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PICK UP

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR THE TORS OF AVALON**

This Amended and Restated Declaration of Covenants, Conditions and Restrictions (“Declaration”) is made effective the 2nd day of November, 2010, by **THE TORS OF AVALON HOMEOWNERS ASSOCIATION, INC.**, a Tennessee non-profit corporation (hereinafter referred to as “HOA”) and shall supersede all prior Declarations of Covenants, Conditions, and Restrictions for the Tors of Avalon.

WITNESSETH:

WHEREAS, Avalon Partners, LLC, the Declarant and owner of the real property described in Exhibit A attached hereto and incorporated herein by reference (“Property”), recorded against the Property a Declaration of Covenants, Conditions, and Restrictions for The Tors of Avalon dated February 23, 2005 recorded on February 23, 2005 as Instrument # 05007647, Book 3484, Page 880-896 in the Register’s Office for Williamson County and a subsequent Declaration of Covenants, Conditions, and Restrictions for The Tors of Avalon recorded on May 26, 2005 as Instrument # 05023066, Book 3566, Page 585-618 in the Register’s Office for Williamson County (collectively hereinafter referred to as the “Original Declaration”), in an effort to develop a residential community with various open spaces, common facilities and common areas for the benefit of said community;

WHEREAS, on April 15, 2010, Avalon Partners, LLC held the first meeting of the HOA and turned over the preservation, maintenance, administration of the Property and the Common Areas to the HOA;

WHEREAS, HOA desires to provide a flexible and reasonable procedure for the overall development of the Property and to establish a method for the administration, maintenance, preservation, use and enjoyment of such portions of the Property as are now or may hereafter be submitted to this Declaration;

WHEREAS, HOA intends by this Declaration to impose upon the Property mutually beneficial restrictions under a general plan of improvements for the benefit of all owners and/or occupants of residential property within the Property and all persons or entities having any interest in the Property, by the recording of this Declaration;

WHEREAS, HOA desires that the Property be held, sold and conveyed subject to the provisions of this Declaration;

WHEREAS, HOA desires to further amend and restate the Original Declaration for the effective management and preservation of the Property.

NOW, THEREFORE, HOA hereby declares that all of the Property described in Exhibit A shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions. Such easements, restrictions, covenants and conditions are for the purpose of protecting the value and desirability of the Property, and shall run with the real property submitted to this Declaration in perpetuity. They shall be binding on all parties having any right, title or interest in the described Property, or any part thereof, their heirs, successors, successors-in-title and assigns, and shall inure to the benefit of each owner thereof. The Original Declaration is hereby amended and restated in its entirety as follows:

ARTICLE I

Definitions

Section 1. “Assessments” shall mean assessments for Common Expenses provided for herein which shall be used for the purposes of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of the Residential Units and of maintaining the Property, all as may be specifically authorized from time to time by the Board of Directors and as more specifically authorized below. The term “Assessments” shall include, without limitation, General Assessments and Special Assessments.

Section 2. “Board of Directors” or “Board” shall be the elected body responsible for managing the affairs of the HOA. Actions required of or permitted by the Board herein may be taken or fulfilled by a committee or other designee as may be established or appointed by the Board in accordance with the Bylaws of the HOA.

Section 3. “Bylaws” shall mean the Amended and Restated Bylaws of The Tors of Avalon Homeowners Association, Inc., attached hereto as Exhibit B and made a part hereof, and as may be amended from time to time.

Section 4. “Common Area” shall mean the Property and any improvements thereto, but excluding Residential Units and components thereof and easements appurtenant thereto, now or hereafter owned by the HOA for the common use and enjoyment of the Owners, including, but not limited to, the common areas shown on the Final Plat and any and all walking trails, pedestrian bridges, parking areas, ponds, waterways, landscaping and irrigation systems, streets, alleys, security gates, fences, structures, sidewalks, community signage, walls, monuments, illumination of common areas, common utilities, storm water system, wells, fountains and other improvements located on such common areas. Declarant has conveyed the Common Area to the HOA.

Section 5. “Common Expenses” shall mean and include the actual and estimated expenses of operating the HOA, maintaining the sidewalks located on Residential Units and maintaining the Common Area and improvements thereon, including any reasonable reserves, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration and the Bylaws of the HOA.

Section 6. “Community-Wide Standard” shall mean the standard of maintenance, conduct or other activity generally prevailing in the subdivision developed on the Property.

Section 7. “Final Plat” shall mean the final plat of the Property in the real estate records of the Register’s Office for Williamson County, Tennessee, at Plat Book 41, Page 67 as may be revised and re-recorded from time to time.

Section 8. “HOA” shall mean and refer to The Tors of Avalon Homeowners Association, Inc., a Tennessee nonprofit corporation, its successors and assigns.

Section 9. “Member” shall mean and refer to a person or entity entitled to membership in the HOA, including each individual homeowner of The Tors of Avalon Homeowners Associations, as provided herein.

Section 10. “Mortgage” shall include a deed of trust or mortgage encumbering any Residential Unit.

Section 11. “Mortgagee” shall include a beneficiary under or holder of a note secured by a Mortgage.

Section 12. “Mortgagor” shall include the trustor or grantor of a Mortgage.

Section 13. “Owner” shall mean and refer to one or more Persons or entities, who holds or hold the record title to any Residential Unit, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. For the purpose of this Declaration, the Owner of a Residential Unit which is under lease shall be as follows: for the purpose of membership, including matters related to voting and assessments, the record owner or owners of the Residential Unit; for the purpose of use and enjoyment of common facilities and amenities which are part of the Common Area, the tenant or tenants residing in the Residential Unit. The Board of Directors may promulgate reasonable regulations conditioning such use upon registration of the names of tenants with the HOA.

Section 14. “Person” shall mean a natural person, a corporation, a partnership, limited liability company, trust, trustee or other legal entity.

Section 15. “Property” shall mean and refer to the real property described in Exhibit A attached hereto and any other real property subjected to this Declaration by voluntary action of the owner.

Section 16. “Residential Unit” or “Unit” shall mean a portion of the Property intended for any type of independent ownership for use and occupancy as a residence by a single family, whether a residence is constructed thereon or not. All Residential Units shall be shown and identified as numbered lots upon the Final Plat.

Section 17. “Subsequent Amendment” shall mean an amendment to this Declaration. Such Subsequent Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations to the provisions of this Declaration. The term

“Declaration” as used herein shall include this Declaration, together with any and all Subsequent Amendments.

ARTICLE II

Property Rights

Section 1. Common Area. Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to any restrictions or limitations contained in this Declaration or in any Deed or amendment thereto conveying the Common Area to the HOA or subjecting the Common Area to this Declaration. Any Owner may delegate his or her other right of enjoyment to the members of his or her family, tenants and social invitees subject to reasonable regulation by the Board and in accordance with procedures the Board may adopt from time to time.

Section 2. Landscaping and Sidewalks. Every Owner shall have a right and easement of enjoyment in and to the sidewalks located on each Residential Unit, subject to any restrictions or limitations contained in this Declaration or in any Deed or amendment thereto conveying such Residential Unit to the HOA or subjecting such Residential Unit to this Declaration. Any Owner may delegate his other right of enjoyment to the members of his or her family, tenants and social invitees subject to reasonable regulation by the Board and in accordance with procedures the Board may adopt from time to time. The person, persons, entity or entities which purchase a Residential Unit shall be responsible for constructing, at his, her or its sole cost and expense, all landscaping and sidewalks on the Residential Unit in accordance with the requirements established by the City of Franklin, Tennessee, the Community-Wide Standard and other rules and regulations which may be established by the Board from time to time. If an Owner fails to construct all landscaping and sidewalks on his, her or its Residential Unit as required by this Section, the Board shall have the right to perform or have performed such construction and levy a Special Assessment against such Owner and such Owner’s Residential Unit equal to the cost and expenses incurred by the HOA in performing such construction or having such construction performed. The HOA shall, at its sole cost and expense, maintain and keep in good repair all sidewalks located on Residential Units.

ARTICLE III

Membership and Voting Rights

Section 1. Membership in the HOA. Each separate individual homeowner within the HOA and all successive owners, which operate on or in relation to the Property shall be a Member of the HOA. Every person who is the record owner of a joint fee interest or undivided fee interest in any Residential Unit, and all successive owners, shall be deemed to be a member of the HOA (each such person or entity, a “Member”). Membership shall be appurtenant to and may not be separated from such fee interest ownership, and any transfer of a Residential Unit shall operate automatically to transfer to the new record owner thereof the membership in the HOA appurtenant thereto. The foregoing is not intended to include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate that Member’s membership.

Section 2. Class of Membership. The HOA shall have one class of membership, the voting rights of which shall be set forth in the Bylaws.

Section 3. Suspension of Voting Rights. In the event, an owner shall be delinquent in any of its HOA fees and/or Assessments, all voting privileges and rights associated with that owner's Residential Unit and membership in the HOA shall be suspended ten (10) days from the mailing to the owner of the Residential Unit notification of such delinquencies and shall continue until such time as all fees/Assessments are brought current and paid in full. All mailings shall be in accordance with Section 10.01 of the Bylaws attached hereto as Exhibit B. Upon the suspension of a member's voting privileges and rights, the HOA's membership shall be reduced by the suspended membership(s).

ARTICLE IV

Maintenance

Section 1. HOA's Responsibility. The HOA shall maintain and keep in good repair (a) all sidewalks located on Residential Units and (b) the Common Area, and all improvements thereon. Such maintenance shall include, without limitation, installing, maintaining, repairing and replacing, subject to any insurance then in effect, all sidewalks located on Residential Units and all walking trails, trees, landscaping and other flora, structures, private streets, security gates, alleys, irrigation system, storm water control and any other improvements situated upon the Common Area.

The HOA shall be responsible for the repair, maintenance and replacement of private fire line and private fire hydrants installed on Canterbury Rise and all metering stations associated with said fire line as it appears on the Avalon P.U.D. Subdivision, Section 3, Revision 2 Final Subdivision Plat recorded as Plat Book 45, Page 60 and as amended in Section 3, Revision 3 Final Subdivision Plat recorded as Plat Book 46, Page 7, in the Williamson County Register of Deeds Office Plat Book, and the HOA shall be responsible for the payment of all water charges in connection with said private line including the monthly minimum bill and water usage charges.

Section 2. Owner's Responsibility. The Owner of each Residential Unit shall have the responsibility for maintaining the following at his or her sole cost and expense: all exterior and interior portions of the Residential Unit; all land, flora and landscaping within the boundaries of the Unit; all areas within enclosed patios or courtyards; all inside and outside walls, roofs and structural components of the Residential Unit; all patios, decks, balconies, and driveways serving only one Residential Unit; and all other improvements not maintained by the HOA. In the event a Residential Unit is vacant land, the Owner shall at all times, maintain the vacant land in a clean manner, including but not limited to removal of trash and debris, and shall keep the vacant land free of weeds or other tall growth other than trees and shall mow/trim grass in a reasonable manner. Should the Owner fail to properly maintain its Residential Unit as required herein, the HOA shall have the right, in its sole discretion, to maintain such Residential Unit, in the event Owner fails to do so after five (5) days' written notice from the HOA to

Owner. All costs and expenses incurred by the HOA in maintaining such Residential Unit shall be assessed against the Owner.

Each Owner shall maintain said portions of its Residential Unit in a manner consistent with the Community-Wide Standard, the applicable covenants set forth in this Declaration and such rules and regulations as may be established by the Board from time to time.

ARTICLE V

Insurance and Casualty Losses

Section 1. Insurance. The Board of Directors for the HOA, or its duly authorized agent, shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area, against loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief. This insurance shall be in an amount sufficient to cover the full replacement costs of any repair or reconstruction in the event of damage or destruction from any such hazard.

The Board shall also obtain a public liability and hazard/multi-peril policy covering the Common Area, the HOA and its Members for all damage or injury caused by the negligence of the HOA or any of its Members or agents. The public liability policy shall have at least a One Million Dollar (\$1,000,000.00) single person limit as respects bodily injury and property damage, a One Million Dollar (\$1,000,000.00) limit per occurrence, and a Five Hundred Thousand Dollar (\$500,000.00) minimum property damage limit.

Premiums for all insurance required by this Article V to be maintained by the HOA shall be Common Expenses of the HOA and shall be included in the General Assessment, as defined in Article IX, Section 1. The policy or policies may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the HOA. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company licensed to do business in Tennessee and holding a rating of BBB+ or better in the Financial Category as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the more nearly equivalent rating.

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

(c) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one

or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the Franklin, Williamson County, Tennessee, area.

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

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

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

(iii) that no policy may be canceled, invalidated or suspended on account of any one or more individual Owners;

(iv) that no policy may be canceled, invalidated or suspended on account of the conduct of any Director, officer or employee of the HOA or its duly authorized agent without prior demand in writing delivered to the HOA to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the HOA, any Owner or mortgagee;

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

(vi) that no policy may be canceled or substantially modified without at least thirty (30) days' prior written notice to the HOA.

