retainage structures (ponds, dams and other facilities) not already existing within the Subdivision must be reviewed and approved by the Architectural Control Committee or Developer (prior to the transfer control date) and prior to construction and must comply with all governmental rules and regulations.

3.30 Re-plating and Subdividing. No Lot may be subdivided into smaller lots.

3.31 Maintenance and Landscaping of Lots. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly, or unkempt condition of buildings or grounds on such Lot which would tend to substantially decrease the beauty of the neighborhood as a whole or the specific area.

ARTICLE IV **ARCHITECTURAL CONTROL COMMITTEE**

4.01 Basic Control & Applications.

- (a) No Improvements of any character shall be erected or placed, or the erection or placing thereof commenced, or changes made to the exterior design or appearance of any Improvement, without first obtaining the Architectural Control Committee's or Developer's (prior to the transfer control date) approval. No demolition or destruction of any Improvement by voluntary action shall be made without first obtaining the Architectural Control Committee's or Developer's (prior to the transfer control date) approval.
- (b) Each application made to the Architectural Control Committee or Developer (prior to the transfer control date) for approval, shall contain an application in the form specified by the Architectural Control Committee or Developer (prior to the transfer control date), two sets of professionally drawn Plans and Specifications for all proposed Improvements, showing the location of all Improvements in the Lot, and any applicable fees or deposits together with such other reasonable necessary information as the Architectural Control Committee or Developer (prior to the transfer control date) shall request. These plans must be submitted in PDF format to the Developer, or after the Control Transfer Date, to the ACC. A non-refundable fee of \$100.00 is required at time of plan submittal to cover administrative costs involving the home plan approval process.

4.02 Architectural Control Committee.

- (a) All ACC authority is initially vested in the Developer. The ACC authority of the Developer shall cease upon the appointment of a three (3) member Architectural Control Committee by the developer. The Developer shall continue to have ACC authority as to any Plans and Specifications or Construction projects submitted to the Developer prior to the initial appointment of the ACC members.
- (b) After the initial members of the ACC are appointed by the Developer, the Developer shall cause an instrument transferring ACC authority to the Association to be recorded in the Official Public Records of Real Property Dekalb County, Tennessee. Subsequent appointments of the ACC members shall be by the Board of Directors. The ACC members shall serve staggered terms with the first term ending on the date of the next succeeding annual meeting of Members following the Control Transfer Date. After the Control Transfer Date, each Member of the ACC must be an Owner of a Lot in the Subdivision.

4.03 Effect of Inaction. All approvals or disapprovals issued by the ACC shall be in writing. In the event the ACC fails to approve or disapprove any request received by it in compliance with Article IV within thirty (30) days following the submission of a completed application and full compliance with the declarations set out herein, such request shall be deemed approved and the construction of any Improvements may commence in accordance with the Plans and Specifications submitted for approval. Any ACC approval obtained as a result of inaction by the ACC shall not authorize the construction of any Improvement in violation of these Restrictions.

4.04 Effect of Approval. The granting of an ACC approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the ACC that the proposed Improvement to be erected complies with these Restrictions; and such approval shall not prevent the Association from requiring removal of any Improvement which fails to comply with these Restrictions. Further, no ACC member shall incur any liability by reason of the good faith exercise of the authority granted hereunder.

4.05 Variance. The ACC or the Developer, may on a case by case basis, authorize variances from the requirements of the Restrictions if, in the reasonable opinion of the ACC or the Developer, the Restrictions unreasonably restrain the development of a Lot in accordance with the general scheme of the Subdivision. The developer will retain the right to grant variances after the Control Transfer Date so long as the Developer continues to own Lots in the Subdivision. All variances shall be in writing and signed by the Developer or if granted by the ACC then it must be signed by at least two (2) members of the ACC. No violation of these Restrictions shall be deemed to have occurred with respect to any matter for which a variance is granted. The granting of such a variance shall not operate to waive any of the terms and provisions of these Restrictions for any purpose except as to the particular Lot and Improvements and the particular provision covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the use of the Owner's Lot.

4.06 Construction Deposit. A deposit of \$500 must be paid at the time Plans and Specifications are submitted for the construction of a new residence, barn, workshop or storage

building. This deposit will be held for the purpose of securing a Lot Owner's performance, during the construction process, of the obligations imposed by these Restrictions, for wear and tear on the Subdivision roads by construction equipment and construction traffic, and for damage to the Common Areas. Upon completion of construction, the Lot Owner will be refunded the deposit less any obligations incurred as a result of any uncured violation of these Restrictions, any damage to the roads of the Subdivision and any damage to the Common Areas.

ARTICLE V
PENINSULA'S EDGE
PROPERTY OWNERS' ASSOCIATION, INC.

5.01 Non-Profit Corporation. Peninsula's Edge Property Owners' Association, Inc., is a non-profit corporation, tentatively named and to be organized and it shall be governed by the Certificate of Formation and Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

5.02 Bylaws. The Association has adopted, or may adopt, whatever Bylaws it may choose to govern the organization and operation of the Association, provided that the same are not in conflict with the terms and provisions hereof.

5.03 Membership. Every person or entity who is a record Owner of any Lot shall be a "Member" of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation or those only having an interest in the mineral estate. Memberships shall be appurtenant to and may not be separated from the Lots. Regardless of the number of persons who may own a Lot, there shall be but one membership for each Lot and One (1) vote for each Lot. Ownership of the Lots shall be the sole qualification for Membership.

5.04 Voting Rights. The Association shall have two classes of voting memberships. Developer shall be entitled to Ten (10) votes for each Lot owned. Each Lot, other than those owned by the Developer, shall have only one vote regardless of the number of Owners of the Lot. In the event that more than one person owns a Lot and the group of Owners do not have a unified vote for purposes hereunder, then the Association shall not recognize the vote for that Lot and such vote shall not be counted when the calculating membership votes. Notwithstanding the foregoing, the presence of any Owner of a Lot at a meeting of Members permits the inclusion of the Lot represented when calculating any necessary quorum.

ARTICLE VI
ASSESSMENTS

6.01 Assessments. Each Lot Owner by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association the Assessments provided herein. The Assessments shall be a charge on the Lots and shall be a continuing lien upon the Lot against which each such Assessment is made. Both Annual and Special Assessments must be fixed at a uniform rate for all Lots subject to assessment and may be collected on a monthly basis or on an annual basis at the discretion of the Board of Directors. At Closing, each lot owner will pay a one-time Three Hundred dollar (\$300) Capital Contribution Fee with the intent of building a reserve for the HOA to maintain the existing infrastructure.

6.02 Annual Assessment.

- (a) An Annual Assessment shall be paid by each of the Lot Owners and the Annual Assessment shall be used to pay all reasonable and necessary operating expenses and reserve requirements of the Association as herein provided. The Annual Assessment for the year of purchase shall be pro-rated as of the purchase date and then shall be paid annually.
- (b) The initial amount of the Annual Assessment applicable to each Lot will be Three Hundred dollars (\$300.00) per Lot. The Annual Assessment is payable in advance and is due on the thirty first (31) day of January during each calendar year. All other matters relating to the collection, expenditure and administration of the Annual Assessment shall be determined by the Board of Directors of the Association, subject to the provisions hereof.
- (c) The Board of Directors of the Association, from and after the Control transfer Date, shall have the further right at any time to adjust, alter, increase or decrease the Annual Assessment from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association and to enable the Association to carry out its duties hereunder. However, the Board of Directors shall not increase the Annual Assessment by more than Ten percent (10%) from the previous year without the affirmative Vote of the Members.

