

ANATOLE SUBDIVISION

DECLARATION OF MASTER COVENANTS, CONDITIONS AND RESTRICTIONS

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TABLE OF CONTENTS

<u>ARTICLE I -- DEFINITIONS</u>	2
Section 1. Articles of Incorporation	2
Section 2. Association	2
Section 3. Board	2
Section 4. Book of Resolutions	2
Section 5. Bylaws	2
Section 6. Common Area	2
Section 7. Declarant	2
Section 8. Designated Green	2
Section 9. Development	2
Section 10. Dwelling Unit	2
Section 11. Eligible Mortgagee	2
Section 12. Improvement	3
Section 13. Member	3
Section 14. Owner	3
Section 15. Poole Area	3
Section 16. Properties	3
Section 17. Site	3
<u>ARTICLE II -- COMMON AREA OWNERSHIP AND MAINTENANCE</u>	3
Section 1. Owner's Easements of Enjoyment	3
Section 2. Delegation of Use	4
Section 3. Rules and Regulations	4
Section 4. Leasing Common Area Facilities	4
Section 5. Operating Common Area Facilities	4
Section 6. Common Area Facilities Admission fees	4
Section 7. Suspensions	4
Section 8. Declarant's Covenant to Convey Title to Common Area	4
Section 9. Mortgaging Common Area	4
Section 10. Common Area Dedication or Transfer	5
<u>ARTICLE III -- PURPOSES, USES AND RESTRICTIONS</u>	5
Section 1. Common Properties	5
Section 2. Residential Use	5
Section 3. No Multi-Family Residences, Business, Trucks	5
Section 4. Minimum Square Footage	6
Section 5. Building Requirements	6
Section 6. Frontal Appearance	6
Section 7. Set-backs	6
Section 8. Chimneys	7

Section 9. Mailboxes	7
Section 10. Windows	7
Section 11. No Detached Buildings	7
Section 12. Sidewalks	7
Section 13. Fences	7
Section 14. Driveways	8
Section 15. Curbs	8
Section 16. Completion of Construction	8
Section 17. Lawn Care	8
Section 18. Initial Landscape Requirements	8
Section 19. Tanks and Garbage Receptacles	8
Section 20. Rearrangement of Site Lines	8
Section 21. Temporary Structures	9
Section 22. Signs	9
Section 23. Animals	9
Section 24. Zoning	9
Section 25. Unsightly Conditions	10
Section 26. Offensive Activity	10
Section 27. Sewage Disposal	10
Section 28. Permitted Entrances	10
Section 29. Tree Removal	10
Section 30. Wells	10
Section 31. No Antennas	10
Section 32. No Window Air Conditioners or In-Wall Units	11
Section 33. Sound Devices	11
Section 34. Laundry	11
Section 35. Duty to Rebuild or Clear and Landscape Upon Casualty or Destruction ..	11
Section 36. Vehicle Parking	11
Section 37. Approved Builders	11
Section 38. Application	12
Section 39. Violations and Enforcement	12

ARTICLE IV -- ARCHITECTURAL CONTROL

Section 1. Plan of design Approval	12
Section 2. Architectural Committee	12
Section 3. Procedure	13
Section 4. Enforcement	14
Section 5. Effect of Failure to Approve or Disapprove	14
Section 6. Right of Inspection	14
Section 7. Limitation of Liability	14
Section 8. Compensation	15
Section 9. Exterior Maintenance	15

ARTICLE V -- MEMBERSHIP AND VOTING RIGHTS

Section 1. Members	15
Section 2. Voting Rights	16

Section 3. Voting Rights Suspension	16
Section 4. Right of Declarant to Representation on Board of Directors of the Association	16
ARTICLE VI -- ASSESSMENTS	16
Section 1. Creation of the Lien and Personal Obligation of Assessment	16
Section 2. Purpose of Assessments	17
Section 3. Annual Assessment	17
Section 4. Special Assessment for Repairs	18
Section 5. Special Assessments for Capital Improvements	18
Section 6. Uniform Date of Assessment	18
Section 7. Date of Commencement of Annual Assessments	18
Section 8. Remedies for Non-Payment of Assessments	19
Section 9. Subordination of the Lien to Deeds of Trust	19
Section 10. Exempt Property	19
Section 11. Annual Budget	19
Section 12. Omission of Assessments	19
ARTICLE VII -- EASEMENTS	20
Section 1. Walks, Drives, Parking Areas, Utilities. Etc.	20
Section 2. Encroachments and Declarant's Easement to Correct Drainage	20
Section 3. Private Streets. Lakes. and other Common Areas	20
Section 4. Easement to City of Cleveland and Bradley County	20
Section 5. Easement for Drainage of Properties	21
Section 6. Greenway Easements	21
Section 7. Right of Entry - City of Cleveland or Bradley County	21
ARTICLE VIII -- ANNEXATION OF ADDITIONAL PROPERTIES:	
DECLARANT'S RESERVED RIGHTS	22
Section 1. Annexation by Members	22
Section 2. Annexation by Declarant	22
Section 3. Reserved Declarant Rights	23
ARTICLE IX -- AMENDMENT OF DECLARATION	23
Section 1. Amendment by Owners	23
Section 2. Amendment to Achieve Tax-Exempt Status	23
Section 3. Certification and Recordation of Amendment	23
Section 4. Effect and Validity of Amendment	25
ARTICLE X -- GENERAL PROVISIONS	25
Section 1. Enforcement	25
Section 2. Rights of Eligible Mortgagees	25
Section 3. Exchange of Common Area	27