In addition to the other insurance required by this Section, the Board shall obtain, as a Common Expense, worker's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds on directors, officers, employees and other persons handling or responsible for the HOA's funds. The amount of fidelity coverage shall be determined in the directors' best business judgment, but may not be less than three months' Assessments, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be canceled or substantially modified without at least 30 days' prior written notice to the HOA. As set forth in Article XII, Section 3, of this Declaration, the Board shall also obtain, as a Common Expense, a reasonably available amount of Directors and Officers Errors and Omissions insurance.

Section 2. Disbursement of Proceeds. Proceeds of insurance policies on Common Areas shall be disbursed as follows:

(a) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Common Area or, in the event no repair or construction is made,

after making such settlement as is necessary and appropriate with the affected Owner or Owners and their Mortgagees as their interest may appear, shall be retained by and for the benefit of the HOA and placed in a capital improvements account. This is a covenant for the benefit of any Mortgagee of a Residential Unit and may be enforced by such Mortgagee.

(b) If it is determined, as provided for in Section 3 of this Article, that the damage or destruction to the Common Area for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner as provided for excess proceeds in Section 2(a) hereof.

Section 3. Damage or Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the Property covered by insurance written in the name of the HOA, the Board of Directors, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the costs of repair or reconstruction. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Property to substantially the same condition in which it existed prior to the fire or other casualty.

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless at a Special Meeting (as defined in the Bylaws) called in accordance with the Bylaws at least 75% of the total eligible vote of the HOA shall decide within 60 days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the costs of repair or reconstruction, or both, are not made available to the HOA within the 60 day period referenced above, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed 60 days. No mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed. In the event that it should be determined by the HOA in the manner described above that the damage or destruction of the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the damaged portions of the Common Area shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the HOA in a neat and attractive condition and the remaining insurance proceeds shall be delivered pro rata to the Owners of each Residential Unit.

Section 4. Repair and Reconstruction. If the damage or destruction to the Common Areas for which the insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Members, levy a Special Assessment against all Owners. Additional Assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

Section 5. Annual Review of Policies. At least annually, the Board shall review all the insurance policies that are required by this Article V to be maintained by the HOA in order to ascertain whether the coverage contained in the policies is sufficient. If the Board deems such coverage to be insufficient, the Board may expand the coverage to the extent it reasonably deems necessary.

ARTICLE VI

No Partition

There shall be no physical partition of the Common Area or any part thereof. This Article shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

ARTICLE VII

Condemnation

Whenever all or any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of all Owners) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to participate in the proceedings incident thereto, unless otherwise prohibited by law. The award made for such taking shall be payable to the HOA as Trustee for all Owners to be disbursed as follows: If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within 60 days after such taking the HOA and at least 75% of the total eligible vote of the HOA shall otherwise agree, the HOA shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefore, in accordance with plans approved by the Board of Directors of the HOA. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the HOA and used for such purposes as the Board of Directors of the HOA shall determine.

ARTICLE VIII

Rights and Obligations of the HOA

In addition to the powers delegated to the HOA by its Charter, the HOA shall have the obligation to perform each of the following duties related to the Property and Common Area:

Section 1. Operation and Maintenance of Sidewalks and Common Area. To operate, maintain and otherwise manage or provide for the operation, maintenance and management of the (a) sidewalks located on Residential Units and (b) the Common Area and all improvements

located thereon, together with all easements for operation and maintenance purposes and for the benefit of the HOA or its Members over and within the Common Area and/or the Residential Units; to keep all improvements, if any, of whatever purpose from time to time located on the Common Area in good order, condition and repair. Said maintenance shall include, but not be limited to, the maintenance obligations set forth in Article IV, Section 1. Any other provision of this Declaration or the Bylaws notwithstanding, the HOA always shall maintain lien-free title to the Common Area, excepting only a lien for current taxes not yet due and payable.

Section 2. Water and Other Utilities. To acquire, provide, and/or pay for water, sewerage, garbage disposal, electrical, telephone, gas and other necessary utility services for the Common Area.

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

Section 4. Insurance. To obtain from reputable insurance companies qualified to do business in the State of Tennessee, with a financial rating by Best's Insurance Reports of BBB+ or better, and maintain in force at all times such insurance as is required by this Declaration.

Section 5. Personal Property and Real Property for Common Use. The HOA, through action of its Board of Directors, may acquire, hold and dispose of tangible and intangible personal property and real property.

Section 6. Rules and Regulations. The HOA, through its Board of Directors or otherwise, may make and enforce reasonable rules and regulations governing the use of the Property, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions may include reasonable monetary fines, suspension of the right to vote and suspension of the right to use the Common Area. The Board shall, in addition, have the power to seek relief in any court for violations or to abate nuisances. In addition, the HOA, through the Board or otherwise, may, by contract or other agreement, enforce city and county ordinances or permit the City of Franklin and Williamson County, Tennessee, to enforce ordinances on the Property for the benefit of the HOA and its members.

Section 7. Implied Rights. The HOA may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Section 8. Restrictions on Sale/Dissolution. The HOA shall not be dissolved, nor shall it dispose of any Common Area or facilities, by sale or otherwise, except to an organization conceived and established to own and maintain the Common Area and facilities. Conditions of any such transfer shall continue to conform to the approved site plan.

ARTICLE IX

Assessments

Section 1. General Assessments. The Board may levy general assessments for expenses determined by the Board to benefit the HOA and/or the Residential Units as a whole, including, without limitation, expenses incurred by the HOA in fulfilling its maintenance obligations set forth in Article IV, Section 1 ("General Assessments"). General Assessments shall be allocated equally among all Residential Units.

Section 2. Assessment Obligation. Each Owner, by acceptance of his or her Deed, is deemed to covenant and agree to pay all Assessments levied by the HOA pursuant to this Declaration.

Each Residential Unit Owner shall from time to time pay the HOA any amounts required to make up any shortfall in the Operating Budget (as defined below), to the extent that such shortfall arises from (a) actual operating costs (including amounts allocated to or drawn from reserve funds) exceeding budgeted operating costs, or (b) budgeted operating costs (including amounts allocated to or drawn from reserve funds) exceeding actual income.

All Assessments, together with interest at the highest rate allowable under the laws of Tennessee from time to time relating to usury for residential real estate loans (or if no such rate is established, 16% per annum) ("Interest"), costs and reasonable attorneys' fees, including any costs and reasonable attorneys' fees incurred by the HOA in the enforcement of the ARC provisions attached hereto under Exhibit D, shall be a charge on the land and shall be a continuing lien upon the Residential Unit against which each Assessment is made. Each Assessment, together with Interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of such Residential Unit at the time the Assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board. The manner of payment fixed by the Board may include, without limitation, acceleration of the Assessment levied on a particular Unit on account of delinquent payment of such Assessment. Unless the Board otherwise provides, Annual Assessments shall be paid in a one-time annual lump sum payment. In the event a Member does not pay Assessments in such manner and on such date fixed by the Board, the Board has the power to lien for collection of said Assessments. The entire Assessment is an individual obligation of each Member and shall be a debt upon the Member from the date that the indebtedness is incurred until such date as the Assessment is paid in full.

Assessments cannot be increased more than 20% per annum without a two-thirds majority vote of the Members of the HOA.

Section 3. Computation of Annual Assessment. It shall be the duty of the Board within the first sixty (60) days of each fiscal year to prepare a budget covering the estimated costs of operating the HOA during that fiscal year (the "Operating Budget"). The Operating

Budget shall include a capital contribution establishing a reserve fund in accordance with a Capital Budget separately prepared, as more particularly described in Article IX, Section 6, below. The Board shall set Assessments based on the Operating Budget and the Capital Budget, provided that the Board may not increase Assessments more than 20% per annum. The Board shall cause a copy of the Operating Budget, and the amount of each General Assessment to be levied against each Residential Unit for the then current year, to be delivered to each Owner at least ten (10) days prior to the meeting. The Operating Budget, together with the Capital Budget and the General Assessments (collectively, the "Budget"), shall become effective unless disapproved at the meeting by a majority vote of the HOA membership (provided that it shall require a vote of a least fifty-one percent (51%) of the membership to disapprove the budget).

Notwithstanding the foregoing, in the event the Members disapprove of the proposed Budget or the Board fails for any reason to determine the Budget for the then fiscal year, then and until such time as a budget shall have been determined as provided herein, the Budget in effect for the prior year shall continue for the current year.

Section 4. Special Assessments. In addition to the General Assessments authorized above, the Board may levy, during any calendar year, but in no event prior to the first annual meeting of the Members, special assessments, applicable only to that year, to be used solely to defray, in whole or in part, the cost of any construction, reconstruction or unexpected repair or replacement of a capital improvement, including the necessary fixtures and personal property related thereto ("Special Assessments"). The Board may levy a Special Assessment against all Residential Units for such expenses determined by the Board to benefit the HOA and/or the Residential Units as a whole, and may levy a Special Assessment against particular portions of the Property for such expenses as may be determined by the Board to benefit less than the HOA as a whole. The Board may also levy a Special Assessment against particular Residential Units to reimburse the HOA for costs incurred in maintaining such Units upon failure of the Owner to do so, as set forth in this Declaration. Except for Special Assessments imposed upon particular Residential Units to reimburse the HOA for costs incurred in maintaining such Units upon failure of the Owner to do so and except for Special Assessments imposed under Article V, Section 4, and Article XII, Section 5(e), hereof, a Special Assessment must be approved by vote or written consent of (a) 67% of each class of Members in the HOA present and voting, either in person or by proxy, and entitled to vote at a meeting of the members of the HOA called for such purpose at which a quorum is present; or (b) 67% of the Unit Owners directly affected or benefitted by the Special Assessment, in the opinion of the Board, if less than all of the Owners are benefitted.

Section 5. Lien for Assessments. To secure the payment of any Assessment and/or fine imposed by the HOA pursuant to Article VIII, Section 6, of this Declaration (each such fine, a "Fine"), a lien may be recorded in favor of the HOA for each and every Residential Unit in the HOA. Such lien shall be prior and superior to all other liens, except all taxes, bonds, assessments, and other levies which by law would be superior thereto.

The HOA, acting on behalf of the Owners, shall have the power to bid for the Residential Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Any funds required for purchase of a Unit at foreclosure shall be assessed as a Special Assessment, subject to all of the requirements in Article IX, Section 4, hereof. With respect to any Residential Unit owned by the HOA following foreclosure: (1) no right to vote shall be exercised

on behalf of the foreclosed Residential Unit; (2) no Assessment shall be assessed or levied on the foreclosed Residential Unit; and (3) each other Residential Unit shall be charged, in addition to its usual Assessment, its equal pro rata share of the Assessment that would have been charged such Residential Unit had it not been acquired by the HOA as a result of foreclosure. Suit to recover a money judgment for unpaid Common Expenses and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

Section 6. Capital Budget and Contribution. As noted in Article IX, Section 3, above, the Board of Directors shall annually prepare a Capital Budget that shall take into account the number and nature of replaceable assets, the expected life of each asset and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the HOA, as shown on the Capital Budget, with respect both to amount and timing by Assessments over the period of the Budget. The capital contribution required shall be fixed by the Board and included within the Operating Budget and Assessment, as provided in Section 3 of this Article.

Section 7. Certificate of Payment. The Board shall, upon request and for a reasonable charge not to exceed \$25.00, furnish to any Person a certificate, signed by an officer of the HOA, setting forth whether or not all Assessments, whether General or Special, on a specified Residential Unit have been paid. Such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

Section 8. Transfer Assessment. Each new Unit Owner shall pay to the HOA at closing a transfer assessment fee in the amount of \$200.00 ("Transfer Assessment"). This one time Transfer Assessment shall be in addition to the regular Assessments provided for above. The Board shall have the ability to increase this assessment at the annual meeting of the members without a majority vote of the members.

Section 9. Impact Fee. Effective for Residential Units with plans approved by the Architectural Review Committee after January 1, 2011, each Residential Unit Owner shall pay to the HOA within thirty (30) days of receipt of written notice to proceed with construction, a one-time non-refundable impact fee in the amount of Five Thousand Dollars (\$5,000). This fee is in addition to the Five Thousand Dollars (\$5,000) initial construction deposit for plan review. This fee shall be held by the HOA to repair any existing and future roads within the HOA.

ARTICLE X

Architectural Standards

All dwellings constructed on Residential Units shall be constructed in accordance with any and all City of Franklin building codes and requirements and the Architectural Committee Regulations attached hereto and incorporated herein as Exhibit D.

The Board shall designate an architectural review committee (the "ARC"), consisting of two (2) representatives appointed by the Board, and a third-party architect selected by the Board who has demonstrated a sound understanding of traditional residential forms of design (a

“Qualified Architect”), to exercise the Board’s authority under this Article. The ARC must always include a Qualified Architect. The ARC shall promulgate detailed standards and procedures in implementing the requirements of this Article. The Board and any committee it may designate may not discriminate between Owners, and upon a written request for a hearing submitted to the Board, an aggrieved Owner shall have the right to a hearing before the Board in accordance with the applicable procedures promulgated in accordance with Article XI, Section 3. The Board shall have the standing and authority to enforce in a court of competent jurisdiction its and the ARC’s decisions in connection with this Article. Any legal action deemed necessary to enforce the Board and the ARC’s rulings and guidelines set forth within this Declaration and Exhibit D hereto, shall be born solely by the Owner/Residential Unit owner in question.