6.03 Special Assessments. In addition to the Annual Assessment, the Association, upon the Vote of the Members, may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted.

6.04 Interest of Assessment. Any Assessment which is not paid within Thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of Eighteen percent (18%) per annum or (ii) the maximum rate permitted by law.

6.05 Creation of Lien and Personal Obligation. In order to secure the payment of the Assessments, each Owner of a Lot hereby grants the Association a contractual lien on such Lot which may be foreclosed, pursuant to the provisions of the Tennessee Property Code (and any successor statute); and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with foreclosure pursuant to the provisions of

the Tennessee Property Code, shall designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the association by means of written instrument executed by the President or any Vice-President of the Association and filed of record in the Official Public Records of Real Property of Dekalb County, Tennessee. In the event the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of the Tennessee Property Code and to exercise the power of sale hereby granted, the Association, or the Association's agent, shall give notice of the foreclosure sale as provided by the Tennessee Property Code as then amended. Upon request by the Association, the Trustee shall give any further notice of foreclosure sale as may be required by the Tennessee Property Code as then amended, and shall convey such Lot to the highest bidder for cash by Trustee's Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association in connection with collecting the Assessments and foreclosing on the Lot, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount of the Assessment in default; and third, the remaining balance shall be paid to the Lot Owner or Lien Holder for the benefit of the Lot Owner. Following any such foreclosure, each occupant of a Lot which is foreclosed upon shall be deemed a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action for forcible detainer.

In the event of non-payment by any Owner of any Assessment or other charge, fee, assessment levied hereunder, the Association may, in addition to foreclosing the lien hereby retained, and exercising the remedies provided herein, exercise all other rights and remedies available at law or in equity, including but not limited to bringing an action at law against the Owner personally obligated to pay the same.

It is the intent of the Provisions of this 6.05 to comply with the provisions of the Tennessee Property Code relating to non-judicial sales by power of sale. In the event of the amendment of the Tennessee Property Code, the Association, acting without joinder of any Owner or Mortgagee, may, by amendment to these Restrictions, file any required amendments to these Restrictions so as to comply with said amendments to the Tennessee Property Code or any other statute applicable to foreclosures.

6.06 Notice of Lien. In addition to the right of the Association to enforce the Assessment, the Association may file a claim of lien against the Lot of the delinquent Owner by recording a Notice ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest thereon, (c) the costs of collection which have been accrued thereon, (d) the legal description and street address of the Lot against which the lien is claimed, and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been paid or satisfied, the Association shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Association to cover the preparation and recordation of such release of lien instrument.

6.07 Liens Subordinate to Mortgages. The lien described in this Article VI shall be deemed subordinate to any lien in favor of any bank, mortgage company, real estate lending establishment, financial institution, insurance company, savings and loan association, or any other third party lender, including the Developer, who may have advanced funds, in good faith, to any Lot Owner for the purchase, improvement, equity lending, renewal, extension, rearrangement or refinancing of any lien secured by a Lot, provided that any such lien holder has made due inquiry as to the payment of any required assessments at the time the lien is recorded. Any consensual lien holder who obtains title to any Lot pursuant to the remedies provided in a deed of trust or mortgage or by judicial foreclosure shall take title of the Lot free and clear of any claims for unpaid assessments or other charges against said Lot which accrued prior to the time such holder acquired title to such Lot. No such sale or transfer shall relieve such holder from liability for any Assessments or other charges or assessments thereafter becoming due. Any other sale or transfer of a Lot shall not affect the Association's lien for Assessments or other charges or assessments. The Association shall make a good faith effort to give each such mortgagee Sixty (60) days advance written notice of the Association's foreclosure of an Assessment lien, which notice shall be sent to the nearest office of such mortgagee by prepaid United States registered or certified mail, return receipt requested, and shall contain a statement of delinquent Assessment or other charges or assessments upon which the said action is based, provided however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article VI.

6.08 Purpose of the Assessments. The Annual Assessments and Special Assessments shall be used exclusively for the purpose of promoting the health, safety, security and welfare of the Subdivision and the maintenance of the Common Areas. In particular, the Assessments shall be used for any Improvement or services in furtherance of these purposes and the performance of the Association's duties described herein, including the maintenance of any drainage easements, Common Areas, Common Area Expenses, the enforcement of these Restrictions and the establishment and maintenance of reserve funds. The Assessments may be used by the Association for any purpose which, in the judgment of the Association's Board of Directors, is necessary or desirable to maintain the property value of the Subdivision, including but not limited to, providing funds to pay all taxes, insurance, repairs, utilities and any other expense incurred by the Association. Except for the Association's use of the Assessments to perform its duties as described in these Restrictions, the use of the Assessments for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Board of Directors as to the expenditure of Assessments shall be final and conclusive so long as such judgment is exercised in good faith.

6.09 Handling of Assessments. The collection and management of the Assessment shall be performed by the Developer until the Transfer Control Date, at which time the Developer shall deliver to the Association all funds on hand together with all books and records of receipt and disbursements. The Developer, and upon transfer, the Association, shall maintain a separate account for these funds.

6.10 Developer Exemption. In consideration of the Subdivision infrastructure, the Developer shall be exempt from the payment of all Assessments.

ARTICLE VII
DEVELOPER'S RIGHTS AND RESERVATIONS

7.01 Period of Developer's Rights and Reservations. Developer shall have, retain and reserve certain rights as set forth in these Restrictions with respect to the Association from the date hereof, until the earlier of the date the Developer gives written notice to the Association of Developer's termination of the rights described in this Article VII or the Control Transfer Date. Notwithstanding the foregoing, the Developer rights set forth in Sections 7.02 and 7.03 shall not be released until such time as a document relinquishing said rights is filed of record or the Developer no longer holds record title to any Lots in the Subdivision. The rights and reservations hereinafter set forth shall be deemed accepted and reserved in each conveyance by the Developer whether or not specifically stated therein. The rights, reservations and easements set forth herein shall be prior and superior to any other provisions of these Restrictions and may not, without Developer's prior written consent, be modified, amended, rescinded or affected by any amendment to these Restrictions. Developer's consent to any amendment shall not be construed as consent to any other amendment.

7.02 Developer's Rights to Grant and Create Easements. Developer shall have and hereby reserves the right, without the consent of any Owner or the Association, to grant or create temporary or permanent easements throughout the Subdivision, for ingress, egress, utilities, cable and satellite television systems, communication and security systems, drainage, water and other purposes incidental to the development, sale, operation and maintenance of the Subdivision. The rights reserved to the Developer under this Section 7.02 apply to the entire Subdivision, including Lots previously sold by the developer.

7.03 Developer's Rights to Convey Common Areas to the Association. Developer shall have and hereby reserves the right, but shall not be obligated to, convey real property and improvements thereon, if any, to the Association for use as Common Areas at any time and from time to time in accordance with these Restrictions, without the consent of any other Owner or Association.

7.04 Annexation of Additional Areas. Developer may cause additional real property to be annexed into Subdivision, by causing a written Annexation Declaration confirming the annexation thereof, to be recorded in the Official Public Records of Real Property of Dekalb County, Tennessee. No consent shall be required of the Association or any Member thereof, each Owner being deemed to have appointed the Developer as his agent and attorney-in fact to affect this Annexation, which power hereby granted to the Developer is and shall be a power coupled with any interest. Thereafter, the Association shall be the Association for the entirety of the Development, including the annexed property.