Section 4. Protective Covenants for Dwellings	27
Section 5. Conflicts	27
Section 6. Severability	27
Section 7. Professional Management	27
<u>ARTICLE XI -- DISSOLUTION OR INSOLVENCY OF THE</u>	
<u>ANATOLE SUBDIVISION HOMEOWNERS' ASSOCIATION</u>	27
SIGNATURE PAGE	28

STATE OF TENNESSEE)
COUNTY OF BRADLEY)

DECLARATION OF MASTER COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
ANATOLE SUBDIVISION

THIS DECLARATION ("Declaration") is made this 2nd day of October, 1995,
by SOUTHERN HERITAGE DEVELOPMENT COMPANY, L.L.C., a Tennessee limited liability company
with offices in Bradley County, Tennessee (the "Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Bradley County, Tennessee,
all of which is more particularly described on Exhibit "A," attached hereto and incorporated herein
by reference (the "Properties"); and

WHEREAS, Declarant will convey the Properties subject to certain protective
covenants, conditions, restrictions, reservations, and charges as hereinafter set forth; and

WHEREAS, Declarant desires to create thereon a planned community for residential
homes; and

WHEREAS, Declarant desires to provide for the preservation and enhancement of the
property values, amenities and opportunities in the community and for the maintenance of the
Properties and improvements thereon, and to this end desires to subject the real property described
in Exhibit "A," together with such additions as may hereafter be made thereto to the covenants,
restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for
the benefit of the Properties and each owner of a portion thereof; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the value
and amenities in the Properties to create an association to which should be delegated and assigned
the powers of owning, maintaining and administering the community properties and facilities,
administering and enforcing the covenants and restrictions, collecting and disbursing the assessments
and charges hereinafter created, and promoting the recreation, health, safety, and welfare of the
residents; and

WHEREAS, Declarant has incorporated or will incorporate under the laws of the State
of Tennessee the Anatole Subdivision Homeowners' Association, Inc. as a nonprofit corporation for
the purpose of exercising the above functions and those which are more fully set out hereinafter;

NOW THEREFORE, Declarant does hereby declare all of the Properties to be held, sold,
and conveyed subject to the following easements, restrictions, covenants, and conditions, all of
which shall run with the real property, shall be binding on all parties having or acquiring any right,
title, or interest in the described properties or any part thereof, and shall inure to the benefit of each
owner thereof.

ARTICLE I

DEFINITIONS

Section 1. Articles of Incorporation: "Articles of Incorporation" refer to the articles of incorporation of the Association.

Section 2. Association: "Association" refers to the Anatole Subdivision Homeowners' Association, Inc., a Tennessee nonprofit corporation, its successors and assigns, or such other name the Declarant selects if such name for the corporation is not available.

Section 3. Board: "Board" refers to those persons elected or appointed to act collectively as the directors of the Association.

Section 4. Book of Resolutions: "Book of Resolutions" refers to the document containing rules and regulations and policies adopted by the Board.

Section 5. Bylaws: "Bylaws" refers to the bylaws of the Association as they now or hereafter exist, the initial version of which shall be in substantially the form attached hereto as Exhibit "C".

Section 6. Common Area: "Common Area" refers to all real property within the Properties, including private streets, and lakes, whether natural or man-made, for the common use and enjoyment of all Members, which property is owned either by the Association or Owners, together with all sewer and water lines serving and located on the Properties outside of dedicated public easements or municipal rights-of-way and not located on any Site. All real property owned by the Association and all real property not owned by the Association but designated on the recorded subdivision map of the Properties as "Common Area" shall be considered Common Area. This term shall also refer to any recreational facilities constructed on or lying in the Common Area, unless the context otherwise requires. The Designated Greens shall not be considered part of the Common Area.

Section 7. Declarant: "Declarant" refers to SOUTHERN HERITAGE DEVELOPMENT COMPANY, L.L.C., its successors and assigns.

Section 8. Designated Green: "Designated Green" refers to an area on a Site which is shown on the recorded subdivision map of the Properties as a designated green area and upon which all Owners and the Association shall have an easement prohibiting development on these areas, except as provided herein. This easement shall be deemed to be appurtenant to each Site.

Section 9. Development: "Development" shall mean the Anatole Subdivision in Bradley County, Tennessee, as described in Exhibit "A" attached hereto and as it may be expanded.

Section 10. Dwelling Unit: "Dwelling Unit" refers to a residence containing sleeping facilities for one or more persons and a kitchen, which residence is located on a Site.