Any existing dwelling(s) on any Residential Unit that is not in compliance with the Architectural Standards as stated herein, shall be deemed acceptable as of the date hereof. Any additions, changes or alterations to such existing dwellings are subject to the provisions of this Declaration.

ARTICLE XI

Use Restrictions

Section 1. Use Restrictions. In addition to all other covenants contained herein, the use of the Property is subject to the following:

(a) Residential Use. Except as otherwise provided in this Declaration, each Residential Unit shall be used as a residence and for no other purposes, and there shall not be constructed or maintained upon any Residential Unit more than one single-family residence. The Common Area shall be used for recreational, social and other purposes directly related to the single-family use of the Residential Units authorized hereunder.

(b) Maintenance of Exterior and Interior. Except as provided in Article IV, Section 1, each Owner shall be responsible for the maintenance of, and shall maintain, the exterior and interior of its Residential Unit, including interior walls, exterior and interior windows, glass, ceilings, floors, doors, windows and permanent fixtures and appurtenances thereto, in a clean, sanitary and attractive condition.

(c) Easement to Make Repairs. Except as provided in Article IV, Section 1, each Owner shall: (1) keep its Residential Unit free from rubbish, litter and noxious weeds; (2) maintain, cultivate and keep in good condition and repair shrubs, trees, grass, lawns, plantings and other landscaping located, or from time to time placed, within the bounds of its Residential Unit; and (3) replace dead plants, shrubs, trees, grass or landscaping of the same or similar type.

(d) HOA to Landscape Common Area. Except as otherwise provided herein, the HOA shall have the right and the obligation at any time to plant, replace, maintain and cultivate shrubs, trees, grass, plantings and other landscaping upon the Common Area located on the Property, and, subject to the conditions stated below, on all or any portion of a Residential Unit maintained by the HOA under Article IV, Section 1. No

Owner shall remove, alter or injure in any way any shrubs, trees, grass, plants or other landscaping placed upon or about his Residential Unit, without first obtaining the written consent of the Board of the HOA.

(e) Signs and Billboards. No sign or billboard of any kind shall be displayed to the public view on any Residential Unit or portion of the Common Area, except for: (1) directional or informational signs, established by Avalon Partners, LLC or the HOA; (2) signs used by Avalon Partners, LLC, or by its successors or assigns, to advertise the Property, provided such signs are located on the Common Area; and (3) signs not in excess of six square feet per side erected by an Owner upon that Owner's Residential Unit to advertise the sale of that Unit.

(f) Quiet Enjoyment. No noxious, offensive or illegal activity shall be carried on, in or upon any Residential Unit or any part of the Property, nor shall anything be done thereon that may be or may become an annoyance or nuisance to the neighborhood, that shall interfere in any way with each Owner's quiet enjoyment of its respective Residential Unit, or that shall increase the rate of insurance in any way.

(g) Temporary Structures. No structure of a temporary character, or other out-building shall be used on any Residential Unit or the Common Area at any time as a residence or otherwise, either temporarily or permanently. Avalon Partners, LLC or its agents shall have the right to conduct any business necessary for the sale of Residential Units, including showing model Units and maintaining a sales office on the Common Area or in any Residential Unit owned by Avalon Partners, LLC. In furtherance thereof Avalon Partners, LLC shall have an easement over all of the Common Area for ingress, egress and parking for itself, its agents, employees and prospective buyers of Residential Units for so long as they or any subsidiary or affiliated company owns any interest in the Property.

(h) Animals. No animals, reptiles, rodents, livestock, birds, fish or poultry of any kind shall be raised, bred or kept in or on any Residential Unit; provided, however, that dogs and cats may be kept on a Residential Unit and such other household pets as may be approved by the Association may be kept in or on a Residential Unit so long as such dogs, cats and other approved household pets are not kept, bred or maintained for a commercial purpose and are continually kept within the boundaries of the Residential Unit and not permitted to roam upon the common areas or other Residential Units. Notwithstanding the foregoing, (i) a dog may be permitted on the Common Areas so long as it is on a leash, and (ii) dogs, cats and other approved household pets may not be kept in or on any Residential Unit if such keeping results in a nuisance to residents in the vicinity. In any event, each Owner shall be absolutely liable to all remaining Owners, their families, guests, invitees and tenants and to the Association for any and all damage to person or property caused by any pets brought or kept in or on any Residential Unit or on the Common Area by any owner or by members of its family, guests or invitees. Each Owner shall be responsible for cleaning up after its pets. The Board shall determine conclusively, in its sole and absolute discretion, whether, for the purpose of this paragraph (h), a particular animal, bird, fowl poultry or livestock is a nuisance and

therefore should be removed from the Property; provided, however, that the Board, at all times, shall act reasonably when making such a determination.

(i) Garage and Driveways. Every dwelling constructed on a Residential Unit shall contain a garage of sufficient size to hold at least two standard size automobiles. Every garage door shall be equipped with a remote-controlled garage door opener, and every garage door shall be kept closed except when the garage is being entered or exited. All driveways shall be paved with a hard-surfaced material; provided, however, that the ARC may require that pavers be used as accents or as the primary surface material on any or all Residential Units, and all Owners are encouraged to use pavers whenever and wherever possible.

(j) Vehicles. No truck, trailer, camper, boat, van or similar equipment or disabled car shall be permitted to remain upon or within the Common Area unless on a space designated for such use by the HOA. No such equipment may be stored or permitted to remain upon or within a Residential Unit less than two acres in size or any portion of the Common Area for more than 48 hours unless stored in an enclosed garage. Lots greater than two acres in size must demonstrate to the ARC that the above referenced vehicles cannot be seen from neighboring property or other Residential Units and/or streets.

(k) Exterior Structures. No fences, ornamental screens, awnings, screen doors, sunshades, walls or hedges shall be erected or permitted upon the Property, except such as are installed in accordance with the initial construction of the improvements or approved by the HOA as provided in Article X. No building, including out-buildings, patios, fences and porches, shall be removed from, erected on, placed or altered on any residential Unit, or any portion of the Common Area, until the construction plans and specifications and a plan showing the exact location of the structure or improvements have been approved in writing by the HOA with respect to quality of workmanship and materials, harmony of external design with existing structure or structures and location as provided in Article X. Any alteration in the exterior color of any structural improvement shall likewise be subject to the prior approval of the HOA.

(l) Exterior Radio and Television Equipment. No towers, antennae, aerials, dishes or other facilities for the reception or transmission of radio or television broadcasts or other means of communication shall be erected and maintained or permitted to be erected and maintained on any portion of the Property without the prior written consent of the HOA. Notwithstanding the approval of same by the HOA, none of same may be visible from the street.

(m) Garbage Collection. All rubbish, trash and garbage shall be removed from the Property regularly and shall not be allowed to accumulate thereon. All refuse containers, clothes lines, woodpiles, storage areas, machinery or equipment shall be kept in such a manner as not to be visible from neighboring property or contiguous streets. No incinerators shall be kept or maintained on any Residential Unit.

(n) Taxes and Utilities. Each Owner shall pay any real and personal property taxes or charges assessed against his respective Residential Unit and the utility charges for said Residential Unit.

(o) Infections, Plant Diseases or Insects. No Owner shall permit any thing or condition to exist upon any portion of such Owner's Residential Unit that shall induce, breed or harbor infections, plant diseases, vermin or noxious insects.

(p) Reasonable Inspection and Entry. The Board shall have the right of inspection and entry in order to perform the duties and obligations of the Board under this Declaration and under the Bylaws. In addition, the HOA and their designees shall have the right to enter upon a Unit for the purpose of cutting grass, hedges, shrubbery and providing maintenance as set forth under Article IV, Section 2.

(q) Trade or Business. No gainful profession, occupation, trade or other nonresidential use shall be conducted in any Residential Unit or upon the Common Area or any portion thereof without the prior approval of the Board. The Board may disapprove such a trade or business in the event that it determines that the trade or business would have a negative impact on the Property, including, without limitation, creating problems related to traffic, parking or security. In determining whether to approve a trade or business conducted in a Residential Unit, the Board shall be provided with detailed information on (i) the type of trade or business and (ii) the activities related thereto that could potentially affect the Property. In the event that the Board approves a certain trade or business (the "Approved Use"), then so long as the activities related to that Approved Use do not materially change from the activities described to and approved by the Board, then the Board (whether or not the composition of the Board changes) shall not have the right to disapprove the Approved Use after the date of the original approval.

(r) Compliance with Law. The HOA and each Owner shall promptly comply with all laws, statutes, ordinances, rules and regulations of federal, state or municipal governments or authorities applicable to use, occupancy, construction and maintenance of any improvements upon the Residential Units.

(s) Damage from Plants. No Owner shall permit any plant, tree, shrubbery or other similar item to exist upon any portion of such Owner's Residential Unit that shall damage or create a nuisance on another Residential Unit. The Board shall determine conclusively, in its sole and absolute discretion, whether, for the purpose of this paragraph, a particular plant, tree, shrubbery or other similar item is a nuisance and therefore to be removed from the Property.

(t) Drapes. Any drapes or window treatments in any Residential Unit which can be seen from the exterior of a Residential Unit shall be lined or backed with material which is white, off-white or neutral so that no other color other than these hereinabove set out can be seen on the window treatment from the exterior.

Section 2. Additional Restrictions. The Board of Directors shall be entitled to invoke additional rules and regulations from time to time for the operation, use and maintenance of the Property located within its jurisdiction, including the Units and the Common Area, provided such rules and regulations are not inconsistent with this Declaration.

Section 3. Inspection and Enforcement. The Board may establish procedures and policies for inspection of Units and enforcement of existing requirements.

ARTICLE XII

General Provisions

Section 1. Term. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and shall be enforceable by the HOA or the owner of any of the Property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of 30 years from the date this Declaration is recorded. After the initial 30 year term has expired, the term of this Declaration shall be automatically extended for successive periods of ten years, unless an instrument in writing, signed by 67% of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same.

Section 2. Amendment. This Declaration may be amended by a 75% affirmative vote of the Members. Any amendment shall not become effective until recorded in the Register's Office of Williamson County, Tennessee.

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

Section 4. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the HOA, his or her right of enjoyment to the Common Area and facilities to the

members of his or her family, tenants and social invitees, subject to such rules and regulations as the Board of Directors may adopt.

Section 5. Easements for Utilities, Etc.

(a) There are hereby reserved to Avalon Partners, LLC and granted to the HOA blanket easements upon, across, over and under all of the Property for ingress, egress, installation, replacing, repairing and maintaining security and similar systems, irrigation systems, walkways and all utilities, including, but not limited to, water, sewers, telephones, gas and electricity. The Board shall, upon written request, grant such easements as may be reasonably necessary for the development, maintenance or alteration of any portion of the Property.

(b) Notwithstanding anything herein to the contrary, this Declaration and the conveyance of each Residential Unit shall be subject to all easements, licenses or permits heretofore or hereafter granted by the Board for the installation and maintenance of utilities and drainage facilities necessary for the development of the Property.

(c) Whenever sanitary sewer connections, water connections or electricity, gas or telephone lines are installed within the Property, which connections or any portion thereof lie in or upon the Common Area or Residential Units owned by Owners other than the Owners of the Residential Units served by said connections, the Owner of each Residential Unit served by said connections shall have the right, and hereby is granted an easement to the full extent necessary therefore, to enter upon or have the utility companies enter upon the Residential Unit or Common Area upon which said connections, or any portion thereof, lie for the purpose of repairing, replacing and generally maintaining said connections as and when the same may be necessary.

(d) Whenever sanitary sewer connections, water connections or electricity, gas or telephone lines are installed within the Property, which connections serve more than one Residential Unit, the owner of each Residential Unit served by said connections shall be entitled to full use and enjoyment of such portions of said connections as serve his Residential Unit.

(e) In the event of a dispute between Owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, then upon the written request to the HOA of any one of such Owners, the matter shall be submitted to the Board, which shall decide the dispute and make a Special Assessment against any or all of the Owners involved, which Special Assessment shall be collected and enforced in the manner provided by Article IX of this Declaration.

(f) Each of the easements provided for in this Declaration shall be deemed established upon the recordation of this Declaration and thenceforth shall be deemed covenants running with the land for the use and benefit of the Residential Units and the Common Area, as the case may be, superior to all other encumbrances applied against or in favor of any portion of the Property. In furtherance of the easements provided for in

this Declaration, the individual deeds to Residential Units may, but shall not be required to, set forth said easements.

Section 6. Intentionally Deleted.

Section 7. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect. Each covenant and restrictions shall be enforced to the fullest extent permitted by law.

Section 8. Right of Entry. The HOA shall have the right to enter into any Residential Unit for emergency, security and safety, which right may be exercised by the HOA's Board of Directors, officers, agents, employees, managers and all policemen, firemen, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. It is intended that this right of entry shall include the right of the HOA to enter a Residential Unit to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon request by the Board. The Board may levy a Special Assessment against such Owner equal to the cost and expense incurred by the HOA in curing such condition.