7.05 Developer Control of Association and ACC. Until such time Developer elects to establish the Association and the ACC all authority and powers reserved to the Association, the Board of Directors or the ACC shall be held and exercised by the Developer. The Developer may elect to transfer control of the Association or the ACC at the same time or at different times in which case the Control Transfer Date may be different for the Association and the ACC. The initial Board of Directors of the Association, made up of Owners, shall be designated by the Developer.

ARTICLE XIII
DUTIES AND POWERS OF THE PROPERTY OWNERS' ASSOCIATION

8.01 General Duties and Powers of the Association. The Association has been formed to further the common interest of the Members. The Association, acting through the Board of Directors or through persons to whom the Board of Directors has designated such powers (and subject to the provisions of the bylaws), shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interest of the Members and to improve and enhance the attractiveness, desirability and safety of the Subdivision. The Board of Directors shall minimally be composed of three individuals serving three-year staggered terms, with the titles of President, Vice-President, and Secretary/Treasurer, being assigned annually by the board of Directors.

8.02 Duty to Accept the Property and Facilities Transferred by Developer. The Association shall accept title to any real property, improvements to real property, personal property and any related equipment which the Developer transfers to the Association, together with the responsibility to perform any all maintenance and administrative functions associated therewith, provided that such property and responsibilities are not inconsistent with the terms of these Restrictions. Property interest transferred to the Association by the Developer may include fee simple title, easements, leasehold interests and licenses to use such property. Any property or interest in property transferred to the Association by the Developer shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association free and clear of all liens and mortgages (other than the lien for property taxes and assessments not then due and payable), but shall be subject to the terms of any declaration of covenants, conditions and restriction or easements set forth in the transfer instrument. Except as otherwise specifically approved by resolution of the board of Directors, no property or instrument transferred to the Association by the Developer shall impose upon the Association any obligation to make monetary payments to the Developer or any affiliate of the Developer including, but not limited to, any purchase price, rent charge or fee.

8.03 Other Insurance Bonds. The Association shall obtain such insurance as may be deemed necessary or desirable by the Board or by law, including but not limited to, comprehensive liability and casualty insurance, worker's compensation insurance, fidelity and indemnity insurance, officers and director's liability insurance, as well as such other insurances or bonds as the Association shall deem necessary or desirable.

8.04 Duty to Prepare Annual Budgets. The Association shall prepare an annual budget for the Association and deliver a copy of the annual budget to the Members along with, or prior to, the delivery of the invoice sent to each Lot Owner for the Annual Assessment. The Association shall strive to deliver the annual budget and the Annual Assessment invoice at least thirty (30) days before the start of each calendar year.

8.05 Duty to Levy and Collect Assessments. The Association shall levy, collect and enforce the Assessments as provided in these Restrictions.

8.06 Duty to Provide Annual Financial Statement. The Association shall prepare an annual financial statement, including a balance sheet, for review by the Members.

8.07 Duties with Respect to Architectural Approvals. The Association, through the ACC, shall perform the ACC duties described in these Restrictions.

8.08 Power to Acquire Property and Construct Improvements. The Association may acquire property or an interest in property (including leases and easements) for the common benefit of Owners including any improvements and personal property. The Association may construct improvements on the Subdivision property and may demolish any existing improvements.

8.09 Power to Adopt Rules and Regulation. The Association shall have the power to make reasonable rules and regulations regarding the use of the Common Areas. The rules and regulations may be enforced in the same manner as any other provision of the Restrictions.

8.10 Enforcement of Restrictions. The Association (or any Owner if the Association fails to do so after reasonable written notice) shall enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of these Restrictions. Failure by the Association or any Owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. If it becomes necessary for any Owner or the Association to file a Court action to enforce these Restrictions, the defaulting Owner shall be liable for all reasonable attorney's fees and costs incurred by the enforcing Owner or the Association to obtain compliance by the defaulting Owner. The defaulting Owner shall be liable for all damages suffered by the enforcing Owner or the Association which shall be in an amount established by the Court.

8.11 Remedies. In the event a Lot Owner fails to remedy any violation of these Restrictions within Ten (10) days after written notice by the Association, the Association, or its authorized representatives, may take any one or more of the following actions:

- (a) Enter upon the Lot Owner's property and remove the violating condition, or cure the violation, at the expense of the Lot Owner, and the violating Lot Owner shall pay on demand all costs and expenses, including reasonable attorney's fees, incurred by the Association in removing such violating condition;
- (b) Assess a charge of Fifty dollar (\$50.00) per day against any Owner and/or his Lot until the violating condition is corrected. The Violation charge may be increased by the Association in accordance with increases in the National Consumer Price Index using 2021 as a base year. Failure to pay such assessment by the violating Owner within Ten (10) days from receipt of assessment will result in a lien against the Lot with the same force and effect as the lien for Annual or Special assessments;
- (c) File suit in order to enforce the above remedies and/or pursue any other remedy which may be available at law or in equity;

After a Lot Owner receives a written notice of a violation of these Restrictions, the violating Lot Owner shall not be entitled to any further notice of the same violation if it occurs within a Six (6) month period. The Association reserves the easement across each Owner's Lot for the purpose of correcting or removing conditions in violation of these Restrictions, and in doing so, shall have no liability for trespass or other tort in connection therewith, or arising from such correction or removal

of a violating condition. The Association shall further have the right to have any vehicle or other property stored or used in violation of these Restrictions removed from the Owner's Lot at the expense of the Owner and stored at the expense of the Owner.

8.12 Authority to Combine ACC and Board. In order to efficiently manage the Association, and to perform the duties of the Association, the Association may elect to combine the duties of the Board of Directors and the duties of the ACC into one body to be known as the ACC/Board.

ARTICLE IX **GENERAL PROVISIONS**

9.01 Term. The provisions hereof shall run with the land and shall be binding upon all Owners, their guests and invitees and all other persons claiming under them for a period of Forty (40) years from the date these Restrictions are recorded. These Restrictions shall be automatically extended for successive periods of Twenty (20) years each time unless these Restrictions are cancelled by a Two-Thirds (2/3) majority Vote of the Members and an appropriate document is recorded evidencing the cancellation of these Restrictions.

9.02 Amendments. Except for any amendment affecting any existing Improvements, these Restrictions may be amended or changed, in whole or in part, at any time by a Two-Third (2/3) majority Vote of the Members. Copies of any records pertaining to such amendments shall be retained by the Association permanently.

9.03 Amendment by the Developer. The Developer shall have and reserve the right at any time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend these Restrictions by an instrument in writing duly signed, acknowledged, and filed for record so long as the Developer owns at least one Lot of land and provided that any such amendment shall be consistent with and is furtherance of the general plan and scheme of development of the Subdivision and evidenced by these Restrictions.

