

Prepared by e MAIL

Universal Land Development, Inc.
William Joe Phillips, President
10730 Stroup Rd.
Roswell, GA. 30075

DECLARATION OF PROTECTIVE COVENANTS

**FOR
STILLWATER**

Instrument: 1998111700366
Book and Pages GI 5826 897
Data Processing F \$2.00
Misc Recording Fe \$44.00
Total Fees: \$46.00
User: BARKER
Date: 17-NOV-1998
Time: 02:47:14 P
Public Property Register
Hamilton County Tennessee

This declaration, made and published on the 17th day of November, 1998 by **Universal Land Development, Inc.** a Tennessee corporation (hereinafter referred to as "**Developer**").

W I T N E S S E T H :

Whereas, Developer is the owner of the real property known as **Stillwater** Subdivision, **Unit I**, a plat of which is recorded in the Register's Office of Hamilton County, Tennessee, in Book 60, Page 32 (hereinafter referred to as "**Subdivision**").

Whereas, it is to the benefit and advantage of Developer and its successors in ownership of the **Lots** within said Subdivision that these Protective Covenants regulating the use of such Lots be established, set forth, and declared to be covenants running with the land.

ck#5302

Now therefore, in consideration of said benefits, Developer does hereby proclaim, publish and declare that the following numbered Protective Covenants shall apply to all **Lots** of said Subdivision (**except for the ten Lots contained in Unit Two**). Every Grantee of any Interest in a Lot made subject to this Declaration of Protective Covenants by acceptance of a deed or other conveyance of such interests (whether it shall be so expressed in any such deed or other conveyance, whether such deed or other conveyance shall be signed by such person and whether such person shall otherwise consent in writing) shall take subject to this Declaration and to all the terms and conditions herein and shall be deemed to have assented to all of said terms and conditions. These covenants shall become effective immediately and shall run with the land described in any deed or other conveyance; and shall be binding upon all persons claiming under Developer, its successors or assigns, until terminated by operation of law, or as hereinafter provided to wit:

ORGANIZATION

1. **STILLWATER HOMEOWNER'S ASSOCIATION**. Before selling Lots the Developer shall cause Stillwater Homeowner's Association (hereinafter "**SHA**") to be formed as a non-profit Tennessee corporation for the purpose of preserving and enhancing the general quality of the Subdivision. **SHA** shall maintain and keep in good repair all common areas as defined in paragraph

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32 herein, and be responsible for the maintenance of all drainage areas originally maintained by the Developer.

2. **DESIGN REVIEW BOARD.** **SHA** shall appoint a Design Review Board (hereinafter "**DRB**") for the purpose of approving building plans, elevations, construction specifications, site plans, (showing the proposed drainage) lot orientations, and exterior finishes, colors, and design so as to protect property values in Stillwater Subdivision. Any change to the exterior color, finish, or texture of any improvement located on a Lot, including without limitation, the dwelling, the roof on any dwelling, or any fence, must be approved by the **DRB**. The **DRB** shall have three (3) members as provided in the **SHA** By-laws, except that the Developer shall appoint those three (3) members until control of **SHA** is released to the Lot owners as provided in paragraph 4 herein.

3. **PLAN AND SPECIFICATION APPROVAL.** No dwelling, tool shed, storage building, fence, pool or other structure of any type shall be erected, placed, altered or permitted to remain on any Lot until all plans and specifications relative to building and site location have been approved in writing by the **DRB**. If the **DRB** fails to approve or disapprove such plans and specifications within thirty (30) days after their submittal, such plans and specifications shall be deemed approved.

Plan and specification approval shall not imply approval of engineering, structural design or quality of materials, and by approving such plans and specifications neither the Developer, the **DRB**, nor **SHA** assumes liability or responsibility thereof, nor for any defect in any structure built according to such plans and specifications. Neither the Developer, the **DRB**, **SHA** board of directors, nor the officers, members, employees and agents of any of them shall be liable in damages to anyone submitting plans and specifications to any of them for approval by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans and specifications. Every person who submits plans and specifications and every Lot owner agree that such person or owner will not bring any action or suit against Developer, the **DRB**, **SHA** board of directors, nor the officers, members, employees and agents of any of them to recover any damages and hereby releases, remises, quitclaims, and covenants not to sue for all claims, demands, and causes of action arising out of or in connection with any judgment, negligence, or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands, and causes of action not known at the time the release is given.