Section 9. Enforcement. If any person, firm or corporation shall violate or attempt to violate any of the provisions of this Declaration, it shall be lawful for the HOA or any aggrieved owner to bring an action against the violating party at law or in equity for any claim that this Declaration may create either to prevent said person, firm or corporation from doing such acts or to recover damages for such violation. The provisions of this paragraph are in addition to and separate from the rights of the HOA to collect Impositions. Any failure of the HOA or any owner to enforce any of the covenants and restrictions or other provisions of this Declaration shall in no event be deemed a waiver of the right to do so thereafter. Should the HOA or any aggrieved owner employ counsel to enforce any of the covenants or restrictions contained in this Declaration, the prevailing party in any legal action shall be entitled to recover from the non-prevailing its reasonable attorneys' fees and expenses incurred in such action.

ARTICLE XIII

Regulation by the City of Franklin, Tennessee

Each Owner hereby agrees that the City of Franklin, Tennessee, is authorized and empowered to require the HOA and each Owner, jointly and/or severally, to provide for the orderly maintenance and upkeep of the Common Area. In the event that the City, or any agent thereof, determines that the Common Area is being maintained in a manner which is dangerous or detrimental to the health, safety and welfare of the community, pursuant to the provisions of the Franklin Municipal Charter and Code, the City and its agents, may upon ten (10) days' notice to the HOA enter upon the Common Area and make any repairs or improvements to the Common Area which the City and its agents deem necessary to remedy such conditions. Thereafter, the HOA and each Owner shall be obligated to pay to the City its costs for all

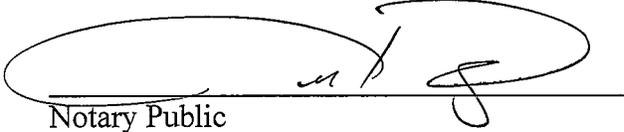
improvements, work and/or labor supplied or furnished to the Common Area. The obligation to pay said costs shall be a personal obligation of the HOA and each Owner, jointly and severally. All such costs shall be paid to the City within five days of receipt from the City of a statement for such costs, which receipt shall be required to be served upon the President of the HOA only. All Owners hereby waive notice of receipt of said statement for such costs. In order to secure payment at and after the due date, there shall arise a continuing lien and charge against each lot in favor of the City, the amount of which shall include costs and reasonable attorneys' fees to the extent permissible by law. The City may bring an action at law against the HOA and/or any Owner, or foreclose the lien against any property owned by any Owner. However, it is understood that any such lien in favor of the City shall be subordinate to the lien of any deed of trust placed upon the property for the purpose of securing indebtedness incurred to purchase or improve such property. Neither the HOA nor any Owner may waive or otherwise escape liability for the cost incurred by the City as described herein.

[Signatures Continued on Following Page]

STATE OF TENNESSEE)
)
COUNTY OF WILLIAMSON)

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, David L. Schwab, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Chief Manager of AVALON PARTNERS, LLC, the within named bargainer, a Tennessee limited liability company, and he as such Chief Manager being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the limited liability company by himself as such Chief Manager.

WITNESS MY HAND and official seal at my office on this the 28th day of October, 2010.



Notary Public

My Commission Expires: 11/4/2013



EXHIBIT A

Property Description

The property description for the real property comprising the HOA are the residential lots that follow as recorded in Avalon P.U.D. Subdivision Section 3 Plat Book P41, Page 67 as may be revised and re-recorded from time to time:

Lot 92	Lot 116
Lot 93	Lot 117
Lot 94	Lot 118
Lot 95	Lot 119
Lot 96	Lot 120
Lot 97	Lot 121
Lot 98	Lot 122
Lot 99	Lot 123
Lot 100	Lot 124
Lot 101	Lot 125
Lot 102	Lot 126
Lot 103	Lot 127
Lot 104	Lot 128
Lot 105	Lot 129
Lot 106	Lot 130
Lot 107	Lot 182
Lot 108	Lot 183
Lot 109	Lot 184
Lot 110	Lot 185
Lot 111	Lot 186
Lot 112	Lot 187
Lot 113	Lot 188
Lot 114	Lot 189
Lot 115	

Exhibit B

HOA Bylaws

[See Attached Amended and Restated Bylaws for
The Tors of Avalon Homeowners Association, Inc.]

Amended and Restated Bylaws of The Tors of Avalon Homeowners Association, Inc.

Article I – Name

The affairs of the HOA shall be conducted using the name The Tors of Avalon Homeowners Association, Inc. or such other name or names as the Board of Directors may from time to time authorize.

Unless otherwise herein to the contrary expressly provided, all capitalized terms used but not defined herein shall be deemed to have those meanings assigned thereto in the Original Declaration and the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for The Tors of Avalon Homeowners Association, Inc. (the “Declaration”) as may be revised and re-recorded from time to time.

Article II – Offices

The HOA shall maintain a principal office at a place designated by the Board of Directors. Further the HOA may maintain additional offices as the Board of Directors may designate from time to time as required by the affairs of the HOA.

Article III – HOA Membership and Purpose.

3.01 Membership. Every Owner of a Residential Unit shall be deemed to have a membership in the HOA. Membership shall be appurtenant to and may not be separated from ownership of any Residential Unit, and the ownership of a Residential Unit shall be the sole qualification for such membership. In the event that legal and equitable fee title to a Residential Unit is transferred or otherwise conveyed, that membership in the HOA which is appurtenant thereto shall automatically pass to such transferee, notwithstanding any failure of the transferor to endorse to his transferee any certificates or other evidences of such membership. The foregoing is not intended to include Mortgagees or any other persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate or otherwise affect an Owner’s membership in the HOA. Notwithstanding any of the foregoing to the contrary, no Owner, whether one or more persons, shall have more than one membership per Residential Unit. In the event of multiple Owners of a Residential Unit, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership, including the right to vote and to hold an office in the HOA, may be exercised by a member or member’s spouse, but in no event shall more than one (1) vote be cast or more than one office be held by each Residential Unit. When more than one person holds an interest in any Residential Unit, the vote for such Residential Unit shall be exercised as those Owners of such Residential Unit themselves determine and advise the Secretary of the HOA prior to any meeting. In the absence of such advice, the vote appurtenant to such Residential Unit shall be suspended in the event more than one (1) person seeks to exercise it. The voting weight appurtenant to each Residential Unit is equal and each Residential Unit shall have one (1) vote. Such voting weight shall continue to be equal

upon the addition of all or a portion of the Additional Property, as defined in the Declaration, and each Residential Unit therein shall have one (1) vote.

3.02 Purpose of the HOA. The HOA is formed to own the Common Area of Property, provided for the maintenance, control and preservation of the HOA and promote the health, safety and welfare of the Owners of the Residential Units in the HOA.

Article IV – Meeting of Members

4.01 Notice of Meeting and Quorum. Written notice of the annual meeting of the HOA, as well as any other meeting called for the purpose of taking any action authorized under Sections 7.01 and 7.02 hereof, shall be sent to all members not less than fifteen (15) days nor more than forty-five (45) days in advance of such meeting. With respect to annual meetings, the presence of members or proxies entitled to cast over fifty percent (50%) of all the votes of the HOA shall constitute a quorum. In the event of the absence of a quorum at such meeting, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be the presence in person or by proxy of members having one-third (1/3) of the total votes of the HOA. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

4.02 Special Meetings. Special meetings of the Members may be called by the President, a majority vote of the Board of Directors, or by written request of fifteen (15%) percent or more of the members entitled to vote. Notices of a special meeting must contain a statement of the purpose for which such meeting is called, and no other business may be transacted at that meeting.

4.03 Informal Action. Any action required by law to be taken at a meeting of the Members, or any action that may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Members entitled to vote with respect to the subject matter thereof.

4.04 Proxies. At any meeting of Members, a Member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. No proxy shall be valid after six (6) months from the date of its execution, unless otherwise provided in the proxy.

4.05 Voting by Mail. As to any matter requiring approval and vote of the Members, including but not limited to the election of Directors or officers, such election or vote may be conducted by mail, using absentee ballots, or in such other manner as the Board of Directors shall determine.

Article V – Board of Directors

5.01 Composition. The affairs of the HOA shall be governed by the Board of Directors of not less than three (3) nor more than five (5) Directors. The HOA, subject to the rights and duties of the Owners set forth in the Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including furnishings and equipment related thereto) and shall keep the same in a good, clean, attractive and sanitary condition, order and repair, pursuant to the terms and conditions thereof. Except to the extent otherwise required by the provisions of the laws of Tennessee relating to non-profit corporations, the Declaration, the Bylaws, or the charter, the powers

herein or otherwise granted to the HOA may be exercised by the Board of Directors acting through the officers of the HOA, without any further consent or action on the part of the owners. Directors must be comprised of at least one (1) Member of the HOA. A member of The Tors of Avalon Homeowners Association, Inc. may be elected as a Director. Each Owner, by acceptance of a deed to or other conveyance of a Residential Unit, vests in Board such authority to appoint and remove Directors and officers of the HOA.

5.02 Election of Board of Directors. Directors shall be elected annually by the Members at the annual meeting of Members for a one (1) year term.

5.03 Removal of Directors. Any director may be removed without cause by a vote of two-thirds (2/3) of the Directors then in office.

5.04 Resignation. Any director may resign at any time by giving written notice to the Board of Directors, the Chairman of the Board or the HOA. A resignation shall be effective when notice thereof is so delivered, unless the notice specifies a later effective date.

5.05 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the HOA, except such powers and duties as by law or by the Declaration or the Articles of Incorporation of the HOA or by these Bylaws may not be delegated to the Board of Directors by the Owners. The powers and duties to be exercised by the Board of Directors shall include but shall not be limited to the following:

(a) Operation, care, upkeep and maintenance of the sidewalks and walking trails located on Residential Unites and the Common Area;

(b) Determination of the amount of funds required for operation, maintenance and other affairs of the HOA;

(c) Collection of the assessments and common charges from the Owners;

(d) Employment and dismissal of personnel necessary for the efficient maintenance and operation of the HOA;

(e) Adoption and amendment of rules and regulations covering the details of the operation of the HOA;

(f) Opening of bank accounts on behalf of the HOA and designating the signatories required therefore;

(g) Obtaining insurance for the HOA property, pursuant to the provisions of the Declaration and these Bylaws;

(h) Making repairs, additions and improvements to, or alterations of, the HOA property, in accordance with the provisions of the Declaration; and

(i) Appointment and dismissal of members of the site and architectural review board ("ARC") in accordance with the ARC Regulations attached as Exhibit D to the Declaration; provided, however, that the authority to appoint and dismiss members of the ARC shall be subject to the rights of the HOA as provided in the Declaration.

5.06 Manager. The Board of Directors may employ for the HOA a property manager at a compensation established by the Board of Directors. The Board of Directors may delegate to the manager or managing agent all of the powers granted to the Board of Directors by the HOA and by these Bylaws other than the powers set forth in subdivisions (b), (e), (g) and (i) of Section 5.05 of this Article V.

The HOA shall have the right, but not the obligation, in its sole discretion, to employ a property management group to manage the HOA for such period of time as the HOA deems necessary. Such employment shall be for a minimum of two (2) successive one-year terms. Every member of the HOA by acceptance of a deed or other conveyance of a Residential Unit within HOA shall be deemed to ratify such management agreement.

5.07 Regular Meeting. Regular meetings of the board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each director, by mail or facsimile, at least three (3) business days prior to the day named for such meeting.

5.08 Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each Director, given by mail or facsimile, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the Secretary in like manner.

5.09 Notice. Notice of any special meeting of the Board of Directors shall be given at least fifteen (15) days previously thereto by written notice delivered personally or sent by mail or email to each Director at his address as shown by the records of the HOA. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by email, such notice shall be deemed to be delivered when a "read receipt" confirmation is received by the sender. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

If the Board of Directors changes the place, date or time of a regular meeting, notice of such action shall be given to each Director who was not present at the meeting at which such action was taken. Any Board action to remove a Director; amend the bylaws; amend the charger (other than a charter amendment to: [a] delete the name and address of the initial registered agent or registered office, if a statement of change is on file with the Secretary of State; [b] change the address of the principal office of the HOA; or [c] change the corporate name by substituting the word 'corporation,' 'incorporated,'

'company,' 'limited,' or the abbreviation 'corp.,' 'inc.,' or 'ltd.,' or a similar word or abbreviation in the name or by adding a geographical attribution to the name; approve a transaction in which a Director or officer of the HOA has a conflict of interest; authorize the indemnification of a Director, employee or agent of the HOA; approve a plan of merger, approve a sale, lease, exchange or other disposition of all or substantially off of the HOA's assets other than in the regular course of activities; or approve a dissolution of the HOA requires that each Director be given at least seven (7) days' written notice that the matter will be voted upon at a Directors' meeting. The notice of any meeting at which a bylaw amendment; charter amendment; plan of merger; plan for the sale, lease, exchange or other disposition of all or substantially all of the HOA's assets; or plan of dissolution is to be voted upon must state that the purpose, or one of the purposes, of the meeting is to consider such proposed amendment or plan and contain or be accompanied by a copy or summary of such amendment or plan.

Where reasonable under the circumstances, notice may be either written or oral, and may be communicated in person, by telephone, email, or other form of wireless communication, or by mail or private carrier. Written notice in a comprehensible form is effective at the earliest of the following:

- (a) when received;
- (b) five (5) days after its deposit in the United State mail, if mailed correctly addressed and with first class postage affixed thereon;
- (c) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and if the receipt is signed by or on behalf of the addressee;
- (d) twenty (20) days after its deposit in the United States mail, if mailed correctly addressed, and with other than first-class, registered or certified postage affixed; or
- (e) when received by email, if emailed to the correct address.