Section 11. Eligible Mortgagee: "Eligible Mortgagee" refers to an institutional lender holding a mortgage or deed of trust ("Mortgage") encumbering a Site that has notified the

Association in writing of its status, stating both its name and address and the address of the Site its Mortgage encumbers, and requesting all rights under the Association's governing documents and this Declaration. When any right is to be given to an Eligible Mortgagee, such right shall also be given to the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration, the Federal Housing Administration, the Farmers Home Administration, the Government National Mortgage Association and any other public or private secondary mortgage market entity participating in purchasing, insuring or guaranteeing Mortgages if the Association has notice of such participation.

Section 12. Improvement: "Improvement" refers to all buildings, Dwelling Units, outbuildings, storage sheds or areas, roofed structures, parking areas, loading areas, fences, walls, hedges, mass plantings, poles, driveways, docks, ponds, lakes, changes in grade or slope, site preparation, clothesline installation, swimming pools, tennis courts, signs, exterior illumination, changes in any exterior color or shape, and any new exterior construction or exterior improvement exceeding \$1,000.00 in cost which may not be included in any of the foregoing. The definition of Improvements does not include garden shrub or tree replacements or any other replacement or repair of any magnitude which ordinarily would be expensed in accounting practice and which does not change exterior colors or exterior appearances, but does include both original Improvements and all later changes to Improvements.

Section 13. Member: "Member" refers to every person or entity entitled to membership in the Association as provided in this Declaration and in the Bylaws.

Section 14. Owner: "Owner" refers to the record owner, whether one or more persons or entities, of a fee simple title to any Dwelling Unit or Site which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 15. Poole Area: "Poole Area" refers to the Sites listed on Exhibit A-1 and on these Sites only plans and specifications approved by William E. Poole will be approved.

Section 16. Properties: "Properties" refers to that certain real property described in Exhibit "A" attached hereto and subject to this Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 17. Site: "Site" refers to any lot or plot of land regardless of size as shown on a recorded subdivision map of the Properties which has been approved by Declarant as required by this Declaration. Each Site shall be undeveloped or shall contain one residential Dwelling Unit.

ARTICLE II

COMMON AREA OWNERSHIP AND MAINTENANCE

Section 1. Owner's Easements of Enjoyment: Subject to Section 6 of this Article, every Owner shall have a right of ingress to and egress from the Common Area, together with a right of enjoyment in and to the Common Area, which rights shall be appurtenant to and shall pass with the title to every Site; provided, however, that ingress to and egress from each of the lakes and ponds shall be solely at the access points as shown on the recorded subdivision map.

Section 2. Delegation of Use: Any Owner may delegate his rights of enjoyment of the Common Area to the members of his family, his tenants, contract purchasers who reside on the Site, or his guests.

Section 3. Rules and Regulations: The Board shall have the power to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the Common Area. Such rules and regulations, along with all policy resolutions and policy actions taken by the Board, shall be recorded in a Book of Resolutions, which shall be maintained at the office of the person or entity managing the Common Area on behalf of the Association and available to the members for inspection during normal business hours.

Section 4. Leasing Common Area Facilities: Subject to applicable laws and ordinances, the Board shall have the power to lease the use of any recreational facility for functions, lessons, or special events, and to allow such lessee to charge admission or other fees for functions, lessons, or special events.

Section 5. Operating Common Area Facilities: The Board of Directors shall have the power to limit the number of guests, to regulate hours of operation and behavior, and to curtail any use or uses it deems necessary for either the protection of the facilities or the peace and tranquillity of adjoining residents with regard to the recreational facilities located on the Common Area.

Section 6. Common Area Facilities Admission fees: Subject to applicable laws and ordinances, the Association may charge reasonable admission and other fees for the use of any Common Area recreational facility.

Section 7. Suspensions: The Board of Directors shall have the power to suspend the voting rights and right to the use of any Common Area of a Member or any person to whom that Member has delegated his right of enjoyment (i) for any period during which any assessment against his Site remains unpaid, and (ii) for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

Section 8. Declarant's Covenant to Convey Title to Common Area: The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to its property that will be designated Common Area and portions thereof to the Association (save and except Common Area that forms a part of a Site as shown on the recorded subdivision map), within one (1) year of such time as it conveys the first Site to some person other than Declarant within the specific area to be developed, as contained in a recorded subdivision plat or map, subject to easements of record for greenways, utilities, television antenna, drainage, access or other service, and expressly subject to an easement in favor of the Declarant to construct recreational facilities on the Common Area that are approved by the Board. Similarly, Declarant will convey to the Association real estate that will be designated as Common Area which become parts of the Properties (but are not a part of any Site) as those portions are annexed in the future until all designated real estate has been conveyed to the Association, such conveyance subject to the aforementioned easements. The Association shall accept the conveyance of all such Common Area pursuant to this section.

Section 9. Mortgaging Common Area: The Association shall have the power to borrow money for the purpose of improving any Common Area, and pursuant thereto to subject the

Common Area or any portion thereof that it owns to a mortgage or deed of trust; provided however, that the execution of such mortgage or deed of trust shall require the same approval of the membership which is required for special assessments for capital improvements as set forth in Article VI, Section 5 of this Declaration. The rights of such mortgagee in such Common Area shall be subordinate to the rights of the Members.