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4. **TRANSFER TO SHA.** Full control of **SHA** shall be vested with the Lot owners upon the sale of all of the Lots in Unit One unless Developer exercises its right of annexation as provided in paragraph 24 herein. The Developer reserves the right to release control of **SHA** to the Lot owners at an earlier time. Membership in **SHA** shall be required of each Lot owner who shall be granted one share in **SHA**. Each share shall have one vote as to official **SHA** business. So long as the Developer owns any Lots, the Developer shall have one share in **SHA** per Lot.

5. **ASSESSMENTS.** Each Lot owner covenants and agrees to pay to **SHA** all assessments for Common Area maintenance and other official business expenses approved by the **SHA** board of directors. All such assessments shall be a charge on the Lot and shall be a continuing lien upon the Lot against which assessment is made in favor of **SHA**, and **SHA** shall be entitled to file a document evidencing such lien in the Register's Office of Hamilton County, Tennessee. Such lien shall be superior to all other liens and encumbrances on such Lot, except for liens for ad valorem taxes. After the recording of this Declaration, all other persons acquiring liens or encumbrances on any Lot shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments whether consent is specifically set forth in the instruments creating such liens or encumbrances.

Annual assessments shall be levied at a uniform rate per Lot and shall be paid in such manner and on such dates as may be fixed by the **SHA** board of directors. Such assessments shall commence as to all Lots then existing and subject to this Declaration on the first day of the month following initial occupancy.

Upon transfer for original occupancy, whether by sale or lease, each lot owner shall pay a \$100.00 initiation fee to **SHA**. The aggregate fund established by such fees shall be maintained in a segregated account for the purpose of insuring that **SHA** will have cash available to meet unforeseen expenditures.

BUILDING AND USE RESTRICTIONS

6. **LAND USE.** All Lots shall be used for single family residential purposes only. No more than one residence shall be permitted upon any one Lot. Manufactured homes, modular homes, and mobile homes are specifically excluded from the Subdivision. Each residence shall be built on site.

There shall be no business, church, school, day care, kennel or livestock of any kind located upon any Lot nor shall any business of any kind be operated out of any residence. At no time shall any Lot be used in whole or in part as a

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street or right-of-way or for any utility easement connecting from any street within the Subdivision to any land outside the Subdivision except by the Developer who reserves that exclusive right.

Combining two (2) or more Lots for one residence shall not be allowed unless approved in writing by the Developer.

7. **BUILDING EXTERIORS.** All buildings shall be constructed of new materials, and unless of some non-fading material such as brick, stone, or vinyl, the same shall be painted (or stained) and maintained in good condition at all times. This restriction does not preclude using unstained deck materials. Aluminum siding is specifically excluded from the Subdivision.

8. **CONSTRUCTION STANDARDS.** The following are minimum construction requirements for each Lot owner:

- a). The roof pitch of each structure shall be no less than 7/12;
- b). All foundations shall be covered with aesthetically pleasing materials;
- c). No concrete block, painted or unpainted, shall be exposed;
- d). Front and side yards shall be landscaped with ample shrubbery and bermuda sod;
- e). Each Lot owner shall be responsible for the continuation and connection of all underground utilities to his residence, for sidewalk construction parallel to the adjacent street, and for the installation and maintenance of a decorative exterior gas light provided by the Chattanooga Gas Co.
- f). The DRB shall approve the removal of any tree whose diameter is greater than six (6) inches at a point two (2) feet above the ground, whether such removal is contemplated by the builder or any subsequent Lot owner.