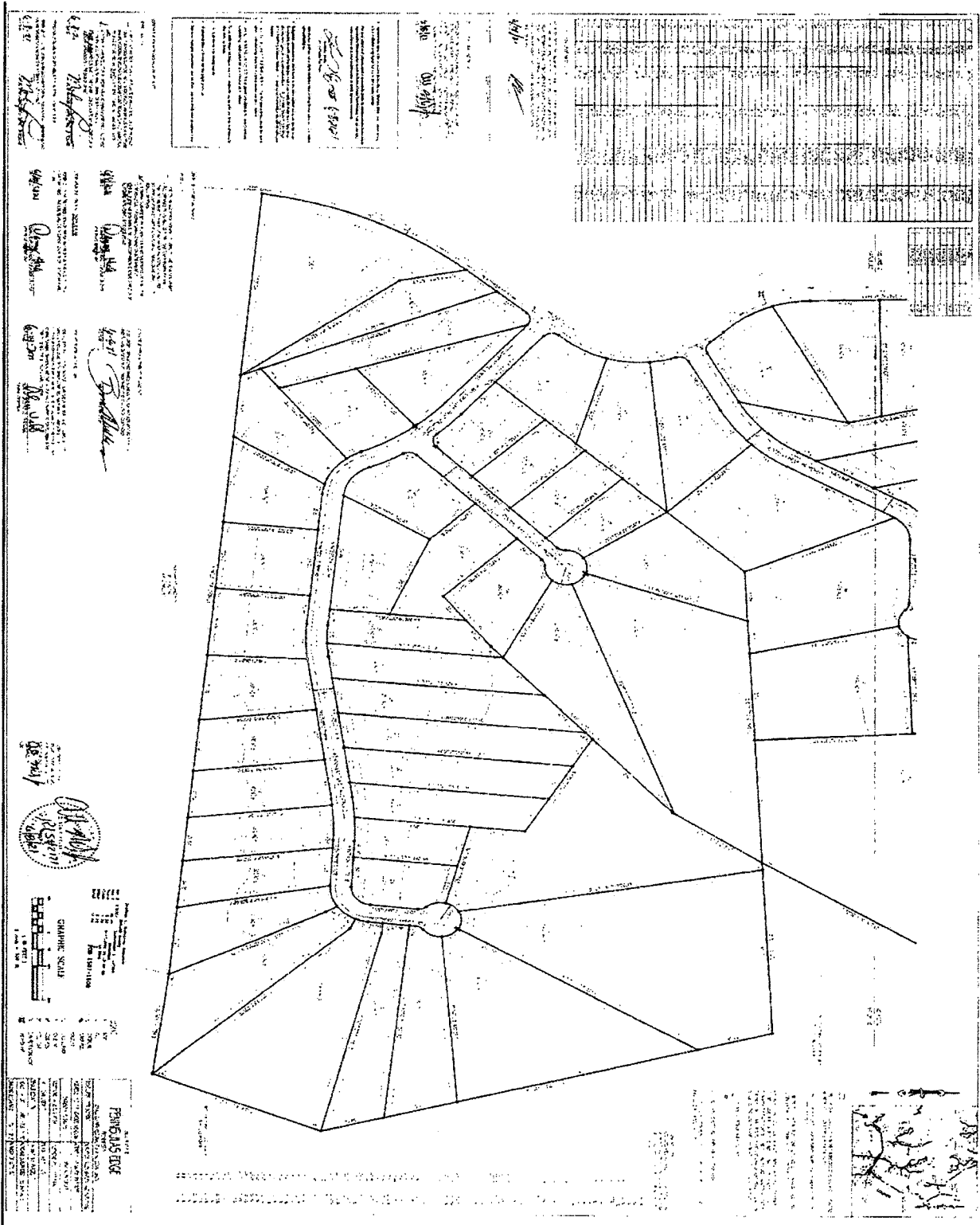
9.04 Severability. Each of these provisions of these Restrictions shall be deemed independent and severable and the invalidity or unenforceability or partial invalidity or partially unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

9.05 Liberal Interpretation. The provisions of these Restrictions shall be liberally construed as a whole to effectuate the purpose of these Restrictions.

9.06 Successors and Assigns. The provisions hereof shall be binding upon and inure to the benefit of the Owners, the developer and the Association, and their respective guests, invitees, heirs, legal representatives, executors, administrators, successors and assigns.

9.07 Effect of Violation on Mortgages. No violation of the provisions herein contained or any portion thereof, shall affect the lien of any mortgage or deed of trust presently or hereafter placed

Exhibit A



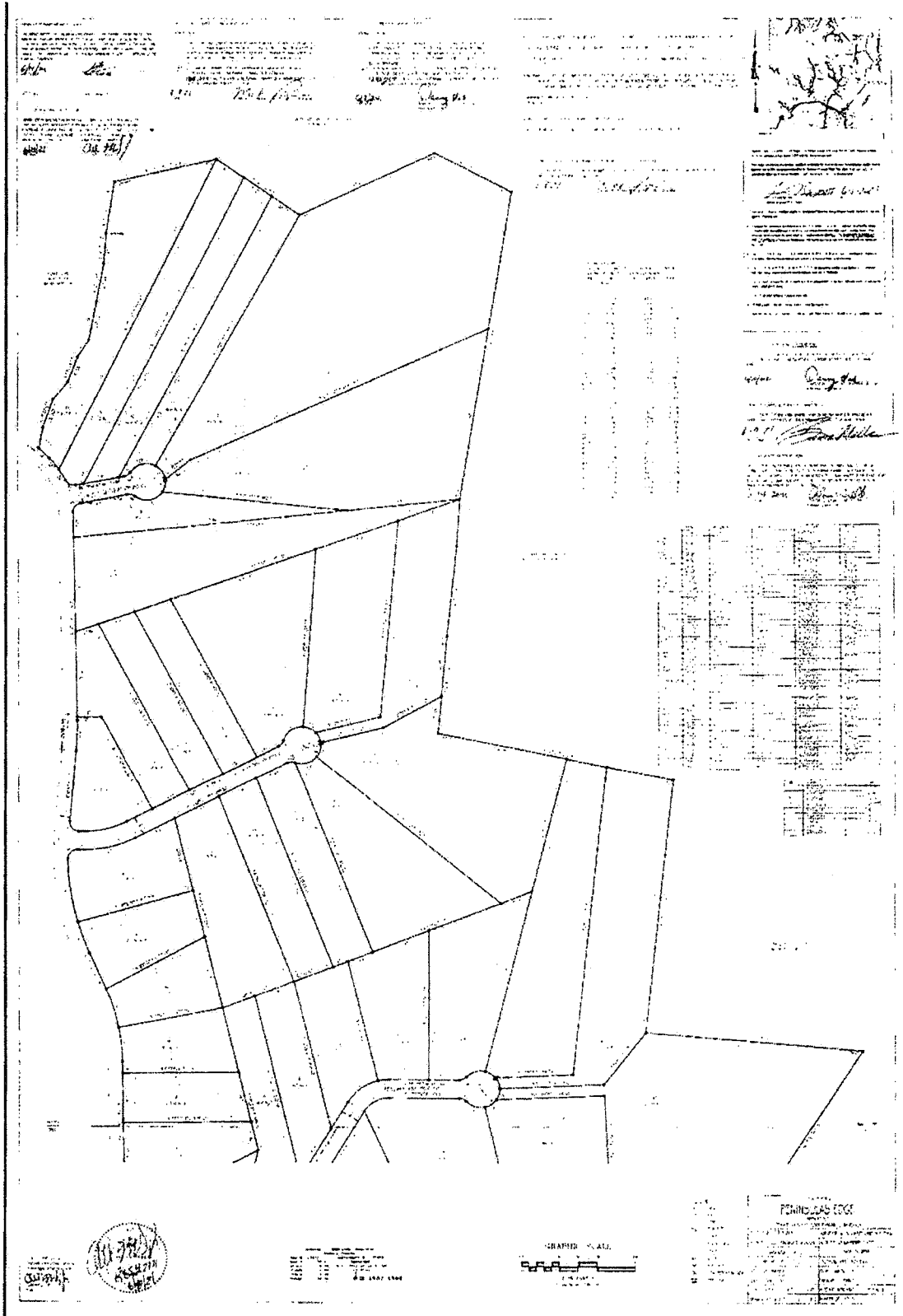


EXHIBIT B

BYLAWS OF PENINSULA'S EDGE SUBDIVISION

ARTICLE I: MEMBERS (LOT OWNERS)