Section 10. Common Area Dedication or Transfer: The Association shall have the right to dedicate or transfer all or any parts of the Common Area that it owns to any public agency, authority, or utility for such purposes. No such dedication or transfer shall be effective unless it is approved at an annual or special meeting by a majority of those present at the meeting at which a quorum is present.

ARTICLE III

PURPOSES, USES AND RESTRICTIONS

Section 1. Common Properties. The Common Properties shall be used to benefit the residents of Anatole Subdivision and to enhance the appearance of the Development.

Section 2. Residential Use.

A. All of the Sites in the Development shall be, and be known and described as, residential sites, and no structure shall be erected, altered, placed or permitted to remain on any Site other than one (1) detached single family dwelling, with attached garage, which must be for a minimum of two (2) cars. With the Declarant's or the Board's prior written approval, detached garages, carports, outbuildings or servants' quarters may be permitted. Garage doors may not face the street upon which the Dwelling Unit fronts without special consent from the Declarant or Board. The inside walls of garages must be finished. Garage doors may not be allowed to stand open for an extended period of time.

B. "Residential" refers to a mode of occupancy, as used in contradistinction to "business" or "commerce" or "mercantile" activity and, except where otherwise expressly provided, "residential" shall apply to temporary as well as permanent uses, and shall apply to vacant Sites as well as to buildings constructed thereon.

C. No Site, or any portion thereof, may be used as a means of service to business establishments or adjacent property, including but not limited to supplementary facilities or an intentional passageway or entrance into a business or another tract of land, whether or not a part of the Property, unless specifically consented to by Declarant in writing.

Section 3. No Multi-Family Residences, Business, Trucks. No residence shall be designed, patterned, constructed or maintained to serve, or for the use of more than one single family, and no residence shall be used as a multiple family dwelling at any time, nor used in whole

or in part for any business service or activity, or for any commercial purpose; nor shall any Site be used for business purposes, or for trucks or other equipment inconsistent with ordinary residential uses. No panel, commercial or tractor trucks shall be habitually parked in driveways or overnight on streets in front of any of the Sites.

Section 4. Minimum Square Footage. No dwelling house shall be erected or permitted to remain in the Development unless it has the number of square feet of enclosed living area, exclusive of open porches or screened porches, carports, garages or basements, set forth in this section. (For the purposes of this section, stated square footage shall mean the minimum floor area required, and floor area shall mean the finished and heated living area contained within the residence, exclusive of open porches, garages, and steps. In the case of houses which are known as "split-levels", in order for a level to qualify as a main living area, it must be exposed for full height on three sides. In the case of any question as to whether a sufficient number of square feet of enclosed living area have been provided, the decision of the Declarant or the Board shall be final.) The minimum number of square feet required is as follows:

(i) A 2-story residence with attached double garage: 1,800 square feet on the first floor of such residence, and 2,800 total square feet;

(ii) A 1-story residence with attached double garage: 2,400 square feet;

(iii) A 1-1/2 story residence with attached double garage: 1,500 square feet on the first floor of such residence and 2,500 total square feet;

NOTE: Garage square footage is not to be counted in satisfying the minimum.

Section 5. Building Requirements. The exterior front and side elevations of all buildings shall be either horizontal wood, or stone, brick, stucco, or masonite (horizontal board with beaded bottom edge). Any other exterior material shall be specifically approved by the Declarant or the Board as provided in Article 4. In any event, if horizontal boards are used, not over eight (8) inches of each board may be exposed to the weather. All retaining walls shall be of stone or brick finish. All front and side foundation elevations shall be brick, stucco or stone finish. The rear foundation elevation of all Sites shall be brick, stucco or natural stone finish. All roof pitches must be 8/12 or greater unless otherwise approved by the Declarant or the Board with the exception of 1-1/2 story dwellings which may have a roof pitch of less than 7/12 for the roof portion not visible from the street on which the dwelling fronts. Asphalt shingles will be allowed provided they are of the architectural high definition type. No A-frames will be permitted.

Section 6. Frontal Appearance. All dwelling houses shall have conventional and acceptable frontal appearance from the main street fronting said Sites.

Section 7. Set-backs. No building shall be located on any Site nearer than fifty (50) feet to the front Site line or nearer than twenty-five (25) feet to any side street line, or nearer than fifteen (15) feet to any interior Site line; further, there are certain setback requirements provided for and shown on the subdivision plat, a copy of which is available from the Declarant, which are

incorporated in and made a part of these Restrictive Covenants. No structure, other than a swimming pool, outdoor fireplace, etc., of approximate ground level construction, shall be located nearer than thirty (30) feet to any rear Site line unless otherwise approved by Declarant or the Board. However, it shall be permissible for the Declarant or the Board to reduce the front Site line requirement up to thirty (30) feet. For the purposes of this covenant, steps and open porches shall not be considered as a part of the building, providing, however, this shall not be construed to permit any portion of the building on the Site to encroach upon another Site. No provision of this paragraph shall be construed to permit any structure to be constructed and erected upon any Site that does not conform to the zoning laws and regulations applicable thereto.