9. **BUILDING LOCATION.** Dwellings shall be set back from all streets and adjoining land as required by Hamilton County. For purposes of these covenants, eaves, steps, stoops, and decks shall not be considered part of the dwelling, provided, however, that this provision shall not be construed to permit an encroachment upon another Lot or upon the easements reserved in paragraph 22 herein. All other structures shall be located to the rear of the dwelling and not closer than 10 feet to any side property line nor closer than 25 feet to the rear property line.

10. **DWELLING SIZE.** Each single level residence shall have not less than 1,500 square feet and each multi-level residence shall have not less than 1,750 square feet of heated and cooled living area, exclusive of porches, decks, breezeways, and garages. Each dwelling shall include at least an

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enclosed double garage which may be located in the basement. Carports are specifically excluded from the Subdivision.

11. **MAILBOXES.** The **DRB** shall specify uniform standards for the installation and maintenance of all mailboxes.

12. **FENCES.** Fences shall be decorative and restricted to the back and side yards of the residence. Plans and specifications for proposed fencing shall be approved by the **DRB**. Chain-link fences are specifically excluded from the Subdivision.

13. **BUILDING TIME LIMIT.** Within six (6) months after site preparation begins, construction of the dwelling shall be completed according to the plans approved by the **DRB**, unless waived in writing by the Developer.

14. **NUISANCES.** The following constitute a nuisance per se and are strictly prohibited:

- a). Noxious or offensive activity carried on upon any Lot;
- b). Anything which is done thereon which may be or may become an annoyance to the neighborhood;
- c). Having or allowing abandoned cars, junk or other unsightly debris;
- d). Leaving automobiles, motorcycles, trailers, RV's, boats, vans or trucks on the street, whether disabled or otherwise;
- e). After five (5) days of occupancy, failure to remove any building materials that are visible from the street;
- f). Failure within six (6) months to replace or repair any dwelling which has been destroyed or damaged where such destruction or damage is extremely visible from the street;
- g). Moving debris from one Lot to another in the subdivision, during construction or otherwise;
- h). Using any portion of a Lot for storage of unsightly materials.
- i). No fence, hedge or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem.

15. **GARBAGE AND REFUSE DISPOSAL.** No part of any Lot shall be used or maintained as a dumping ground for rubbish. There shall be no dumping or leaving of any junk or other debris on any Lot. Household trash, garbage or other waste shall not be kept except in closed, sanitary containers and only to the rear of each residence.

16. **PARKING.** All commercial vehicles, trucks, trailers, campers, boats, and RV's shall be parked so as not to be visible from from any public street or

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road or from any other Lot. No vehicle (including motorcycles, minibikes, scooters, go-carts, and the like) shall be parked on the street. No disabled, wrecked, or otherwise unusable truck, automobile, motorcycle, or similar equipment may be brought onto any Lot for the purpose of dismantling same. Adequate off-street parking shall be provided by Lot owners for the parking of automobiles owned or invited by such owner, and said owners shall not park their vehicles on adjacent streets as a matter of course. Only off street parking is allowed.

17. **DAMAGES.** Damage rendered to the Subdivision by a builder's subcontractors or suppliers shall become the liability of the owner of the Lot on which construction is taking place. Such damage includes, but is not limited to, broken curbing or storm drain facilities, concrete spills on roads, cracked asphalt, or erosion and flood damage to adjacent Lots, property, or streams.

18. **ANTENNAS.** TV antennas, radio antennas, or satellite dishes shall not be allowed, with the exception of a satellite dish less than 24" in diameter provided its location is approved by the DRB.

19. **MISCELLANEOUS.**

- a). Swing sets, trampolines, playground equipment, or other recreational items shall be located to the rear of all residences;
- b). Above ground swimming pools, clothes lines, and window-mounted air conditioners are specifically excluded from the Subdivision
- c). No fuel tanks or water tanks shall be stored or maintained upon any Lot in such manner as to be visible from any public street or road or from any other Lot.

20. **TEMPORARY STRUCTURES.** No structure of a temporary nature, unless approved in writing by the DRB, shall be erected or allowed to remain on any Lot, and no trailer, camper, shack, tent, garage, barn, or other structure may be used as a residence, either temporarily or permanently. Specifically prohibited is the partial construction of a home, such as a basement, and the moving-in prior to completion. Such structure shall be considered temporary and prohibited.