Notice of an adjourned meeting need not be given if the time and place to which such 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. At the adjourned meeting, the Board of Directors may transact any business which might have been transacted at the meeting.

5.10 Waiver of Notice. Any director may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice.

5.11 Quorum of Board of Directors. If two-thirds (2/3) or more of the Directors are represented at a meeting of the Board of Directors, a quorum shall be considered to be present. A majority vote of the Directors represented at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting to a specific future time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

5.12 Fidelity Bonds. The Board of Directors may obtain adequate fidelity bonds for such officers and employees of the HOA handling or responsible for HOA funds. The premiums of such bonds shall constitute a common expense.

5.13 Telephone Board and Committee Meetings. Members of the Board of Directors, or of any committee of the Board of Directors, may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting may simultaneously hear each other during the meeting, and participation in such a meeting shall constitute presence in person at such a meeting.

5.14 Reliance Upon Information, Opinions, Reports or Statements. To the full extent allowed by law, a member of the Board of Directors, or a member of any committee of the Board of Directors, shall, in the performance of his duties, be protected in relying in good faith upon information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: (i) one or more officers or employees of the HOA whom the Director reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, public accountants or other persons as to matters the Director reasonably believes are within the person's professional or expert competence; or (iii) a committee of the Board of Directors of which he is not a member if the Director reasonably believes the committee merits confidence.

Article VI – Officers

6.01 Designation. The principal officers of the HOA shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may elect such other officers as in its judgment may be necessary.

6.02 Election of Officers. Officers shall be elected annually by the Board of Directors. In the event of the death, resignation or disability of an Officer, his successor may be appointed by the Board or elected at any regular meeting of the Board of Directors called for such purpose, as the case may be.

6.03 Removal of Officers. Any Officer may be removed by a vote of the majority of the Board of Directors, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or any special meeting of the Board of Directors called for such purpose.

6.04 Resignation. Any officer may resign at any time by delivering notice to the HOA. Such a resignation shall be effective when the notice is delivered unless the notice specifies a later effective date.

6.05 Reliance Upon Information, Opinions, Reports or Statements. To the full extent allowed by law, an officer of the HOA shall, in the performance of his duties, be protected in relying in good faith upon information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: (i) one or more officers or employees of the HOA whom the officer reasonably believes to be reliable and competent in the matters presented; or (ii) legal counsel,

public accountants or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

6.06 President. The President shall be the chief executive officer of the HOA. He shall preside at all meetings of the Residential Unit Owners and the Board of Directors. He shall have all of the general powers and duties which are incident to his office and shall perform all of the duties assigned by the Board of Directors.

6.07 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be assigned to him by the Board of Directors or by the President.

6.08 Secretary. The Secretary shall keep the minutes of all meetings of the Owners and of the Board of Directors. He shall be in charge of such books and papers as the Board of Directors may direct, shall give notice in conformity with these Bylaws of any and all meetings, and shall also perform all other duties assigned to him by the Board of Directors.

6.09 Treasurer. The Treasurer shall have the responsibility for HOA funds and securities and shall be responsible for keeping full and accurate financial records and books of account and for the preparation of all required financial statements, including an itemized record of all receipts and expenditures, as well as a separate account for each Residential Unit which shall indicate the name and address of the Owner, the amount of each assessment for expenses against such residential Unit, the date when due, the amount paid thereon, and the balance remaining unpaid. He shall be responsible for the deposit of all monies and other valuable effects in the name of the HOA in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all other duties assigned to him by the Board of Directors.

6.10 Agreements, Contracts, Deeds, Checks, et cetera. All agreements, contracts, deeds, leases, checks and other instruments of the HOA shall be executed by any two officers of the HOA or by such other person or persons as may be designated by the Board of Directors.

6.11 Compensation of Directors and Officers. No director or officer shall receive any compensation from the HOA for acting as such.

Article VII – Operation of the Property

7.1 Computation of Annual Assessments. In accordance with Article IX, Section 3 of the Declaration, it shall be the duty of the Board within the first sixty (60) days of each fiscal year to provide a budget covering the estimated costs of operating the HOA during that fiscal year. The budget shall include a capital contribution establishing a reserve account if necessary for the capital needs of the HOA. The Board shall cause the budget and the proposed total of the annual assessments to be levied against Residential Units for the then current year to be delivered to each Owner at least fifteen (15) days prior to such meeting. The total annual assessments shall be divided among the Residential Units

equally, so that each Residential Unit shall be subject to equal annual assessments. Upon the addition of the Additional Property or any portion thereof to the HOA, assessments shall continue to be equal and the Residential Units being added to the HOA shall pay assessments which are equal to those imposed upon Residential Units previously in the HOA, subject to the terms and provisions of the Declaration. In such event, the HOA's budget shall be accordingly revised by the Board, without the necessity of approval by the Owners, to include Common Expenses and assessments related to such additional Residential Units. The budget and the annual assessments shall become effective unless disapproved at the annual meeting by majority vote of the Owners who are voting in person or by proxy at such meeting (provided that it shall require a vote of a least fifty-one percent (51%) of the membership to disapprove the budget).

Notwithstanding the foregoing, in the event the Members disapprove of the proposed Budget or the Board fails for any reason to determine the Budget for the then fiscal year, then and until such time as a budget shall have been determined as provided herein, the Budget in effect for the prior year shall continue for the current year.

If any budget at any item proves inadequate for any reason, then the Board may call a meeting of the HOA for the approval of a special assessment as provided in Section 7.02 hereof. The Common Expenses to be funded by the annual assessments may include, but shall not necessarily be limited to the following:

- (a) management fees and expenses of administration, including legal and accounting fees and insurance premiums;
- (b) utility charges for utilities serving the Common Areas and charges for other common services for the HOA, including trash collection and security services, if any such services or charges are provided or paid by the HOA;
- (c) the expenses of maintenance, operation and repair of those portions of the Common Areas including roads and streets, as well as perimeter fencing, which are the responsibility of the HOA under the provisions of the Declaration;
- (d) the expenses of maintenance, operation and repair of other amenities and facilities serving the HOA, the maintenance, operation and repair of which the Board from time to time determines to be in the best interest of the HOA;
- (e) the expenses of the ARC which are not defrayed by plan review charges;
- (f) *ad valorem* real and personal property taxes assessed and levied against the Common Areas, if any;
- (g) the expenses of recreational, cultural or other related programs for the benefit of the Owners and their families, tenants, guests and invitees;

(h) such other expenses as may be determined from time to time by the Board of Directors of the HOA to be Common Expenses, including, without limitation, taxes and governmental charges not separately assessed against Residential Units; and

(i) the establishment and maintenance of a reasonable reserve fund (i) for inspections, maintenance, repair and replacement of those portions of the Common Areas which are the responsibility of the HOA and which must be inspected, maintained, repaired or replaced on a periodic basis, (ii) to cover emergencies and repairs required as a result of casualties which are not funded by insurance proceeds, and (iii) to cover unforeseen operating contingencies or deficiencies arising from unpaid assessments or liens, as well as from emergency expenditures and other matters all as may be authorized from time to time by the Board of Directors.

7.02 Special Assessments. In addition to the annual assessments authorized above, the HOA, acting through its Board of Directors, may levy in any assessment year special assessments for Common Expenses, applicable to that year only. Subject to the provisions of the Declaration, any such assessment shall be approved by sixty percent (60%) of the votes of the Owners who are voting in person or by proxy at a meeting duly called for this purpose in accordance with the provisions of Section 4.01 hereof. The Board of Directors may make such special assessments payable in installments over a period which may, in the Board's discretion extend in excess of the fiscal year in which adopted. Such special assessments are to be prorated among the Residential Unites equally as provided with respect to annual assessments, except as provided in the Declaration.

7.03 Individual Assessments. Any expenses of the HOA occasioned by the conduct of less than all of the Owners, or by the family, Tenants, guests or invitees of any Owner shall be specially assessed against such Owners and their respective Residential Units. The individual assessments provided for in this Section 7.03 shall be levied by the Board of Directors and the amount and due date of such assessment so levied by the Board shall be specified by the Board.

7.04 Liens. All sums assessed against any Residential Unit pursuant to the Declaration, together with court costs, reasonable attorneys' fees, late charges and interest as provided herein, shall be secured by an equitable charge and continuing lien on such Residential Unit in favor of the HOA.

7.05 Effect of Nonpayment; Remedies of the HOA. Any assessments, or portions thereof, which are not paid when due shall be delinquent. Once any assessment or any portion thereof has become delinquent, the HOA may file a notice of lien in the records of the Register's Office of Williamson County, Tennessee. Any assessment delinquent for a period of more than ten (10) days after the date when due shall incur a late charge in an amount as may be determined by the Board from time to time and shall also commence to accrue simple interest at the rate to be determined by the Board of Directors. A lien and equitable charge as herein provided for each assessment shall attach simultaneously as the same shall become due and payable, and if an assessment has not been paid within thirty (30) days, the entire unpaid balance of the assessment may be accelerated at the option of the Board and be declared due and payable in full. The continuing lien and equitable charge of such assessment shall include the late charge established by the Board of Directors, interest on the principal amount due, all costs of collection (including reasonable attorney's fees and court costs), and any other amounts provided or permitted hereunder or by law. In the event that the assessment remains unpaid after sixty (60) days from the original due date, the HOA may, as the Board shall determine, institute

suit to collect such amounts and to foreclose its lien. The equitable charge and lien provided herein shall be in favor of the HOA, and each Owner by his acceptance of a deed or other conveyance to a Residential Unit vests in the HOA and its agents the right and power to bring all actions against him personally for the collection of such assessments as a debt and/or to foreclose the aforesaid lien in the manner provided in the Declaration. The HOA shall have the power to bid on the Residential Unit at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. No Owner may waive or otherwise escape liability for the assessments provided for herein, including by way of illustration, but not without limitation, non-use of the Common Areas or abandonment of his Residential Unit, and an Owner shall remain personally liable for assessments, interest and late charges which accrue prior to a sale, transfer or other conveyance of his Residential Unit.

7.06 Certificate. The Treasurer, any Assistant Treasurer or manager of the HOA shall, within ten (10) days of a written request and upon payment of such fee as is from time to time determined by the Board of Directors, furnish to any Owner or such Owner's Mortgagee, a certificate in writing signed by said Treasurer, Assistant Treasurer or manager setting forth whether the assessments for which such Owner is responsible have been paid, and if not paid, the outstanding amount due ad owing, together with all fines, accrued interest and other penalty charges. Such certificate shall be conclusive evidence against all but such Owner of the payment of any assessment stated therein to have been paid.

7.07 Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to each Residential Unit as set forth in the Declaration and shall be due and payable in such manner and on such schedule as the Board of Directors may provide. Annual assessments and any outstanding special assessments shall be adjusted for such Residential Unit according to the number of months then remaining in the then fiscal year of the HOA and the number of days then remaining in the month in which such Residential Unit is first conveyed. Annual and special assessments for Residential Units in portions of the Additional Property hereafter submitted to the terms of this Declaration shall commence as provided in the Declaration, and annual and special assessments for each such Residential Unit shall be adjusted according to the number of months then remaining in the fiscal year of the HOA and the number of days then remaining in the month in which such assessments commence.

Article VIII – Arbitration

8.01 Arbitration. Any disputes or controversies involving Owners arising under these Bylaws or under the Declaration shall be submitted to the Board of Directors for decision. The Board of Directors is required to issue its decision on such matters within thirty (30) days after the controversy or dispute is submitted by any Owner. The decision of the Board of Directors is not binding upon the parties, if and only if, such party contesting the decision initiates legal proceedings in a court of competent jurisdiction within thirty (30) days of receipt of such decision. Failure to timely commence such proceedings shall render the Board's decision final and binding. The submission of any such dispute or controversy to the Board of Directors shall be an express condition precedent to the institution of any legal action or proceeding.

Article IX – Record

9.01 Records and Audits. The Board of Directors shall keep detailed records of the actions of the Board of Directors, minutes of the meetings of the Board of Directors, minutes of the meetings of the Residential Unit Owners, and financial records and books of account of the HOA, including a chronological listing of receipts and expenditures, as well as a separate account for each Residential Unit which shall indicate the name and address of the Residential Unit, the date when due, the amounts paid thereof, and the balance remaining unpaid. In addition, an annual report of the receipts and expenditures of the HOA shall be rendered by the Board of Directors to all Residential Unit Owners, and to all Mortgagees of Residential Units who have requested such annual report, promptly after the end of each fiscal year.

Article X – Miscellaneous

10.01 Notices. All notices to the Board of Directors or to the HOA shall be sent by registered or certified mail to such address as the Board of Directors may hereafter designate from time to time. All notices to any Residential Unit Owner, with the exception of any Annual Meeting or Special Meeting notification, shall be sent registered or certified mail to such address as shall be designated by him/her in writing to the Board of Directors. All notices to Mortgagees of Residential Units shall be sent by registered or certified mail to their respective addresses, as designed by them from time to time in writing to the Board of Directors.