Section 8. Chimneys. Chimneys must be constructed of or faced with brick or stone, and those chimneys outside the exterior walls must have a foundation unless approved by Declarant or Board.

Section 9. Mailboxes. The Declarant shall select a type of mailbox and each mailbox shall be constructed and maintained by each owner. The Declarant can change selections from time to time.

Section 10. Windows. Materials to be used in windows and glass doors must be approved by the Declarant or the Architectural Review Committee. No aluminum, nor vinyl windows will be approved. All windows facing the street(s) must be true divided lights or divided permanently with mullions affixed on both the exterior and interior. Aluminum awnings are not permitted. Window shutters must be wood and be sized to match window openings in height and must be mounted to be functional.

Section 11. No Detached Buildings. There shall be no detached garages, outbuildings or servants quarters, without the prior written consent of Declarant or the Board as required by Section 2 of this Article. (Any requests for approval shall be submitted and shall show the same appearance as the Dwelling Unit.) A bathhouse (which shall not include sleeping quarters) built expressly in conjunction with a private swimming pool shall not be included in this prohibition. Thus a bathhouse will not have to be connected or attached to the dwelling but the plans and specifications, including the exterior material, shall be approved as required by Section 2 of this Article. However, the square footage of such a structure shall not be included in complying with the minimum square footage requirements as set forth herein.

Section 12. Sidewalks. If the Declarant installs sidewalk(s), the Owner will reimburse Declarant for the cost thereof. If the Declarant has not installed a sidewalk, it is the obligation of each Site Owner subsequent to Declarant to install a sidewalk along the Site line which adjoins a road. Such sidewalks shall be continuous, including over any drainage structures. Unless otherwise approved by the Declarant or the Architectural Review Committee, the sidewalk must be concrete, with river sand, forty-eight inches (48") wide and located three (3) feet behind the curb of the road. All sidewalks shall be level across its forty-eight inches (48") width and shall be at the same elevation as the top of the curb. Each owner must maintain the sidewalk after it is installed and shall replace any section which is heaved, sunken, cracked or otherwise not level and useable.

Section 13. Fences. Fences which are architecturally consistent with the overall plan in the Development will be encouraged, but fence plans and materials must be approved by the Declarant or the Board.

Section 14. Driveways. Each residence constructed upon a Site must be served by a driveway constructed of hard surface materials such as concrete, brick, or pre-cast pavers or a combination thereof. All other hard surface materials must be approved by the Declarant or the Architectural Review Committee. Where a Site borders on more than one street, the Site shall be entered from the secondary street unless approved by the Declarant or the Board. It shall be obligatory upon all owners of Sites in this subdivision to construct or place any driveways, culverts, or other structures, or gradings, which are within the limits of any dedicated roadways, in strict accordance with the specifications therefor, as set forth on the recorded subdivision plat, in order that the roads or streets, which may be affected by such placement or construction, may not be disqualified for acceptance into the road system of Bradley County, Tennessee.

Section 15. Curbs. Permanent cuts may be made in the curbs for driveways. Damaged curbs shall be replaced by the Owner of the adjoining Site unless the damage is caused by another who causes the damage to be corrected.

Section 16. Completion of Construction. The exterior of all Dwelling Units must be completed within six (6) months after the construction of the same shall have commenced, except where such completion is impossible or would result in great hardship to the Owner or builder due to strikes, fires, national emergency or natural calamities. All Construction of the Dwelling Unit and other related construction on a Site shall be completed within twelve (12) months from the date of the pouring of the footings for said Dwelling Unit. In the construction of a Dwelling Unit upon a Site, the builder shall keep all debris cleared from the street or streets bounding the Site; and, before any residence is occupied, all debris must be removed from the entire Site and any damaged curbs or sidewalks shall be repaired or replaced.

Section 17. Lawn Care. All unimproved and improved Sites must be kept fully seeded with grass and regularly cut. (i.e. at least once every two (2) weeks during the growing season.) All grass must be mowed below a height of six inches (6"). All front yards and sideyards to the extent visible from the street shall be sodded and sprinkled.

Section 18. Initial Landscape Requirements. The initial landscape plans shall be submitted as required in Article IV and shall include the planting of trees, shrubs and plants at an estimated cost of at least \$5,000. The landscape plan must be completed within six (6) months after the residence is completed.

Section 19. Tanks and Garbage Receptacles. No fuel tanks or similar storage receptacles may be exposed to view, and such tanks or receptacles may be installed only within a residence, within a screened area or buried underground. All garbage and trash containers must be placed in enclosed areas of the rear or side yard and must not be visible from adjoining Sites, houses or from any street. When garbage or trash containers are placed on the curbs for pick-up, the containers shall be in carriers or otherwise "dog-proofed" so that dogs cannot get into the containers.