21. **ANIMALS.** No animals, livestock, or poultry of any kind may be raised, bred, kept or permitted on any Lot, except for dogs, cats, or other usual and common household pets in reasonable number, as determined by the SHA; provided, however, those pets which, in the sole discretion of the SHA, endanger the health of or constitute a nuisance to any Lot owner or adjacent

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property owner, may be removed by **SHA**. No pets shall be kept, bred, or maintained for any commercial purpose. All pets shall be restrained by leash or fence. No structure for the care, housing or confinement of any animal shall be constructed, placed or altered on any Lot unless plans and specifications for such structure have been approved by the **DRB**.

DEVELOPER'S RIGHTS

22. **DRAINAGE EASEMENTS**. Easements are reserved unto the Developer, its successors or assigns, for access to, installation and maintenance of utilities, drainage facilities, storm sewers, and sanitary sewers as depicted on the plat recorded at Plat Book 60, Page 32, Register's Office Hamilton County, Tennessee (hereinafter the "**Plat**"), to cut or fill slopes along the boundaries of all public streets built in the Subdivision. Drainage flow shall not be obstructed nor diverted from drainage swales, storm sewers and/or utility easements as designated herein, or as may be shown on the Plat.

23. **RIGHT TO AMEND** The Developer reserves the right to amend from time to time at any time the Plat of unsold Lots to accommodate site plan changes, utility easements, Lot size changes, and other matters. Any divided or created Lot shall for the purpose of these restrictions be considered a separate Lot.

24. **ANNEXATION**. The Developer shall have the unilateral right, privilege, and option from time to time at any time until seven (7) years after the recording of this Declaration to subject additional land to this Declaration and the jurisdiction of **SHA** by filing for record in the county in which the land to be annexed is located a Supplementary Declaration describing the land being subjected. Any such annexation shall be effective upon the filing for record of such Supplementary Declaration unless otherwise provided in the Supplementary Declaration. As long as the existing Lot owners' rights are not adversely affected, the Developer may unilaterally amend this Declaration to reflect the different character of any such annexed land.

The Developer's right to subject additional land to this Declaration shall not impose any obligation upon Developer to subject additional land to this Declaration or to the jurisdiction of the **SHA**. If additional land is not subjected to this Declaration, the Developer's reserved rights shall not impose any obligation on Developer to impose covenants and restrictions similar to those contained in this Declaration upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Developer or any subsequent owner thereof, whether such uses are consistent with this Declaration.

25. **AMENDMENT.** This Declaration may be amended unilaterally from time to time at any time by the Developer if such amendment:
- a). Is necessary to bring any provisions hereof into compliance with any applicable governmental statute, rule, regulation or judicial determination which shall be in conflict therewith;
 - b). Is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration;
 - c). Is required by an institutional or governmental lender or purchaser of mortgage loans to enable such lender or purchaser to make or purchase mortgage loans on the Lots subject to this Declaration; or
 - d). Is necessary to enable any governmental agency or reputable private title insurance company to insure or guarantee mortgage loans on the Lots subject to this Declaration.

PROTECTIVE COVENANT VIOLATIONS

26. **ENFORCEMENT.** If any person bound to observe and comply with these Protective Covenants shall violate or attempt to violate any covenant while the same is in force, it shall be lawful for the Developer (only so long as Developer owns property in the Subdivision) or any other owner of an interest in land subject to these covenants to prosecute any proceeding at law, or in equity, against such violator either to restrain violation, to enforce personal liability or to recover damages. The violating Lot owner shall be liable for the payment of all costs and reasonable attorney fees incident to such injunctive proceedings incurred by the prosecuting party or parties, which cost and attorney fees are prescribed as liquidated damages; and the offending Lot owner shall also be liable for any other additional damages as may accrue. The remedies provided in this paragraph shall not be exclusive but shall be in addition to any other remedies allowed by law in such cases at the time or times of violation.