10.02 Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity or enforceability, or affect the balance of these Bylaws.

10.03 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision thereof.

10.04 Gender. All provisions herein include the male, female and neuter gender and include the singular and plural numbers as the case may be.

10.05 Waiver. No restriction, condition, obligation or provisions contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce it, irrespective of the number of violations or breaches thereof which may occur.

Article XI – Amendments to Bylaws

11.01 Amendments to Bylaws. These Bylaws may be modified or amended by the vote of two-thirds (2/3) of the total authorized votes for all Residential Units at a meeting of Residential Unit Owners called for such purpose. The notice of such a meeting must be mailed to all Residential Unit Owners at least fifteen (15) days prior to the scheduled date for the meeting and the notice must set forth the proposed amendment. No such amendment shall be effective until recorded in the office of the Register of Deeds of Williamson County, Tennessee.

Article XII – Indemnification of Officers, Directors, Employees and Agents

12.01 General. The HOA shall have the power to indemnify any person authorized by the Tennessee Nonprofit Corporation Act, as the same may be amended from time to time, in the manner prescribed therein, to the full extent allowed thereby.

12.02 Indemnification Not Exclusive. To the extent permitted by the Tennessee Nonprofit Corporation Act, as amended, the rights of indemnification provided in this Article XII shall be in addition to any rights to which any such director, officer, employee or other person may otherwise be entitled by contract or as a matter of law.

12.03 Insurance. The HOA shall have the power by action of the Board of Directors to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the HOA, or who, while a director, officer, employee or agent of the HOA, is or was serving at the request of the HOA as a director, officer, employee or agent of another corporation because of the HOA's interest in such other corporation, from and against any liability asserted against him or incurred by him in any such capacity or arising out of his status as a director, officer, employee or agent, whether or not the HOA would have the power to indemnify him against such liability.

EXHIBIT C

Budget

The Budget for The Tors of Avalon Homeowners Association, Inc. will be prepared and distributed to all members annually as set forth in the Declaration.

Exhibit D

Avalon Tors Architectural Committee Regulations

[See Attached Avalon Tors Architectural Committee Regulations.]

**AVALON TORS ARCHITECTURAL
COMMITTEE REGULATIONS**

Unless otherwise herein to the contrary expressly provided, all capitalized terms used but not defined herein shall be deemed to have those meanings assigned thereto in the Declaration and the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for The Tors of Avalon Homeowners Association, Inc. (the "Declaration") as may be revised and re-recorded from time to time.

SECTION I. INTRODUCTION

- A. Article X of the Declaration vests the responsibility to enforce the restrictions set forth in the Declaration and an ongoing right and obligation to approve initial design and construction of all improvements on the sites. In accordance with the Declaration, the Board of Directors of the HOA has determined that no new construction or alteration to existing construction, fence, wall, driveway, sidewalks, improvement, fixture or appliance, appurtenant thereto of any nature may be commenced or performed without obtaining prior written approval of the Architectural Review Committee (ARC), of the HOA.

SECTION II. ARCHITECTURAL COMMITTEE AUTHORITY

- A. The Board of Directors of the HOA hereby delegates to the ARC an ongoing right and obligation to approve initial design and construction of all improvements on the site. Accordingly, the ARC, appointed by the Board of Directors of the HOA, is hereby delegated the responsibility to enforce the restrictions set forth in Article X of the Covenants. After all residences have been constructed and are occupied, the Board of Directors of the HOA shall continue to be responsible for the enforcement of any improvements or modifications of initial design and construction, and the Board of Directors may continue to delegate this responsibility to the ARC.
- B. The ARC shall be the arbiter of such construction plans, subject to the overall authority of the Board, and may withhold approval, for any reason, including purely aesthetic considerations. All plans for proposed construction or alteration in Avalon must be of architectural styles as specified and the ARC may refuse to consider or approve any construction plans which, in its sole judgment, are inconsistent with the overall purpose and aesthetic values of Avalon or the architectural standards described in these regulations. Existing structures will be considered but do not, as such, constitute precedent or assure approval of subsequent construction or alterations.
- C. The HOA, shall employ an architect and a construction manager for the purpose of assisting the ARC in inspecting and approving construction plans, determining compliance with the applicable Franklin Codes and Regulations; and compliance with the requirements for buildings as set forth in the Covenants and in Section III of these regulations, and compliance with the designs approved by the ARC.

- D. Upon approval of the design package and conclusion of the preconstruction conference specified in Section IV, construction shall commence within ninety (90) days, and shall be promptly and continuously prosecuted to completion in strict compliance with the approved construction plans; otherwise, the approval shall automatically become void without further action of the Committee or the Board.
- E. Approval or rejection of plans will be in writing by the ARC and shall be delivered to the property owner by hand delivery with confirmation of acceptance, or registered/certified mail prior to the preconstruction conference. No verbal communication shall be considered or deemed valid in this process.
- F. It is the responsibility of the owner/builder to assure that approved plans are correctly followed. Members of the ARC, the HOA Board, and/or residents shall informally look for any variations from the approved plans and/or good taste and sound practice. Moreover, the HOA's professional architect and construction manager will customarily review construction at various times of their choosing in addition to those obligations set forth in Section VII herein.

SECTION III. DESIGN REQUIREMENTS

ARCHITECTURAL STYLES AND DESIGN GUIDELINES

A. Qualifications of Designers:

Each dwelling and any attached or on side buildings will be designed by a licensed architect or qualified building design professional who is subject to approval by the ARC.

B. Architectural Styles:

Structures shall be of traditional architectural styles more commonly known as historical, Mediterranean, Tuscan, Georgian, Colonial, Tudor, Williamsburg, French, Italian Renaissance, and similarly compatible styles and shall be built in strict compliance with the construction plans, including approved modifications hereto. Contemporary structures will be considered on a case by case basis on certain selected lots.

C. Minimum Building Size:

The total floor living area of the main structure upon any Residential Unit, exclusive of any open porches, patios, garages, carports, and breezeways, shall not be less than 4,500 square feet for single story homes and 5,000 square feet for two story homes.

Finished attics (areas within the roof line, above the second floor) will not be considered in the calculation of square footage. Areas above a garage, designated generally as Bonus Rooms, Playrooms, Recreation Rooms, TV rooms or Theater Rooms shall only be considered as part of the square footage calculation for areas where the height of the perimeter is in excess of 8' tall. One-half (1/2) of the finished basement square footage shall not be considered in the calculation of the required square footage.

All homes must have a minimum ceiling height as follows:

- First Floor..... Minimum 10 foot
- Second Floor..... Minimum 9 foot
- Basement Level.....Minimum 10 foot

GENERAL GUIDELINES:

In developing the site plan for a lot, it is essential that the owner take into consideration the setback requirements, the terrain and physical constraints of the specific site. Also, while each site plan should reflect the functional needs of the owner, it should also be sensitive to the sites unique characteristics and inherent design opportunities.

It is intended that the basic harmony of architecture will prevail among the buildings so that no building will detract from the attractiveness of the overall environment. The architectural character of each proposed building or structure will be compatible with the character of other buildings in the overall theme. It is encouraged that all submittals shall be prepared by a licensed architect(s) or engineer. The ARC will review all proposed building submissions, which must be of sufficient quality and completeness. Submittals that are of poor quality or otherwise insufficient shall be returned as "Insufficient Submittal – Not Reviewed."

Colors, materials, finishes & building forms should be sensitively integrated with the particular landscape & topographical character of each site.

The site dimensions must be adequate to accommodate the proposed improvements including the house, parking, drives & screening. In addition, the building must be designed to allow and provide reasonable access to all areas of the property for maintenance. No property owner may encroach or trespass onto neighboring properties for access.

Finished grades and elevations must be compatible with neighboring sites, particularly with regard to drainage & view.

Within the scope of the approved design styles, each residence will be well designed with respect to the following criteria:

1. Appropriateness of form, color & materials to design style
2. Relationship of window to wall and wall to total form (well designed massing)
3. Appropriateness of detailing to form, style & massing

The ARC shall consider each site independently, but shall give extensive consideration to each individual plan's impact upon adjacent home sites and the development as a whole. Therefore, the ARC will pay careful attention to the following specific items:

1. Physical terrain or site,
2. Existing land topography,
3. Existing drainage channels
4. Height and mass of structure

Approval of a site plan by the City of Franklin does not guarantee approval by the Avalon ARC.

It is expected that each dwelling's exterior and interior materials will be of the highest quality and durability so as to enhance the value of each dwelling and the development as a whole.

SITE DESIGN REQUIREMENTS

A. Setbacks:

Minimum setback requirements have been established but are not intended to engender uniformity. They are intended to avoid over-crowding and monotony. It is therefore intended that setbacks may be staggered, where appropriate, so as to preserve trees and to assure vistas of open areas. The ARC reserves the right to approve the site and location of each house or other structure on each site and to arrange the same, whether as a whole or individual elements of the whole, in such manner as it shall deem in the best interest of the overall development, including but not limited to the avoidance of conflict or incompatibility with existing development. No building or structure, or any part thereof, shall be located on any site closer to the front line nor to a side street line than the minimum setback lines shown on the recorded plat of Avalon or as specified in the Declaration. Interior lots shall provide the minimum side yard provided on the recorded plat. For the purpose of determining compliance with the minimum setback requirements, eaves, open or covered stoops and steps extending beyond the front wall of a structure shall not be considered as part thereof.

B. Easements:

Easements for installation and maintenance of utilities may be reserved over each lot by deed. Within these easements, no building structure shall be placed. The owner at their own risk may install plantings, drives, walks, walls etc. in easement areas. In the case that such installations damage or interfere with the installation

and maintenance of utilities, or change the direction of flow of drainage channels in the easements, the owner will be fully liable for all costs related to disruption of the owner's constructions and planting on the easements, including extra costs incurred by local utilities in installation and maintenance of utilities in the easement area. The easement area of each lot and all improvements on it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

C. Screen and Boundary Walls:

Walls & fences should be considered an extension of the architecture of the residence. They should serve to make a transition between the mass of the architecture and the natural forms of the site. All walls and fences should be designed to be compatible with the total surrounding environment and should not block natural views. Fences, walls & hedges should be considered as design elements to enclose and define courtyards to extend and relate the building forms to the landscape, as well as security/privacy elements. All walls & fences must be approved by the ARC prior to their installation. Prefab wood fencing or chain link will not be allowed within the community. Any fencing must be black wrought iron or black aluminum.

Boundary walls may be erected, provided that the same are set back from the street at least as far as the setback line. Without prior approval of the ARC, no walls may be constructed along the front lot line of any site. No boundary wall, nor any wall enclosing a patio or courtyard, shall extend to a height greater than eight (8) feet from ground levels except with the consent of the ARC and all adjoining site owners. No fences or walls enclosing rear yards located along rear property lines may be built closer to the service drive than the rear setback line shown on the recorded plat. All screen and boundary walls must be brick, stone, stucco or material agreeable to the ARC.

D. Grading & Elevations:

No owner shall excavate or extract earth from any other lot(s) subject to this Declaration for any business or commercial purpose without the prior written approval of the HOA. No elevation changes shall be permitted which will materially affect the surface grade of surrounding sites.

Excavation cuts and soil fill on each lot should be kept to a minimum. Grading which excessively or unnecessarily alters the natural topography of a site may not be approved.

Major grading, which may be required for setting of buildings, drives and other improvements should be consistent with the natural existing flow of the terrain. New grades should meet existing topography in a smooth transition and should avoid the unnatural look of broad flat surfaces or sharp, steep angles.

E. Retaining Walls:

Retaining walls may be utilized by lot owners to facilitate the setting of a structure, subject to height restrictions and other conditions that may be imposed by the ARC. No retaining wall shall extend to a height greater than three (3) feet above the earth being retained, unless approved by the ARC. All retaining walls must be brick, stone, stucco or material agreeable to the ARC.

F. Drainage:

Buildings and other improvements placed on the lot shall not interfere with natural drainage patterns. If the proposed site design shows drainage structures, they shall be constructed with natural materials such as rock or gravel and properly placed for positive operation of the drainage system. No drain pipes or impervious man made swale lining material may be exposed.

Discharge from gutter downspouts will be piped underground to streets, drives, or drainage easements. No downspout discharge piping shall be above grade except at its terminating drainage structure.

G. Swimming Pools:

Swimming pools, therapy pools and spas for the use of owners or their guests may be constructed on Lots so long as (i) they are below ground level and of a permanent nature (no liner pools above or below are allowed), (ii) unless otherwise approved by the HOA's Board, all pools must be located to the rear of the main dwelling and shall be no less than five (5) feet to any setback requirement shown on the Plat, (iii) all applicable laws, ordinances, rules and regulations of governmental agencies are met and all necessary governmental permits are obtained by the Owner, at the owner's sole expense, (iv) such pools are completely fenced in a manner approved by the ARC and in accordance with the restrictions set forth herein, (v) the construction is not commenced until after the improvement consisting of the residence has been commenced, and (vi) ARC has approved the design and location.

H. Mail Boxes:

Property owners are individually responsible for the cost of purchase and installation of the approved uniform mailbox designated by the HOA and sold by the HOA's designated supplier. The ARC may approve other forms of mailboxes which are architecturally consistent with the residence.