Section 20. Rearrangement of Site Lines.

A. Not more than one dwelling house shall be erected or maintained on any one Site. This will not prevent the use of one or more Sites or parts of Sites as a single building plot of ground, providing that the division or rearrangement of boundary lines of subdivision Sites

by any person or entity other than the Declarant shall not increase the total number of Sites in said subdivision, and that the same shall conform to zoning laws and subdivision regulations in effect thereon. Two or more Sites may be combined to form one Site; however, the assessments provided for herein will continue to be based upon the number of original Sites purchased.

B. Notwithstanding any other provisions herein to the contrary, the Declarant reserves unto itself, its successors and assigns, the following rights, privileges and powers: to subdivide Sites, to combine Sites or parts of Sites, to rearrange boundaries of Sites, to cause any part of any Site to become a part of the Common Properties, and to cause portions of Common Property Sites to become a part of any of the Sites bordering them, provided that not more than 5,000 square feet of any one given Common Property Site may be added to any one given Site bordering it, and provided that not more than 5,000 total square feet of any one given Common Property Site may be added to the Sites bordering it.

Section 21. Temporary Structures. No part of any Site shall be used for residential purposes until a completed dwelling house, conforming fully to the provisions of these Restrictive Covenants, shall have been erected thereon. The intent of this section is to prevent the use thereon of a garage, incomplete structure, trailer, barn, tent, outbuilding or other structure as temporary living quarters before or pending the erection of a permanent building. No structure of temporary character, including trailers and similar structures, shall be erected or permitted to remain on any Site except during the period of construction.

Section 22. Signs. No sign of any kind shall be displayed to the public view from any Site without the prior written consent of the Declarant or the Board.

Section 23. Animals. No sheep, swine, goats, horses, cattle, burros, fowls (excluding household birds such as parrots and parakeets) or any like animals shall be permitted to be kept or to remain on any of the Sites, or to roam at large on any of the streets or way in or bordering the same, [except that no more than 3 household pets, such as cats and dogs, may be kept]. There shall be no kennels permitted on any Site in the subdivision for the commercial breeding or boarding of domestic pets. Pet owners shall not allow pets to roam unattended but shall either leash their pets or have them under voice control. The pet owners shall also muzzle any pet which consistently barks. If the barking persists, the pet owner shall have the pet removed from the Development. If the pet owner refuses, it shall be deemed an "offensive activity" under Section 25 of this Article. Pet owners shall clean up any animal excrement dropped while the owners are walking the pets and pet owners shall be considerate of their neighbors and use their best efforts to keep pets from watering other's plants, shrubs, etc. while walking pets.

Section 24. Zoning. Whether expressly stated so or not in any deed conveying any one or more of said Sites, each conveyance shall be subject to existing governmental zoning and subdivision ordinances or regulations in effect thereon.

Section 25. Unsightly Conditions. All of the Sites in the Development must, from the date of purchase, be maintained by the Owner in a neat and orderly condition (grass being cut when needed, as well as leaves, broken limbs, dead trees, and other debris being removed when needed). Tree limbs, rocks and other debris must be kept out of the streets. In the event that an Owner of a Site in the Development fails, of his own volition, to maintain his Site in a neat and orderly condition, Declarant, or its duly appointed agent, or the Board, or its duly appointed agent, may enter upon said Site without liability and proceed to put said Site into an orderly condition, billing the cost of such work to the Owner. If not paid within thirty (30) days of the receipt of the invoice, said amount shall be a lien on the Site until paid. The Owner shall be liable for the costs of enforcement, including attorney's fees. All Owners in the Development are requested to keep cars, trucks and delivery trucks off the curbs of the streets.

Section 26. Offensive Activity. No noxious or offensive activity shall be carried on upon any Site, nor shall anything be done thereon which may be or may become an annoyance, discomfort, embarrassment or nuisance to the Development.

Section 27. Sewage Disposal. Before any dwelling on a Site shall be occupied, a septic tank, or sewage disposal system constructed in accordance with the requirements of the Tennessee State Board of Health and Cleveland Utilities shall be installed. All sewage from the premises shall be turned into such sewage disposal facility, and the same shall be continuously maintained in proper state of sanitation. The affluent from such septic tank or sewage disposal system shall not be permitted to discharge into a stream, storm sewer, open ditch or drain.

Section 28. Permitted Entrances. In order to implement and effect insect, reptile and woods fire control, and to maintain unsightly Sites, the Declarant or the Board, or their respective agents, may enter upon any Site on which a dwelling residence has not been constructed and upon which no landscaping plan has been implemented (with prior written approval of the Declarant or the Board for such plan), such entry to be made by personnel with tractors or other suitable devices, for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth, which in the opinion of the Declarant or the Board detracts from the overall beauty, setting and safety of the Property or Sites. Such entrance for the purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass. The Declarant and its agents or the Board and its agents may likewise enter upon a Site to remove any trash which has collected on said Site without such entrance and removal being deemed a trespass. The provisions of this section shall not be construed as an obligation on the part of the Declarant and its agents or the Board and its agents to mow, clear, cut or prune any Sites or to provide garbage or trash removal services.