Section 1. Eligibility. The members of Peninsula's Edge Property Owners' Association, Inc., a Tennessee not-for-profit corporation or entity (the "Association"), shall consist of the respective Lot Owners of Peninsula's Edge Subdivision (the "Property"). These and other Terms are used in these Bylaws as they are defined in the Declaration of Covenants, Conditions and Restrictions for Peninsula's Edge Subdivision (the "Declaration"), which Declaration is recorded in the Register's Office for Dekalb County, Tennessee. The words "member" or "members" as used in these Bylaws mean and shall refer to "Lot Owners," as the case may be, as defined in the Declaration. If a Lot Owner is a land title holding trust under the terms of which all powers of management, operation and controls of the Lot remain vested in the trust beneficiary, then the member shall be the beneficiary of such trust.

Section 2. Succession. The membership of each Lot Owner shall terminate when such Owner ceases to be a Lot Owner, and upon the sale, transfer or other disposition of such Owner's ownership interest in the Property, such Owner's membership in the Association shall automatically be transferred to the new Lot Owner succeeding to such ownership interest.

Section 3. Annual Meetings. The annual meeting of Lot Owners shall be held at the time and place specified in the notice of such meeting, but such place shall be within Fifteen (15) miles of the property. The annual meeting of the Lot Owners shall be held with Sixty (60) hours and One Hundred Twenty (120) days following the end of the Association's fiscal year. At the annual meeting, the Lot Owners shall elect Directors, receive report on the activities and financial condition of the Corporation, and transact such other business as may properly come before the meeting.

Section 4. Special Meetings. The Association shall hold a special meeting of its Lot Owners upon the call of the Board of Directors or the President, or upon the written demands to the Secretary by Lot Owners holding at least fifty (50%) percent of all votes entitled to be cast on any issue to be considered at the proposed special meeting. Any call or demand for a special meeting shall describe the purposes for which the special meeting is to be held. Only business within the purposes described in the meeting notice for the special meeting may be conducted at such meeting.

Section 5. Notice of Meetings. The Association shall notify its Lot Owners of the date, time, and place of each annual and special meeting of Owners no fewer than Ten (10), nor more than Forty-Five (45), days before the meeting date. The notice of a meeting shall also contain such other information which may be required by these Bylaws.

Section 6. Waiver of Notice. A Lot Owner's attendance at a meeting:

(a) Waives objection to lack of notice or defective notice of the meeting unless the Lot Owner at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting business at the meeting; and

(b) Waives objection to consideration of a particular matter at the meeting that it not within the

purpose(s) described in the meeting notice, unless the Lot Owner objects to considering the matter when it is presented.

Section 7. Voting. The Association shall have two classes of voting membership:

Class "A". Class "A" membership shall be all Lot Owners, with the exception of the Developer, and shall be entitled to One (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote count for each Lot shall be exercised as they determine, but in no event shall additional votes above what are granted herein, due to multiple owners of individual Lot.

Class "B". Class "B" member(s) shall be the Developer and shall be entitled to Four (4) vote for each Lot owned. The Class "B" membership shall cease and be converted to Class "A" membership on the happening of either of the following events, whichever occurs later:

- (a) When the total votes outstanding in the Class "A" membership exceed the total votes outstanding in the Class "B" membership, or
- (b) When Five (5) years from conveyance of the first Lot to a Lot Owner; or
- (c) At the sole discretion of the Developer.

Notwithstanding the foregoing, no Lot Owner who is in default in the payment of assessments hereunder shall be entitled to exercise the right to vote hereunder until such Owner has cured such default. A Lot Owner shall be deemed to be in default if such Owner has not paid his or her assessments to the Board, or their agent, within Ten (10) days after the date such assessments are due. A Lot Owner may protest the amount of the assessment, but it still must be paid during the pendency of the protest to the Board.

Section 8. Quorum. Unless otherwise required by law, 100% of the votes entitled to be cast by Lot Owners must be represented at any meeting of the Lot Owners to constitute a quorum on that matter. If, however, such quorum is not represented at any such meeting, the Lot Owners present at the meeting in person or represented by proxy shall have the power to adjourn the meeting and schedule a follow-up meeting at which the quorum requirement shall be one-half of that required for the previous meeting. Notice of the follow-up meeting shall be given in similar manner to the previous meeting. At such time as a quorum is present, the meeting shall be held when any business may be transacted which might have been transacted at the meeting as provided in the original notice.

Section 9. Voting Requirements. Except as otherwise provided in these Bylaws, the Declaration or the Act, action on any matter voted upon at a meeting of the Lot Owners is approved if a majority of the Lot Owners vote in favor of the action. However, Directors shall be elected by a plurality of the votes cast by the Lot Owners entitled to vote in the election at a meeting of the Lot Owners at which a quorum is present. Lot Owner shall vote in person or by proxy executed in writing by the Lot Owner. No proxy shall be valid after Eleven (11) months from the date of its execution or upon conveyance by the Lot Owner of his Lot. No proxy shall be valid unless promulgated by the Board of Directors as an official proxy. A corporate Lot Owner's vote shall be cast by the President of the Lot Owner

Corporation or by any other officer or proxy appointed by the President or designated by the Board of Directors of such corporation. Voting on all matter except the election of directors shall be by voice vote or by show of hands unless a majority of the Lot Owners present at the meeting shall, prior to the voting on any matters, demand a ballot vote on that particular matter. Where directors or officers are to be elected by the Lot Owner, the official solicitation of proxies for such elections may be conducted by mail.

Section 10. Action by Written Consent. Action which is required or permitted to be taken at a meeting of the Lot Owners may be taken without such a meeting if all Lot Owners entitled to vote on the action consent to taking such action without a meeting. If all such Lot Owners so consent, the affirmative vote of the number of votes that would be necessary to authorize or take such action at a meeting shall be the act of the Lot Owners, except as otherwise provided in these Bylaws. Such consent (or counterpart(s) thereof) shall describe the action taken, be in writing, be signed by each Lot Owner entitled to vote on the action, indicate each signing Lot Owner's vote or abstention on the action, and be delivered to the Secretary of the Association and included in the minutes or Association records.

Section 11. Action by Written Ballot. Any action which may be taken at any annual or special meeting of Lot Owners may be taken without a meeting if the Association delivers a written ballot to every Lot Owner entitled to vote on the latter. The written ballot shall set forth each proposed action and shall provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall:

- (a) Indicate the number of responses needed to meet the quorum requirements.
- (b) State the percentage of approvals necessary to approve each matter other than election of Directors.
- (c) Specify the time by which the ballot must be received by the Association in order to be counted.