27. **SELF-HELP. SHA** or its duly authorized agent shall have the power to enter upon any Lot or any other portion of the Subdivision to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates this Declaration, **SHA** Bylaws or **SHA** rules and regulations. Unless an emergency situation exists, the **SHA** board of directors shall give the violating Lot owner ten (10) days written notice of its intent to exercise self-help. Notwithstanding the foregoing, vehicles may be towed after reasonable notice. All costs of self-help, including without limitation, reasonable attorney's fees actually incurred, shall be assessed against the violating Lot owner and shall become a continuing lien against said Lot and collectable by **SHA** as other assessments described in paragraph 5 herein.

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LOT OWNER RESPONSIBILITIES

28. **LOT AND YARD MAINTENANCE.** To maintain the beauty and property values in the Subdivision, each Lot owner shall be responsible for keeping his Lot, whether vacant or occupied, in a neat and attractive condition by mowing, trimming, etc. The Developer's maintenance responsibility, other than as a Lot owner, shall terminate upon recording of the Plat.

29. **NOTICES.** In the event an owner sells or leases a Lot in the Subdivision, the owner shall give to **SHA**, in writing, prior to the effective date of such sale or lease, the name of the purchaser or tenant of the Lot and such other information as **SHA** may reasonably require. Upon acquisition of a Lot, each new owner shall give **SHA**, in writing, the name and mailing address of the owner and such other information as **SHA** may reasonably request.

30. **LEASING.** If an owner leases his Lot, the lease shall have a minimum term of at least six (6) months. All leases shall require, without limitation, that the tenant acknowledge receipt of a copy of this Declaration, Bylaws, and **SHA** rules and regulations. The lease shall also obligate the tenant to comply with the foregoing.

GENERAL PROVISIONS

31. **STREETS AND DRIVEWAYS.** Each Lot owner, particularly during construction, shall keep clean and in good repair the streets adjacent to said Lot and shall replace and/or repair same that are damaged by himself, his builders, agents, or servants. During construction each Lot owner shall install and maintain a temporary gravel drive until a permanent concrete driveway is built, which shall be within the time set for construction completion.

32. **COMMON AREA DEFINED.** Lot 1 in the Subdivision, the Subdivision entrance sign and landscaping, and the street lighting throughout the Subdivision (hereinafter collectively referred to as the "**Common Area**") are hereby dedicated to the use of the Lot owners. The Common Area shall be owned and maintained by **SHA**.

33. **STREET DEDICATION.** All streets shown on the Plat are hereby dedicated to Hamilton County for public use.

34. **TERM.** Upon recording this Declaration the covenants and restrictions herein shall be binding upon all parties claiming under them for a term of **twenty (20) years**, at which time said covenants shall be automatically extended for successive periods of ten (10) years each; unless two-thirds of

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the then Lot owners vote to change such covenants and restrictions in whole or in part. For the purpose of this voting each Lot shall have one vote.

35. **SIGNS.** No sign of any kind shall be displayed to the public view on any Lot without the prior written consent of the **DRB** except:

- a). When offering a Lot or residence for sale or for lease, not more than one professionally lettered "For Sale" or "For Lease" sign having a maximum area of three (3) square feet;
- b). Professional security signs;
- c). Signs required by legal proceedings; and
- d). Signs erected by the Developer or a builder (and their agents) to advertise the property during the construction and sales periods.

Notwithstanding the foregoing, **SHA** shall have the right to erect reasonable and appropriate signs.

36. **SEVERABILITY.** Whenever possible each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if any provision of this Declaration or the application thereof to any person or to any Lot shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

37. **NON-WAIVER.** The failure of either **SHA** or the Developer to insist in any one or more cases upon the strict performance of the terms, covenants, conditions, provisions or agreements herein shall not be construed as a waiver in the future enforcement of any such terms, covenants, conditions, provisions or agreements. The acceptance of performance of anything required to be performed with knowledge of the breach of a term, covenant, condition, provision or agreement shall not be deemed to have been made unless expressed in writing and signed by an authorized representative of either the Developer or **SHA**.