Section 29. Tree Removal. No trees or shrubs shall be removed prior to obtaining approval of plans as set forth in Article 4. The majority of the trees may not be removed from any Site except in the area of the Site upon which the house and driveway are to be constructed. Except for view enhancement, excessive removal of trees will be deemed to be a nuisance to the adjoining neighbors and will mar the beauty of the Development.

Section 30. Wells. No private wells may be drilled or maintained on any residential Site without the prior written consent of the Declarant or the Board.

Section 31. No Antennas. No television antenna, satellite dish, radio receiver or sender or other similar device shall be attached to or installed on the exterior portion of any dwelling

or other structure on the Property or any Site within the Development without the prior written consent of the Declarant or the Board; nor shall radio, television signals, nor any other form of electromagnetic radiation be permitted to originate from any Site which may unreasonably interfere with the reception of television or radio signals upon any other of such properties. Notwithstanding the foregoing, the provisions of this section shall not prohibit the Declarant from installing equipment necessary for a master antenna system, security system, cable television, mobile radio system or other similar systems within the Development.

Section 32. No Window Air Conditioners or In-Wall Units. No window air conditioners or in-wall air conditioners or heaters shall be permitted.

Section 33. Sound Devices. No exterior speaker, horn, whistle, bell or other sound device which is unreasonably loud or annoying, except security devices used exclusively for security purposes, shall be located, used, or placed upon Sites within the Development. The playing of loud music from any balconies or porches shall be offensive, obnoxious activity constituting a nuisance.

Section 34. Laundry. No Owner, guest, or tenant, shall hang laundry from any area within or outside a dwelling residence if such laundry is within the public view, or hang laundry in full public view to dry, such as on balcony or terrace railings. This provision may, however, be temporarily waived by the Declarant or the Board during a period of severe energy shortages or other conditions where enforcement of this section would create a hardship.

Section 35. Duty to Rebuild or Clear and Landscape Upon Casualty or Destruction. In order to preserve the aesthetic and economical value of all Sites within the Development, each Owner and Declarant (with respect to improved Property owned by Declarant) shall have the affirmative duty to rebuild, replace, repair, or clear and landscape, within a reasonable period of time, any building, structure, and improvement or significant vegetation which shall be damaged or destroyed by fire, or other casualty. Variations and waivers of this provision may be made only upon Declarant or the Board establishing that the overall purpose of these Restrictive Covenants would be best effected by allowing such a variation. Variations to this section are to be strictly construed and the allowance of a variance by the Declarant or the Board shall not be deemed to be a waiver of the binding effect of this section upon all other Owners.

Section 36. Vehicle Parking. Cars owned by Site Owners shall be parked only in the Owner's garage or driveway. No inoperable vehicle, tractor or other machinery shall be stored outside on the premises at any time, even if not visible from the street. No house trailer or other such vehicle shall be stored on the premises. Vacation trailers, campers and boats must be stored and hidden from view within the garage or behind the Dwelling Unit. Such vehicles may not be stored anywhere else on the Site.

Section 37. Approved Builders. Only builders that have been approved by the Declarant shall be permitted to construct dwelling units on the Sites. The Declarant shall maintain a list of approved builders which list shall be available to Site owners and prospective purchasers. The Declarant may from time to time, in its sole discretion, change the approved builders list by adding names of additional builders and/or by deleting names of builders no longer approved; provided, however, that the number of approved builders shall not fall below four (4). An owner shall be permitted to contract with a particular builder for construction of a dwelling unit only if that builder is on the approved builders list at the time the construction contract is entered into.

Section 38. Application. It is expressly stipulated that these Restrictive Covenants and conditions set forth in this Article apply solely to the herein listed Sites in the Development, and are not intended to apply to any other lots, tracts or parcels of land in the area or vicinity, owned by the Declarant. Specifically, the Declarant, its successors or assigns, reserve the right to use or convey such other lots, tracts and parcels with different restrictions or unrestricted.

Section 39. Violations and Enforcement. In the event of the violation, or attempted violation, of any one or more of the provisions of these Restrictive Covenants, the Declarant, its successors or assigns, or the Association, its successors or assigns, including all parties hereinafter becoming Owners of any one or more of the Sites to which provisions of these Restrictive Covenants apply, may bring an action or actions against the Owner in violation, or attempting violation, and the said Owner shall be further liable for such damages as may accrue, including any court costs and reasonable attorneys fees incident to any such proceeding, which costs and fees shall constitute liquidated damages. In the event of a violation of set-back lines, side, rear or front, which may be minor in character, a waiver thereof may be made by the Declarant, its successors or assigns or the Board. Further, the Declarant or the Board may grant variances of the restrictions set forth in these Restrictive Covenants (but not including the reduction of the minimum square footage requirements as set forth in Section 3.08 hereof), if such variances do not, in the sole discretion of the Declarant or the Board, adversely affect the purposes sought to be obtained hereby.