I. Screening of Utility Meters, Exterior Equipment, General Services:

Any and all equipment, wood piles, garbage cans, refuse or storage piles placed on any lot, whether temporary or permanent, shall be walled in to conceal the same from view of neighboring lots, roads, streets and open areas. Plans for any such screening wall or enclosure must be approved by the ARC.

All utility meters, air-conditioning compressors and other like equipment shall not be visible from neighboring lots, roads, streets, and open areas or shall be screened by shrubbery or an enclosure suitable to the ARC.

J. Satellite Dishes and TV antennas:

Satellite dishes and television antennas shall not be visible from streets, drives, or adjacent lots.

K. Driveways and Garage Aprons:

All driveways and garage aprons shall be constructed of exposed creek gravel aggregate concrete for uniform appearance. On a lot by lot basis, the ARC may approve other materials.

L. Off Street Parking:

A minimum of two (2) off-street parking spaces for each residence must be provided, and be located off the service drive at the rear of the residence, where there is a service drive; or if none, then in the owner's driveway.

Plans for constructing parking spaces on private lots immediately adjacent to the service drive to allow for the parking of the owner's vehicle(s) must be submitted to the ARC for approval.

M. Yards:

All front and side yards must be sodded to the lesser of the Residential Unit's lot line(s) or 75 feet from the front and side of the building. Seed and straw may only be used in the rear yards, provided that such seed and straw is not visible from the street. The ARC may grant a variance to these requirements based upon the particular terrain or physical characteristics of each site. Each yard shall be architectural landscaped using a variety of plant and tree specimen to enhance the architectural style of the building.

BUILDING DESIGN REQUIREMENTS

A. Exterior Design Concept:

The design concept introduced on the front elevation must be continued on all elevations. Window head and sill details, quoins & corner details, jack & flat arches, dormers, overhangs, cornice details and properly hung shutters must be designed and completed on all elevations.

B. Prohibited Exterior Materials (excluding Windows):

No residence shall be constructed or plans approved which include or feature as exterior materials vinyl or aluminum. Fiberglass, synthetic wood, composite fiber or any other material are subject to specific review and shall be submitted to the ARC for pre-approval.

C. Building Mounted Lights:

Eave lights may not be installed on the fronts of residences or, if installed on the sides, may not be directed to the fronts of residences.

D. Chimneys:

Chimneys must be constructed with brick or stone veneer, stucco veneer is not allowed except when the adjacent wall finish is stucco or stucco is the primary finish. Chimneys of alternative materials may be considered by the ARC if they are hidden, or in locations considered acceptable to the ARC.

E. Shutters:

Shutters must be of appropriate materials and design for the architectural style of the building. The planned installation method will be subject to approval by the ARC. Fully operational hinged shutters are recommended. Hinges and hold-backs must be correctly installed if required by approved design.

F. Garages:

Each residence must have a private, fully enclosed garage for at least three (3) cars. No garages shall face the street. The ARC may grant a variance to this only on corner lots, if, in the opinion of the ARC a hardship exists or other condition which creates a detrimental effect on the overall community. Interior walls of the garages must be finished. No garage will be permitted to be enclosed as a living space or used for purposes other than storage for cars and related uses. All garage doors must have architecturally decorative doors complimentary to the building's design. Doors must be automatic and remote controlled.

G. Roofs:

The proportions and slopes of roofs shall be consistent with the proposed architectural style of the home. The main roof of the dwelling shall be no less than 9/12 unless, by a determination of the ARC, a lower pitch would be compatible with the architectural style of the home. Architectural dimensional shingles are considered a minimum requirement. In all cases, vents will be painted the same color as the roof or as part of an approved color scheme requirement.

H. Windows:

The approved standard window shall be wood painted, stained, vinyl or aluminum clad and will be in color harmony with the exterior color and texture of the residence. Although strongly discouraged, windows constructed of material contrary to the approved standard are subject to specific review. **TRUE DIVIDED LITE WINDOWS ARE ENCOURAGED.** Grid patterns on all windows, shall be consistent and complimentary to the style of the building. No removable grid or inserts will be allowed. All windows in masonry walls must have minimum 2" brick mould. The applicant shall submit window specifications for review to the ARC.

I. Guttering:

Gutters and downspouts must be a minimum pre-finished aluminum. Corrugated rectangular profiles may be used on the side and/or rear of the home, only when such areas are not highly visible to public view. Round profile downspouts shall be

used on all front facades of the home. No vinyl or synthetic material gutters or downspouts are acceptable.

J. Solar Panels:

Although many of the techniques and hardware of solar energy are still in the development stage, the application of the principles of solar design should be carefully considered in the planning and the construction of all residences in the community. Solar collectors must be aesthetically integrated into the design forms when exposed to view, and they must be hidden from view. Visible solar collector panels should be carefully designed to relate to the architectural mass on which they are placed. When the solar collectors are placed on the roof, they should be racked at the same pitch and detailed to be as unobtrusive as possible.

K. Entry Door and Exterior Doors:

Front entry door shall be 8' minimum. All other exterior doors may be standard 6'8". Screen doors are not allowed where visible from the main street and/or side streets.

SECTION IV. DESIGN PACKAGE REQUIREMENTS

GENERAL REQUIREMENTS

In order to secure approval to start construction, the lot owner/builder must submit a complete design package for review and approval by the HOA's Architectural Review Committee. If the design package does not include the correct number of copies of all of the required information in the required format, it may be returned to the applicant for correction. Incomplete design packages will not be considered for approval to construct. Below is a listing of the information that must be included.

There may be instances in which the owner/builder desires to secure comments only on the aesthetic design of their proposed project in advance of paying for the production of a full set of plans. In these instances, the ARC will review the proposed project for an additional review fee of \$250.00 in addition to the payment of the full deposit and fee listed in Section V. The owner/builder must contact the HOA's Board representative, in advance of making this submittal, in order to obtain a list of information required for the aesthetic review.

A. Identification of Information:

All plans, documents, samples etc. must carry full title block information: full project name, lot number, full builder contact information, full designer contact information, current date or latest revision date. Revisions to previous submittal information that does not carry a current or revision date will not be processed.

B. Letter of Transmittal:

The design package must be accompanied by a dated standard letter of transmittal that fully lists what is being sent, to whom and by whom it is being sent, why it is being sent, the expected response date, and who else is being made aware of the transmittal of information.

C. Number of Sets and Sizes of Plans:

The design package shall include two (2) sets of construction plans and one (1) set of reduced plans (11" x 17"). Information to be included on the construction plans is listed below.

D. Square Footage Calculations:

Below is a listing of information which shall be printed on the architectural plans:

1. Total square footage of living spaces including stud walls
2. Total square footages of garages
3. Total square footage of the footprint of the structure including living space, garage, etc.
4. Total square footage of paved areas including drives, walks, terraces, pools, etc.

SPECIFIC SITE PLANS RELATED SUBMITTAL REQUIREMENTS

A. Grading & Site Improvement Plans must include:

1. Site plans shall be based on a current survey prepared by a licensed surveyor and include: topographical plan showing existing and proposed contours, cut & fill requirements, existing trees, all site improvements, routing of underground gutter drainage piping, drainage structures, all utility lines to serve the house (gas, water, electric, telephone, cable, etc.). Where possible, contours shall be extended beyond the property lines at least ten feet to allow consideration and coordination of storm water management with, and hardscape tie-ins to, adjacent properties, streets, drives, and common areas.
2. Retaining wall location, height, & materials
3. Surface water drainage plan
4. All buildings and their floor elevations
5. Utility locations
6. Driveway material & location
7. Outdoor heating & AC units & screening structures
8. Property lines, setback lines, and easements
9. Spot elevation of common area pavements at property corners

B. Landscaping and planting plans must include:

The design package shall include complete site plans showing finished topographic contours, appropriate spot elevations, all plant materials (as selected from Schedule A of this document), their layout, their quantities, their sizes, hardscapes, walks, drives, structures, drainage structures, fences, screen and retaining walls, garden

structures and pools, trees to be saved, and other information, which may be required by the ARC for this specific site.

Plant materials will be identified by common and species name, trunk diameter, height, ball size, container size, and quality level.

Landscape plans shall also show exterior decorative lighting and landscape features, such as stepping stones, walkways, fences, entry ports, pools, etc.

Each home site must have an irrigation system that is adequate to irrigate all landscape material in front and side yards. Further, if the rear yard is not left in its natural state, irrigation must be supplied to landscape material in the rear yard.

Within thirty (30) days of the final completion of the construction of a residence, each owner shall grade, sod the front outside yard and seed and straw the rear yard, and landscape the Lot. The ARC, in its sole discretion, may extend or postpone this thirty (30) day period to allow for weather conditions.

C. Building Plans must include:

1. Floor plans with notations and dimensions on drawings whose scale is $\frac{1}{4}'' = 1'-0''$
2. All building elevations with floor & finished grade lines, and elevations shown, along with dimensioned openings and roof pitches indicated, and all materials clearly labeled. Downspout locations shall be shown on the drawings and coordinated with underground discharge piping shown on the site and landscape plans. In lieu of dimensioning window and door openings, window and door schedules will be acceptable if keyed to each opening. Scale is to be: $\frac{1}{4}'' = 1'-0''$.
3. Building section required for clear explanation of structure type
4. Cornice section of each cornice type showing overhang materials, venting method, gutter type, & knee wall plate heights
5. Dormer detail of each dormer type
6. Detail of all porch rack, post cap & base, ceiling, railings & floor
7. Foundation plan showing footing size. Scale is to be: $\frac{1}{4}'' = 1'-0''$
8. Typical wall sections
9. All exterior surface materials clearly identified
10. Shutter details indicating material and method of installation
11. All window & door sizes marked for size, type & set height from floor
12. An outline of specifications showing materials & levels of quality for all structure & finish materials to be included
13. $\frac{1}{4}''$ Roof plan showing pitches and flow directions. Scale is to be: $\frac{1}{4}'' = 1'-0''$

D. Exterior materials samples and manufacturers' information:

1. Manufacturer's Information:

The plans shall include a full description of all exterior materials such as roof, exterior walls, cornices, eaves, columns, and shall include full manufacturer's information, style, model number, color names and color numbers, etc. required to completely identify the product proposed for use.

2. A physical sample of each product in the proposed color and style is required with the design package. Each sample shall be clearly labeled with the name of the project, lot number, and owner/builder. All labeling must be permanently affixed to the sample. All samples will be returned to the builder who shall maintain them and make them available, if requested, until after the final inspection. **Approval of the project includes only preliminary approval of exterior materials and paint colors.** Final approval for exterior materials, will occur at the beginning of the framing process, and will be based on approval of site erected samples as described below.

3. Site Erected Samples:

At the beginning of framing, the builder shall install, at the jobsite, brick, shingle, and painted cornice samples for final approval of exterior materials. The jobsite erected samples shall be 3'X3' in the case of brick and shingles and 3' linear in the case of the painted cornice. These samples shall remain in place until completion of the exterior building envelope. It is intended that approval of these samples during the framing stage of construction will allow the builder to begin installation of exterior materials without interruption to the normal flow of construction.

4. Window Brochure:

A design brochure from the window manufacturer is required.

SECTION V. REVIEW AND APPROVAL PROCESS

A. New Residences:

The complete design package must be delivered to the HOA Board representative to an address specified by the representative, along with a deposit of \$5,000.00 (\$3,000.00 of which is fully refundable provided all ARC regulations and conditions have been met throughout the duration of the project). Of the deposit, \$2,000.00 shall serve as a non-refundable review fee. Deposits must be in the form of check or money order only, made payable to the HOA. Other forms of deposit will not be accepted. Design packages received without the required deposit and fee will not be processed.

The design fee will be used to defray costs incurred by the HOA in the routine plan review process, additional or extra reviews by the ARC, architect or construction manager, the preconstruction meeting, inspections listed in Section VII, routine compliance inspections, resolution of issues that arise from the applicant's failure to comply with ARC regulations, processing of requested changes, communications with the HOA's Architect or construction manager, and other such extra costs that arise from the applicant's actions during the period of review and construction. If the review fee becomes exhausted, subsequent costs will be charged against the applicant's refundable deposit. If the applicant's

deposit becomes reduced significantly, the ARC may require an additional deposit as a requisite to continuation of construction. In the event, additional deposit levies are not paid with five (5) working days from the date of request, the ARC may stop construction work until payment of the additional deposit.

B. Modifications to Existing Residences:

Modifications or changes to existing residences require architectural review also, even if minor. Owners desiring to modify or change their existing residences are required to submit three (3) copies of plans to the HOA's Board representative at an address specified by the representative or Board, together with a \$1,000.00 deposit. The ARC will review the plans and determine whether the proposed change or modification requires a study by the HOA's architect. If so, the owner will be so notified and will be required to submit an additional \$150.00 to the Property Manager to defray the cost of the review by the architect. When the modification or change has been completed and approved by the ARC, the \$1,000.00 deposit will be refunded to the owner minus any costs incurred for such review by the architect or repairs or modifications to existing amenities or roads.