38. **ZONING.** Zoning regulations applicable to property subject to this Declaration shall be observed. In the event of a conflict between zoning restrictions and the Protective Covenants contained herein, the more restrictive provision shall apply.

39. **CAPTIONS.** Paragraph captions herein are inserted for convenience only and are in no way to be construed as defining, limiting, extending or otherwise modifying the particular sections to which they refer.

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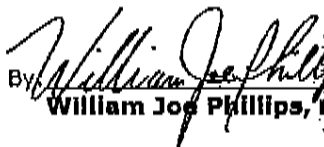
40. **GENDER.** Whenever the context herein shall require, the use of any gender shall include all genders, and the singular shall include the plural, and vice versa.


41. **DELINEATIONS.** Unless the context otherwise requires:

- a). "Person" shall include a corporation or other legal entity.
- b). "Lot" shall mean any parcel of land (subject to this Declaration of Protective Covenants) shown as a numbered parcel on the aforementioned Plat or on any plat of survey hereafter recorded if such numbered parcel becomes subject to this Declaration of Protective Covenants.

WITNESS my signature as Developer the 16th day of November, 1998.

Universal Land Development, Inc.

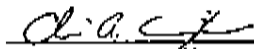
By 
 William Joe Phillips, President



STATE OF TENNESSEE
COUNTY OF HAMILTON

Before me, the undersigned Notary Public in and for the State and County aforesaid, personally came **William Joe Phillips**, with whom I am personally acquainted, and who upon oath, acknowledged himself to be the **President of Universal Land Development, Inc.**, the within named bargainer, a corporation, and that he, as such officer, being authorized to do so, executed the within instrument for the purposes therein contained by signing the name of Universal Land Development, Inc. by himself as President.

Witness my hand and Notarial Seal, this 16th day of November, 1998.



 Notary Public

My Commission Expires: 1/02/02

Prepared by and return to:
Title Escrow of Chattanooga, Inc.
Suite 150, 7401 E. Brainerd Road
Chattanooga, TN 37421

Instrument: 2001031300225
Book and Page: G1 5802 621
Data Processing F \$2.00
Misc Recording Fe \$8.00
Total Fees: \$10.00
User: STAYLOR
Date: 13-MAR-2001
Time: 03:10:03 P
Contact: Pam Hurst
Hamilton County Tennessee

AMENDMENT TO RESTRICTIONS ON [REDACTED]

WHEREAS, by instrument recorded in Book 5226, Page 897, and an amendment thereto recorded in Book 5269, Page 847, in the Register's Office of Hamilton County, Tennessee, Restrictive Covenants were imposed on all Lots in Stillwater Subdivision, Phase One (1), as shown by plat of record in Plat Book 60, Page 32, said Register's Office; and

WHEREAS, the Developer desires to amend said Restrictions, also the Developer wishes to impose said Restrictions on all Lots in Stillwater Subdivision, Phase Three (3), as shown by plat of record in Plat Book 63, Page 162, in the Register's Office of Hamilton County, Tennessee, all of the above stated restrictions and amendments.

NOW, THEREFORE, Universal Land Development, Inc. does hereby amend said Restrictions to further include all Lots of Phase Three (3) in Stillwater Subdivision, as shown on plat of record in Plat Book 63, Page 162, in the Register's Office of Hamilton County, Tennessee.

IN WITNESS WHEREOF, Universal Land Development, Inc., has caused these presents to be executed by William Joe Phillips, its President, and its corporate seal hereto affixed to be effective as of this 9th day of March, 2001.

Maximum principal indebtedness for Tennessee recording tax purposes is \$0.00.

UNIVERSAL LAND DEVELOPMENT, INC.

By William Joe Phillips, President
WILLIAM JOE PHILLIPS, PRESIDENT

Return to Title Escrow of Chattanooga, Inc.
2386971094
238693
-1.98

STATE OF TENNESSEE
COUNTY OF Hamilton

BEFORE ME, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared William Joe Phillips 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 President of Universal Land Development, Inc., the within named bargainor, a corporation, and that he, as such Officer, being duly authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of Universal Land Development, Inc. as such Officer.