ARTICLE II: BOARD OF DIRECTORS

Section 1. Number, Election, Term of Office and Qualification. The affairs of the Association shall be governed by a board of directors (the "Board of Directors" or the "Board") composed of a minimum of three (3) people, and all such directors shall be Lot Owners (or owners of an interest in a Lot). The directors of the Association shall be elected by the affirmative vote of not less than a majority of the Lot Owners. At the First Annual Meeting, the terms of office for the first board of directors (the "First Board"). The term of office for directors shall be for Two (2) years; however, the initial term shall be fixed wherein two directors shall serve for one year. At the expiration of the initial term of office of each respective director, his successor shall be elected by all those entitled to vote. The directors shall hold office until their successors have been elected and hold their first meeting.

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties granted as referred to in the Horizontal Property Act of the State of Tennessee and all other powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things

as are by law, by the Declaration or by these Bylaws as directed to be exercised and done by the Lot Owners.

Section 3. Other Powers and Duties. In addition to duties imposed by the Declaration, these Bylaws or by resolutions of the Association, the Board of Directors shall have the following powers and duties:

- (a) to elect and remove the officers of the Association as hereinafter provided;
- (b) to administer the affairs of the Association and the Property; to engage the services of an agent (hereinafter sometimes called the "Managing Agent") to maintain, repair, replace, administer and operate the Property or any part hereof for all Lot Owners, upon such terms and for such compensation and with such authority as the Board may approve; provided, however, that any management agreement relating to the Property shall be terminable for cause upon Thirty (30) days' notice and shall have a term of not less than one (1) year nor more than Three (3) years; which term shall be renewable upon approval of the Board of Directors; and provided further, however, that such management agreement entered into during the Development Period shall be terminable by the Association without cause or penalty on Ninety (90) days' prior notice;
- (c) to formulate policies for the administration, management and operation of the Property and the Common Elements thereof;
- (d) to adopt rules and regulations, with written notice thereof to all Lot Owners, governing the administration, management, operation and use of the Property and the Common Elements, and to amend such rules and regulations from time and time;
- (e) to provide for the surveillance, maintenance, repair, and replacement of the Common Elements and payments therefore, and to approve payment vouchers or to delegate such approval to the officers or the manager of Managing Agent;
- (f) to provide for designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and the Common Elements, and to delegate any such powers to the Managing Agent (and any such employees or other personnel who may be the employees of a Managing Agent);
- (g) to appoint committees of the Board and to delegate such committees the Boards authority to carry out certain duties of the Board;
- (h) to determine the fiscal year of the Association and to change said fiscal year from time to time as the Board deems advisable;
- (i) to estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Lot Owners their respective shares of such estimated expenses, as hereinafter provided;
- (j) unless otherwise provided herein or in the Declaration, to comply with the instructions of a

majority of the Lot Owners (as said majority is defined in the Declaration), as expressed in a resolution duly adopted at any annual or special meeting of the Lot Owners;

(k) to enter into any lease of premises suitable for use as guest or custodian apartments, upon such terms as the Board may approve;

(l) to resolve or mediate disputes, conflicts or problems between Lot Owners; when necessary, to interpret the rules and regulations of the Association;

(m) to secure insurance policies as required by the Declaration, and in this regard, to review, on an annual basis, the amounts of coverage afforded by such policies;

(n) unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of Lot Owners as expresses in resolutions duly adopted at any annual or special meeting of Lot Owners.

The Association shall not, in any event, be bound either directly or indirectly by any contract or lease entered into by the Developer on behalf of the Association (including but not limited to management contracts) unless such contract or lease has a term of One (1) year or less and contains a right of termination, which is exercisable without cause and without penalty at any time after passage of control from the Developer of the Association, upon not more than Ninety (90) days' notice.

Section 4. Manager or Managing Agent, Employees Generally. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in Section 3 of this Article. The duties conferred upon the Managing Agent by the Board of Directors may be at any moment revoked, modified or amplified by the vote of the Association in a duly constituted meeting. The Board of Directors and/or his Managing Agent (with the approval of the Board of Directors) may employ any other employees or agents to perform such duties at such salaries as the Board of Directors may establish. The Board of Directors may enter into such service contracts on behalf of the Association as are necessary and appropriate and shall have the authority, but not the obligation, to assume, on behalf of the Association, any initial service contracts entered into by the Developer that comply with the requirements and limitations imposed herein.

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the Association shall be filled by the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Association.

Section 6. Removal of Directors. At any regular meeting or special meeting duly called, any one or more of the elected directors may be removed with or without cause by the Lot Owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Lot Owners shall be given an opportunity to be heard at the meeting.

Section 7. Compensation. Directors shall receive no compensation for their services as Directors, unless expressly provided for in resolutions duly adopted by the Lot Owners.

Section 8. Organizational Meeting. The organizational meeting of a newly elected Board of Directors shall be held within One (1) week of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, providing the whole Board is present.

Section 9. Regular Meetings. Except as otherwise provided herein, regular meetings of the Board of Directors may be held without notice at such time and place as the Board of Directors shall determine from time to time, but not less frequently than once a year.

Section 10. Special Meetings. Special meetings of the Board may be called by the President, the presiding officer of the Board or any Two (2) directors.

Section 11. Notice of Meetings. Except as otherwise provided herein, regular meetings of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting. Except as otherwise provided herein, special meetings of the Board of Directors must be preceded by at least two (2) days' notice to each Director of the date, time and place, but not the purpose, of such special meeting. Notice of any adjourned meeting need to be given if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken, and if the period of adjournment does not exceed One (1) month in any One (1) adjournment.

Section 12. Waiver of Notice. If a Director attends or participates in a meeting, he or she waives any required notice to him or her of the meeting unless the Director at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 13. Quorum and Voting. A quorum at Directors' meetings shall consists of a majority (but no fewer than Two (2) of the Directors then in office before a meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present is the act of the Board of Directors, except as specifically otherwise provided in the Declaration or elsewhere in these Bylaws.

Section 14. Vacancy. If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of Directors or a vacancy resulting from a removal of a Director with or without cause:

- (a) The Lot Owners may fill the vacancy;
- (b) The Board of Directors may fill the vacancy; or
- (c) If the Directors remaining in office constitute less than a quorum of the Board, they may fill the vacancy by affirmative vote of a majority of all Directors remaining in office. Any Director elected to fill a vacancy shall hold office for a term equal to the unexpired term of the Director succeeded.

Section 15. Action Meeting. Action which is required or permitted to be taken at meeting of such Board of Directors may be taken without such a meeting if all Directors consent to taking such action without a meeting. If all Directors so consent, the affirmative vote of the number of Directors that

would be necessary to authorize or take such action at a meeting shall be the act of the Board, except as otherwise provided in these Bylaws. Such consent(s) shall describe the action taken, be in writing, be signed by each Director entitled to vote, indicate each signing Director's vote or abstention on the action, and be delivered to the Secretary of the Association and included in the minutes filed with the Association's records.

Section 16. Indemnification. With respect to claims or liabilities arising out of service as a Director of the Association, the Association shall indemnify and advance expenses to each present and future Director (and his or her estate, heirs, and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended.

Section 17. Immunity. To the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended, each present and future Director (and his or her estate, heirs, and personal representative) shall be immune from suit arising from the conduct of the affairs of the Association.

Section 18. Non-Delegation. Nothing in this Article or elsewhere in these Bylaws shall be considered to grant to the Board, the Association or to the officers of the Association any powers or duties which, by law, have been delegated to the Lot Owners.