C. Initial Inventory and Architect's Review:

Receipt of the design package will be recorded by the Board's representative, and after review for completeness, one (1) set of plans will be submitted to the HOA's architect for review, if required. Any re-submittals or extra reviews by the HOA's architect or construction manager will be charged as extras to the owner/builder.

D. Committee Review and Response:

After review by the architect, the and the architect's review comments will be submitted to the ARC for review and/or approval after which they will be returned to the construction manager who will provide written notice to the owner/builder. If the project is approved, the construction manager will schedule the preconstruction conference.

E. Owner's Proxy:

It is acceptable for a builder, architect or other representative of the owner to carry out the foregoing procedure. The property owners must be aware; however, that they are responsible at all times to see that the approved procedures are followed, including the actions of their representatives or agents.

SECTION VI. PRECONSTRUCTION CONFERENCE

A. Location and Purpose:

After the plans have been approved by the ARC, and before any construction begins, a preconstruction conference will be held by the HOA's construction manager at the offices of the property management at the address listed above. The purpose of this conference is to make sure that the owner/builder fully

understands ARC Regulations, and the schedule of inspections provided in Section VII of these regulations.

B. Attendees:

Present at this conference will be a member of the ARC, the HOA's Architect and/or HOA's construction manager, the owner of the lot, and the designated party that will represent the owner/builder during the construction process, if any. At the preconstruction conference, the owner/builder must designate an individual responsible for the construction on the site, giving a telephone number and a proper mailing address.

C. Delivery of Notice to Proceed:

At the conclusion of the preconstruction conference, the owner/builder will receive written notice to proceed with construction.

D. Onsite Review of Property Corners and First Floor Elevation:

At the completion of the preconstruction conference, the attendees will adjourn to the building site to review planned staging of the project, planned erosion control measures, the locations of property corners and the first floor elevation. The owner/builder must have installed fence posts and the floor elevation marker prior to the preconstruction conference as described below in Section VII paragraph 9.

E. Agenda:

A copy of the preconstruction conference agenda can be obtained from the Board representative designated by the HOA.

SECTION VII. CONSTRUCTION OPERATIONS AND INSPECTIONS

A. BUILDER'S SUPERVISION AND OVERSIGHT:

It is required that the responsible party visit the site at least once per day and be aware of the condition of the site as it relates to all HOA regulations. Further, the responsible party will communicate to all suppliers and subcontractors such regulations. A breach of any regulation by a supplier or subcontractor is deemed to be a breach by the owner/builder.

B. DAYS AND HOURS CONSTRUCTION IS ALLOWED

No construction, whether original or alteration to existing facilities may be commenced or performed before 7:00 a.m. nor after 6:00p.m. Monday through Saturday. No construction of any type shall be undertaken on any residence on Sunday or on a national (federal) holiday. Any owner/builder whose employees undertake construction in violation of this paragraph shall be fined \$250 per day for each violation which shall be deducted from the owner/builder's construction deposit.

C. PARKING:

Personal and company vehicles may be parked on streets and service drives, but care should be taken to park in areas that will cause the least inconvenience to the current residents. This may mean parking some distance away from the worksite. Vehicles parked in front of occupied residence mail boxes, garages, or on vacant lots are subject to being towed without warning, at the vehicle owner's expense.

No construction or worker's vehicles, equipment, trailers, etc. may be parked on public streets or drives overnight.

D. CONSTRUCTION OPERATIONS LIMITED TO LOT:

No lumber, brick, stone, block, concrete or other building materials, nor any other thing used for building purposes shall be stored or maintained on any site except for the purpose of construction on such site, and then, only for such length of time as is reasonably necessary for the construction of the improvements then in progress. Common areas, streets and drives shall not be used for storage of dirt or other construction materials, nor shall they be used for construction operations in any way. Temporary use or construction on common areas, streets, or drives may be permitted if scheduled in advance with the HOA's construction manager or representative. Examples of such operations are connection to public utilities and installation of walks across common grounds to streets. Any builder or owner who makes a curb cut or damages any public areas in any way shall be responsible for repairing the same at his sole expense.

The ARC may grant permission for builders to use portions of adjacent building lots with the following stipulations:

1. Prior to contacting the owners of adjacent lots, the builder presents a plan for usage, erosion control, etc. to the HOA's construction manager or HOA's representative for approval;
2. After approval is granted and prior to the preconstruction conference the adjacent lot owner gives permission in writing to the builder for temporary use of the lot, a copy of which shall be provided to the construction manager at or before the preconstruction conference. (Upon receipt of the signed permission from adjacent lot owners, the construction manager will petition the ARC for final approval);
3. Restoration of the lot to the satisfaction of the ARC and the lot owner will be required, and the builder's deposit will be held until both are satisfied;
4. Erosion control on the lot will be as directed by the construction manager;
5. The builder will be held to all other regulations that apply to an owner/builder's lot during temporary construction use.

E. CLEANLINESS OF BUILDING SITES:

Owners/builders are responsible for the cleanliness of the site. It is expected that the builder will gather all trash at the end of each day to a proper trash receptacle or into the building and out of sight from streets, drives, or adjacent lots. If it is

necessary for the HOA to clean up a building site, after due notice to the owner/builder, the cost of such cleanup will be deducted from the owner's construction deposit. Burning shall not be allowed.

F. EROSION CONTROL:

To insure that soil erosion is properly controlled, all owners/builders must install erosion control such as silt fences, hay or straw bales, graded stone pads, in locations directed by the HOA's construction manager. The sites will be inspected by the HOA's construction manager, from time to time, to insure that the erosion control measures are properly installed and in place and that no soil erosion is occurring. Failure of erosion control measures will result in the owner/builder being fined \$250 for the occurrence and \$80 per day after notice of the failure to properly protect the building site from soil erosion.

G. DUMPSTER REQUIREMENTS:

If trash dumpsters are used, they are to be placed in the least visible location on the site that is compatible with construction operations. Dumpsters are to be promptly emptied when contents rise above the top edge of the container.

H. PORTOLET REQUIREMENTS:

If Portolets are used, they are to be placed in the least visible location on the site that is compatible with construction operations. In addition, their entrance door shall face the interior of the lot

I. PROPERTY CORNER AND ELEVATION BENCHMARK REQUIREMENTS:

Prior to the preconstruction conference, the builder shall install a steel fence post at least 5' above grade at each property corner. These shall be left in place until the completion of all hardscapes. In addition a 2X4 stake at the front door location with a 16" 2X4 cross piece at the first floor elevation shall be installed for inspection at the end of the preconstruction conference.

J. REQUIRED INSPECTIONS:

Inspections by the architect or construction manager will be initiated by the owner/builder's submission of a written request via email to the HOA's construction manager at the stage of completion of the project as outlined in this section. In addition a request by telephone to the construction manager may result in faster response. Within five (5) days following the construction manager's receipt of the request for inspection, the HOA's architect or construction manager will visit the construction site to determine whether the construction is proceeding in accordance with the approved plans. In the event that the visits are not scheduled at appropriate times, there is a risk that non conforming construction may take place, which will require demolition or modification. Owners and/or builders are urged to schedule site visits with the HOA's construction manager well in advance. If an owner/builder proceeds with construction prior to the requested within the five-day period before the architect or construction manager can inspect the property following the request, the owner/builder shall be fined

\$1,000.00 and a stop work order will be issued by the property manager for the project. No construction may resume on the project until the inspection has been completed and the \$1,000.00 fine paid to the property manager.

1. The first inspection shall be made after the footings of the house have been poured and the foundation survey produced. Property lines and corners shall be clearly marked so that determinations can be made as to the appropriate placement.
2. The second inspection shall occur after the foundation is complete so that a determination can be made regarding the height of the residence out of the ground and relative to street elevations shown on the approved plans.
3. The third inspection shall occur after the framing is complete. Roofing felt may be installed as part of the framing process to allow the builder to "dry-in" the building.
4. The fourth inspection shall occur just prior to commencement of the installation of the building envelope finish materials. The purpose of this inspection is to verify that the approved finish materials are to be installed on the house. Installation of site samples near the end of the framing process will facilitate quick final approval of finish materials so that the builder will experience no delay in approval for their installation.
5. The final inspection by the architect and construction manager shall occur after all landscaping has been completed and the owner/builder has submitted his or her request for a refund of the construction deposit. At the time of the final inspection, a determination will be made by the architect or construction manager regarding damage to surface of paved streets, curbs, utilities, or adjacent lots occasioned by the construction completed and a charge will be assessed against the owner/builder's construction deposit to defray the cost of repairs.

K. ADDITIONAL INSPECTIONS AND VISITS:

Any additional visits or inspections by the architect or construction manager, necessary to insure compliance with these regulations, will be charged to the owner or builder at the rate of \$250.00 per visit.

Other onsite visits may be made by members of the ARC and comments may be forwarded to the HOA's construction manager who will then contact the owner/builder.

L. TEMPORARY UTILITY POLICY:

The builder shall provide all temporary utilities for construction to the lot being constructed. It will not be permissible to serve a construction site from another lot.

M. CONCRETE AND MASONRY WASHOUT RESTRICTIONS:

Concrete washout and masonry operations washout will be limited to the lot under construction. If such washout leaves the lot, it will be considered a violation of the soil erosion policy and subject to an immediate fine. In addition, if washout is

found at storm inlets or common ground catch basins, the appropriate local water quality and environmental authorities will be contacted.

N. ADHERENCE TO APPROVED PLANS:

If at any time prior to or during the final inspection of the project, variances from the approved plans are observed, the original builder/owner will be notified of the variance and will be given ten (10) days to correct the variance. If the variance is not corrected within the specified time, such will be considered a fineable infraction of these regulations.

O. REGULATION OF NON-COMPLIANCE: LEVY OF FINES AND STOP WORK ORDERS:

Failure by the builder or owner to insure adherence to any of these regulations will be grounds for the HOA's construction manager to recommend that fines be levied by the HOA against the builder/owner deposit in the amount of \$250.00 for the first day of the non-compliance and \$80.00 per day thereafter until the non-compliance is remedied and recommendation of the levy is issued by the HOA's construction manager. Concurrent non-compliance will carry separate levies of fines as recommended by the HOA's construction manager. At the discretion of the construction manager, multiple non-compliances will be grounds for a recommendation of the issuance of a stop work order by the HOA Board, in addition to the levy of associated fines. In the event that accrued fines equal or exceed \$2,500.00, the HOA may issue a stop work order under which construction will not be allowed to proceed until the HOA receives payment in full of the accrued fines. In the event, legal action is required to enforce this paragraph owner agrees to be responsible for all costs and reasonable attorneys' fees associated with the enforcement herein.

SECTION VIII. PROCESSING PROPOSED CHANGES

A. PROCESSING OF PROPOSED CHANGES:

In the event the builder intends to vary from the approved plans, revised drawings are required to be submitted in quadruplicate to the Property Manager for review by the HOA's architect and the Architectural Review Committee. The builder is encouraged to submit proposed changes early so as to avoid delays in the work. Changes from the approved plans may result in orders from the HOA to stop the work. The cost of review for changes will be charged to the builder in addition to deposits already paid.

SECTION IX. PROJECT CLOSEOUT

A. COMPLETION OF LANDSCAPING:

The owner of any residence must complete landscaping of same in accordance with Section IV of these Regulations. The construction deposit shall not be

returned until the approved landscaping is installed. Maintenance of erosion control measures and adherence to all other regulations is an obligation of the original builder/owner which will remain in effect until satisfactory completion of all approved construction and landscaping and correction of any deficiencies or non-compliances listed in the final inspection report.

B. CERTIFICATE OF OCCUPANCY:

The owner shall provide to the ARC a copy of the permanent Certificate of Occupancy (“CofO”) issued by the governing municipality, no later than thirty (30) days from the issuance of the certificate.

C. RETURN OF DEPOSIT:

Within thirty (30) days of receipt of a CofO and completion of the final inspection report by the ARC, the HOA will refund to the owner, that portion of the unused refundable deposit made under Section V, Paragraph A herein.

SECTION X. LIMITED EFFECT OF APPROVAL OF PLANS.

A. The approval by the ARC of an owner’s plans for construction of an improvement upon any lot is not intended to be an approval of the structural stability, integrity or design of a completed improvement, the safety of any component therein or the compliance thereof with Williamson County regulatory requirements but is required solely for the purpose of insuring compliance with the covenants contained herein and further to insure the harmonious and orderly architectural and aesthetic development and improvement of the lots contained within the HOA. Notice is hereby given therefore to any future occupant of any completed improvement and all invitees, visitors and other persons who may from time to time enter or go on or about such completed improvement, that no permission or approval granted by the ARC, the HOA and any representative or agent of the HOA with respect to the construction of an improvement pursuant to these Regulations and the Declaration shall constitute or be construed as an approval of the structural stability of any building, structure or other improvement or the compliance of such improvement with Williamson County regulatory requirements, and no liability shall accrue to the HOA, the ARC or the any representative or agent of the HOA in the event that any such construction shall subsequently prove to be defective or not in compliance with such requirements.

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58 PGS : AL - RESTRICTIONS	
JESSICA BATCH: 195384 11/04/2010 - 10:37 AM	
BATCH	195384
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	290.00
ARCHIVE FEE	0.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	292.00

STATE OF TENNESSEE, WILLIAMSON COUNTY
SADIE WADE
REGISTER OF DEEDS