WITNESS my hand and official seal at Chattanooga, TN, this 9th day of March, 2001.

My Commission Expires: 12/28/04



Anne McClure
Notary Public (Seal)

M

AMENDMENT OF PROTECTIVE COVENANTS FOR STILLWATER

FOR GOOD AND VALUABLE CONSIDERATIONS, the receipt and sufficiency of which is hereby acknowledged;

UNIVERSAL LAND DEVELOPMENT, INC., a Tennessee Corporation, as "Developer" in that certain DECLARATION OF PROTECTIVE COVENANTS FOR STILLWATER of record in Book 5226, page 897, in the Register's Office of Hamilton County, Tennessee, does hereby amend the paragraph therein that is identified as: "5 ASSESSMENTS," as the same now appears therein, to read as follows:

dash

5. ASSESSMENTS. Each Lot owner covenants and agrees to pay SHA all assessments for Common Area Maintenance and other official business expenses approved by the SHA Board of Directors. If any Lot owner shall fail or refuse to make any such payment of any such assessment within Ten (10) days of when due, the amount thereof shall, without necessity of recording any lien instrument, automatically constitute a lien, enforceable by SHA, on the Lot owned by that Lot owner, provided, however, that SHA, at its option, may record a notice of such lien to provide public notice of its existence. Such lien in favor of SHA shall be subordinate to the lien of any Deed of Trust which is recorded prior to the date such lien for unpaid assessments attached. If the owner and holder of a Deed of Trust which is recorded prior to the date such lien for unpaid assessments attached obtains title to a Lot by reason of foreclosure or Deed in Lieu of Foreclosure, such owner and holder of a Deed of Trust, its successors or assigns, shall take such Lot free of any claims for unpaid assessments, except for the amount of said proportionate share of such assessments which becomes due and payable from and after the date on which such owner and holder of a Deed of Trust either takes possession of the Lot or accepts a conveyance of the Lot in Lieu of any foreclosure of such Deed of Trust, or forecloses, or files suite to foreclose its Deed of Trust or causes a receiver to be appointed to take possession of the Lot. This provision shall not prevent SHA from enforcing any rights to which it is entitled against the prior Lot owner. The provisions of this paragraph 5 shall not be amended, modified or rescinded without the prior written consent of all owners and holders of Deeds of Trust recorded prior to the date of such amendment, modification or recession.

Annual assessments shall be levied at a uniform rate per Lot and shall be paid in such manner and on such dates as may be fixed by the SHA Board of Directors. Such assessments shall commence as to all Lots then existing and subject to this Declaration on the first day of the month following initial occupancy.

Upon transfer for original occupancy, whether by sale or lease, each Lot owner shall pay a \$100.00 initiation fee to SHA. The aggregate fund established by such fees shall be maintained in a segregated account for the purpose of insuring that SHA will have cash available to meet unforeseen expenditures.

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User: KLYNN
Date: 15-JAN-1999
Time: 03:11:00 P
Contact: Pam Hurst, Register
Hamilton County Tennessee

HALE, HALE & MCINTURFF
ATTORNEYS AT LAW
724 CHERRY STREET
CHATTANOOGA, TN
37402

Book and Page: 01 5269 048

IN WITNESS WHEREOF, UNIVERSAL LAND DEVELOPMENT, INC., has hereunto caused its corporate name to be signed, on this the 14th day of January, 1999.

UNIVERSAL LAND DEVELOPMENT, INC.

BY: *William Joe Phillips, President*
WILLIAM JOE PHILLIPS,
President

STATE OF TENNESSEE)
COUNTY OF HAMILTON)

On this 15th day of JANUARY, 1999, before me personally appeared WILLIAM JOE PHILLIPS, with whom I am personally acquainted, and who upon oath acknowledged himself to be the President of UNIVERSAL LAND DEVELOPMENT, INC., the within-named bargainor, and that he, as such officer being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the said bargainor, by himself as such officer.

IN WITNESS WHEREOF I have hereunto set my hand and Notarial Seal.

A. A. Aales

NOTARY PUBLIC

My commission expires:

Dec. 9, 2000