ARTICLE III: OFFICERS

Section 1. Designations. At each regular meeting, the Directors present at said meeting shall elect the following officers of the Association by a majority vote, provided a quorum exists:

- (a) A President, who shall be a Director and who shall preside over the meetings of the Board and of the Lot Owners, and who shall be the chief executive officer of the Association;
- (b) A Secretary, who shall keep the Minutes of all meetings and proceedings of the Board and of the Lot Owners, and who shall, in general, perform all the duties incident to the office of the Secretary, and who may be a representative of the Managing Agent;
- (c) A treasurer, who shall be responsible for financial records and books of account and the manner in which such records and books are kept and reported; and
- (d) Such additional officers as the Board shall see fit to elect.

Section 2. Powers. The respective officers shall have the general powers usually vested in such officers; provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may see fit.

Section 3. Term of Office. Each officer shall hold office for the term of One (1) year and until a successor shall have been appointed or elected and qualified.

Section 4. Vacancies. Vacancies in any office shall be filled by the board by a majority vote of the remaining Directors at a special meeting of said Board. Any Director so elected to fill a vacancy shall

hold office for a term equal to the unexpired term of the officer succeeded.

Section 5. Compensation. The officers shall receive no compensation for their services as officers, unless expressly provided for in a resolution duly adopted by the Lot Owners.

Section 6. Removal. The Board of Directors may remove any officer at any time with or without cause.

Section 7. Indemnification. With respect to claims or liabilities arising out of service as an officer, developer or board member of the Association, the Association shall indemnify and advance expenses to each present and future officers, developer or board member (and his or her estate, heirs and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended.

ARTICLE IV: ASSESSMENTS

Section 1. Annual Budget. The Board shall cause to be prepared an estimated annual budget for each fiscal year of the Association. Such budget shall consider the estimated common expenses and cash requirements for the year, including but not limited to salaries, wages, payroll taxes, legal and accounting fees, working capital fund, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power, and all other common expenses. To the extent that the assessments and other cash income collected from the Lot Owners during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be considered. The annual budget shall also consider any estimated net available cash income for the year from the lease, operation or use of the Common Elements. The annual budget shall provide for a reserve for contingencies for the year and a reserve for replacements, in reasonable amounts as determined by the Board:

Section 2. Assessments. Each Lot Owner by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association the Assessments provided herein. The Assessments shall be a charge on the Lots and shall be a continuing lien upon the Lot against which each such Assessment is made. Both Annual and Special Assessments must be fixed at a uniform rate for all Tracts subject to assessment and may be collected on a monthly basis or on an annual basis at the discretion of the Board of Directors.

- (a) An Annual Assessment shall be paid by each of the Lot Owners and the Annual Assessment shall be used to pay all reasonable and necessary operating expenses and reserve requirements of the Association as herein provided. The Annual Assessment for the year of purchase shall be pro-rated as of the purchase date and then shall be paid annually.
- (b) The initial amount of the Annual Assessment applicable to each Lot will be Three Hundred dollars (\$300.00) per Lot. The Annual Assessment is payable in advance and is due on the thirty first (31) day of January during each calendar year. All other matters relating to the collection, expenditure and administration of the Annual Assessment shall be determined by the Board of Directors of the Association, subject to the provisions hereof.

- (c) The Board of Directors of the Association, from and after the Control transfer Date, shall have the further right at any time to adjust, alter, increase or decrease the Annual Assessment from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association and to enable the Association to carry out its duties hereunder. However, the Board of Directors shall not increase the Annual Assessment by more than Ten percent (10%) from the previous year without the affirmative Vote of the Members.

Section 3. Partial Year or Month. For the first fiscal year and thereafter until the First Board is elected, the annual budget shall be approved by the Developer. If such first fiscal year, or any succeeding fiscal year, shall be less than a full year, then the monthly assessments for each Lot Owner shall be proportionate to the number of months and days in such period covered by such budget. Each Lot Owner shall pay such Owner's assessment for the following month or fraction of a month, which assessment shall be in proportion to the Owner's respective ownership interest in the Association and the number of months and days remaining of the period covered by the current annual budget, and which assessment shall be computed by the Board.

Section 4. Annual Report. Within Ninety (90) days after the end of each fiscal year covered by an annual budget, or as soon thereafter as shall be practicable, the Board shall cause to be furnished to each Lot Owner, and to any other party required by the Declaration, a statement for such year so ended, showing the receipts and expenditures and such other information as the Board may deem desirable.

Section 5. Supplemental Budget. In the event that during the course of any year, it shall appear to the Board that the monthly assessments, determined in accordance with the estimated common expenses for the remainder of such year will be inadequate, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Lot Owner, and thereupon a supplemental assessment shall be made to each Lot Owner for such Owner's Proportionate Share of such supplemental budget.

Section 6. Lien. It shall be the duty of every Lot Owner to pay such Owner's Proportionate Share of common expenses, as provided in the Declaration, and as assessed in the matter herein provided.

If any Lot Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof, together with interest thereon at the rate of Ten percent (10%) per annum after said common expenses become due and payable, shall constitute a lien, as provided in the Act, enforceable by the Board, on the interest of such Lot Owner in the Property, provided, however, that such lien shall be subordinate to the lien of a recorded deed of trust in the interest of such Lot Owner, except for the amount of the Proportionate Share of common expenses which are due and payable from and after the date on which such deed of trust beneficiary either takes possession of the Lot, accepts a conveyance of any interest therein (other than as security), or files suit to foreclose on its deed of trust. The provisions of this paragraph of this Section 6 shall not be amended, changed, modified or rescinded in any way without the prior written consent of all such lien holders of record.

The Association or its successors and assigns, and the Board or its agents, shall have the right to enforce the lien as provided in this Declaration, and there shall be added to the amount due the costs of any suit maintained to enforce the lien and other fees and expenses, together with legal interest and reasonable attorney's fees. Furthermore, if any Lot Owner shall fail or refuse to pay when due such Owner's Proportionate Share of the common expenses and such Lot Owner withhold possession of such Owner's Lot after demanded by the Board or the Association in writing setting forth the amount claimed, the Board or the Association shall have the right to possession of such Lot. The Board or the Association shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Horizontal Property Act, the Declaration of these Bylaws, or as are otherwise available at law or in equity, for the collection of all unpaid assessments.

Section 7. Records and Statement of Account. The Board shall cause to be kept detailed and accurate records in a book in chronological order of the receipts and expenditures affecting the Property, specifying and itemizing the expenses incurred. Payment vouchers may be approved in such manner as the Board may determine. Said book and the vouchers shall be available for examination by all Lot Owners at convenient hours on working days which shall be set and announced for general knowledge.

The Board shall, upon receipt of Ten (10) days' written notice to it or the Association and upon payment of a reasonable fee, furnish to any Lot Owner a statement of account setting forth the amount of any unpaid assessments or other charges due and owing from such Lot Owner.

Section 8. Discharge of Liens. The Board may cause the Association to discharge any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the Property or the Common Elements, rather than a lien against only a particular Lot ownership. When fewer than all the Lot Owners are responsible for the existence of any such lien, the Lot Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses, including attorneys' fees, incurred by reason of such lien.

Section 9. Holding of Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Lot Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Lot Owners.

Section 10. Association Records. The Association shall keep as permanent records minutes of all meetings of its Lot Owners and Board of Directors, a record of all actions taken by the Lot Owners or Board of Directors without a meeting and all appropriate accounting records.

Section 11. Records at Principal Office. The Association shall keep at all times a copy of the following records at its principal office:

- (a) Its Charter or Restated Charter and all amendments thereto;
- (b) These Bylaws and all amendments thereto;

- (c) Resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations and obligations of Lot Owners or any class or category of Lot Owners;
- (d) The minutes of all meeting of Lot Owners and the records of all actions taken by Lot Owners without a meeting for the past Three (3) years;
- (e) All written communications to Lot Owners generally within the past Three (3) years, including the past Three (3) years' annual financial statements;
- (f) A list of all the names and business or home addresses of its current Directors and officers;
- (g) The most recent annual report delivered to the Tennessee Secretary of State; and (h) Its Declaration and all amendments thereto.

Section 12. Annual Financial Statements. The Association shall prepare annual financial statements that include a balance sheet as of the end of the fiscal year, an income statement for that year, and such other information necessary to comply with the requirements of the applicable provisions of the Tennessee Nonprofit Corporation Act.

ARTICLE V: CONTRACTUAL POWERS

No contract or other transaction between the Association and one or more of its Directors or between the Association and any corporations, firm or association in which one or more of the Directors of the Association are directors, or are financially interested, is void or voidable because such Director or Directors are present at the meeting of the Board or a committee thereof which authorizes or approves the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

- (a) the fact of the common directorship or financial interest is disclosed or known to the board or committee and noted in the minutes and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Director or Directors; or
- (b) the contract or transaction is just and reasonable as to the corporation at the time it is authorized or approved.

Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board or a committee thereof which authorizes, approves or ratifies a contract or transaction.

ARTICLE VI: AMENDMENTS

These Bylaws may be amended or modified from time to time by action or approval of a majority of the Lot Owners casting one (1) vote for each Lot owned, as provided in Article 1, Section 7 of these Bylaws. Such amendment(s) shall not be operative until they are recorded in the office of the Register of Deeds for Dekalb County, Tennessee. These Bylaws may not be amended by the Board of

Directors.

ARTICLE VII: DEEDS OF TRUST

Section 1. Notice to Board. A Lot Owner who mortgages his Lot shall notify the Board of the name and address of the deed of trust beneficiary and shall file a copy of the deed of trust with the Board. The Board shall maintain such information in a book entitled "Deeds of Trust on Lots."

Section 2. Notice of Unpaid Common Charges. The Board, whenever so requested in writing by a deed of trust beneficiary of a Lot, shall promptly report any then unpaid assessments, fees or common charges due from, or any default by, the Owner of the mortgaged Lot.

Section 3. Notice of Default. The Board, when giving notice to a Lot Owner of a default in paying common charges or other default, shall send a copy of such notice to each deed of trust beneficiary of record covering such Lot whose name and address has theretofore been furnished to the Board and which has requested in writing to be sent a copy of such notice(s).

Section 4. Examination of Books. Each Lot Owner, and others as specified in the Declaration, shall be permitted to examine the books and records of the Association, current copies of the Declaration and Bylaws, and rules and regulations of the Association during normal business hours and upon request.

Section 5. Interest of Valid First Lien Deed of Trust. The interest of a valid first lien deed of trust shall be superior to the interest of the Board in the event of a default, and nothing in this instrument shall be construed to the contrary. If the first lien deed of trust has incorporated the terms of these Bylaws, the Declaration and the contract in its deed of trust, the said first lien deed of trust may at its option declare a default in its deed of trust by reason of any default hereunder, and may proceed to enforce its rights according to the terms of the deed of trust notwithstanding any enforcement instituted by the Board.

ARTICLE VIII: DEFINITION OF TERMS

The terms used in these Bylaws, to the extent they are defined herein, shall have the same definition as set forth in the Declaration, as such may be amended from time to time, which Declaration is recorded in the office of the Register of Deeds for Dekalb County, Tennessee.

The term "member," as used in these Bylaws, generally means "Lot Owner" as defined in the Declaration; "Deed of Trust," as used herein, includes a mortgage; and "deed of trust beneficiary" includes a mortgagee and a holder of a deed of trust.

ARTICLE IX: MISCELLANEOUS PROVISIONS

Section 1. No Seal. The Association shall have no seal.

Section 2. Notices. Whenever notice is required to be given to Lot Owners, Directors or officers, unless otherwise provided by law, the Declaration, the Charter of these Bylaws, such notice may be given in person or by telephone, telegraph, mail or private carrier. If such notice is given by mail, it

shall be sent postage prepaid by first class United States mail or by registered or certified United States mail, return receipt requested, and addressed to the respective address which appears for each such person on the books of the Corporation. Written notice sent by mail to Lot Owners shall be deemed to have been given when it is mailed. Any other written notice shall be deemed to have been given at the earliest of the following:

- (a) When received;
- (b) Five (5) days after its deposit in the United States mail if sent first class, postage prepaid; or
- (c) On the date on the return receipt, if sent by registered or certified United States mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

Section 3. Waiver of Notice. Whenever any notice is required to be given under the provisions of any statute, or of the Declaration, the Charter or these Bylaws, a waiver thereof in writing signed by the person entitled to such notice, whether before or after the date stated thereon, and delivered to the Secretary of the Association and included in the minutes or corporate records, shall be deemed equivalent thereto.

Section 4. Negotiable Instruments. All checks, drafts, notes or other obligations of the Association shall be signed by such of the officers of the Association, or by such of the officers of the Association, or by such other person(s), as may be authorized by the Board of Directors.

Section 5. Deposits. The monies of the Association may be deposited in the name of the Association in such bank(s) or financial institutions(s) as the Board of Directors shall designate from time to time and shall be drawn out by check signed by the officer(s) or person(s) designated by resolution adopted by the Board of Directors.

Section 6. Committee Members. With respect to claims or liabilities arising out of service as a member of a committee duly appointed by the Board of Directors of the Association, the Association shall indemnify and advance expenses to each such present and future committee member (and his or her estate, heirs and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended.

ARTICLE X: CONFLICTS

These Bylaws are set forth to comply with the requirements of Chapter 27 of Title 66, Tennessee Code Annotated, as it may be amended from time to time, and to allow the Bylaws to control in specific situations where such law allows. In case any of the Bylaws conflict with the provisions of said statute or of this Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

The undersigned hereby certifies that the foregoing bylaws were duly adopted as the Bylaws of Peninsula's Edge Subdivision.

EXECUTED on the 30 day of August, 2021.

Atlantic Land & Lakes Management, LLC a Florida Limited Liability company

By: [Signature]
Peter Scerbo, Authorized Agent

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Before me, the undersigned Notary Public in and for the said County and State aforesaid, personally appeared **Peter Scerbo**, 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 Member of **PETNLP, LLC**, the within named bargainor, a limited liability company, and that he has executed the within instrument for the purposes stated therein by signing the name of the limited liability company by himself as its Authorized Member.

Witness my hand and official seal this the 30 day of August, 2021.



[Signature]
Notary Public
My Commission Expires: _____

Jeffrey L. McMillen, Register
DeKalb County

Rec #: 135783 Instrument #: 199251
Rec'd: 175.00 Recorded
State: 0.00 8/30/2021 at 1:43 PM
Clerk: 0.00 in Record Book
Other: 2.00 503
Total: 177.00 PGS 563-597