By reason of the rights of enforcement of the provisions of this section being given unto Owners of Sites (subject to rights of variances reserved by the Declarant and the Board), it shall not be incumbent upon the Declarant or the Board to enforce the provisions of these Restrictive Covenants or to prosecute any violation thereof.

ARTICLE IV

ARCHITECTURAL CONTROL

Section 1. Plan of design Approval: No Improvements shall be undertaken upon any Site unless the plans and specifications and location of the proposed Improvements shall have been submitted to the Architectural Committee established in Section 2 and expressly approved by same in writing. The plans should also indicate the location of all existing trees on the Site in excess of four inch (4") in diameter, such measurement to be taken four and one-half feet above grade. No subsequent alteration or modification of any existing Improvements or construction, erection or installation of additional Improvements may be undertaken or allowed to remain on any of the Sites without the review and express written approval of the Architectural Committee, subject to Section 5 below.

Section 2. Architectural Committee: Until such time as the Declarant's membership expires, Declarant shall annually appoint the members of the Architectural Committee, which will be composed of at least three (3) individuals, the exact number of members of the Architectural Committee being designated by Declarant from time to time. Each member shall be generally familiar with residential and community development design matters and knowledgeable about the Declarant's concern for a high level of taste and design standards within the Properties. In the event of the death or resignation of any member of the Architectural Committee, Declarant, for so long as it has the authority to appoint the members of the Architectural Committee, and thereafter, the remaining members of the Architectural Committee, shall have full authority to designate and appoint

a successor. Members of the Architectural Committee may be removed and replaced at any time with or without cause, and without prior notice, by Declarant, for so long as Declarant has the right to appoint the members thereof, and thereafter by the Board. Subsequent to the expiration of Declarant's membership (and earlier if Declarant specifically assigns this right to the Board), the Board shall designate the number of and appoint the members of the Architectural Committee on an annual basis. At any time Declarant may elect not to designate the number of and/or appoint the members of the Architectural Committee and may assign this right to the Board.

Section 3. Procedure: No Improvement shall be erected, remodeled or placed on any Site until all plans and specifications therefor and a site plan therefor have been submitted to and approved in writing by the Architectural Committee, as to:

- (a) quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design, and facing of main elevation with respect to nearby streets;
- (b) conformity and harmony of the external design, color, type and appearance of exterior surfaces;
- (c) location with respect to topography and finished grade elevation and effect of location and use on neighboring Sites and Improvements situated thereon and drainage arrangement;
- (d) location of all existing trees as required in Section 1 hereof, the location of proposed cutting which shall not exceed eighty percent (80%) of the Site, the location of all new plantings and such other information as is reasonably requested on the landscape plan and specifications; and
- (e) the other standards set forth within this Declaration (and any amendments hereto) or as may be set forth within bulletins promulgated by the Architectural Committee, or matters in which the Architectural Committee has been vested with the authority to render a final interpretation and decision.

Final plans and specifications (including a site plan showing the location of the contemplated Improvements on the Site) for all Improvements proposed to be constructed on a Site shall be submitted to the Architectural Committee for approval or disapproval. The Architectural Committee is authorized to request the submission of samples of proposed construction materials. Any modification or change to the Architectural Committee-approved set of plans and specifications (specifically including, but without limitation, the above-described site plan) must again be submitted to the Architectural Committee for its inspection and approval. The Architectural Committee's approval or disapproval, as required herein, shall be in writing. Once the Architectural Committee has approved the plans and specifications for the proposed Improvements, the construction of such Improvements must be promptly commenced and diligently pursued to completion strictly in accordance with the approved plans and specifications and if such construction is not commenced within the time set therefor by the Architectural Committee in the written approval (but in no event later than two (2) years after such approval), such approval shall be deemed rescinded and before

construction of Improvements can thereafter be commenced on the site in question, the plans and specifications therefor must again be approved by the Architectural Committee pursuant to this Article.

The Architectural Committee may from time to time publish and promulgate architectural standards bulletins which shall be fair, reasonable and uniformly applied in regard to the Sites and shall carry forward the spirit and intention of these covenants, conditions and restrictions. Although the Architectural Committee shall not have unbridled discretion with respect to taste, design and any standards specified herein, the Architectural Committee shall be responsive to technological advances or general changes in architectural designs and materials and related conditions in future years and use its best efforts to balance the equities between matters of taste and design (on the one hand) and use of private property (on the other hand). Such bulletins shall supplement this Declaration and are incorporated herein by reference. Current copies of the architectural standards bulletins shall be available to interested persons at the principal office of the Association for a reasonable cost.

Section 4. Enforcement: The Architectural Committee shall have the specific, nonexclusive right (but no obligation) to enforce the provisions contained in this Article and/or to prevent any violation of the provisions contained in this Article by a proceeding at law or in equity against the person or persons violating or attempting to violate any such provisions contained herein.

Section 5. Effect of Failure to Approve or Disapprove: If an Owner erects any Improvements on a Site and a suit to enjoin the erection of or removal of such Improvements is not brought by any person or entity having standing to sue within three (3) months from the commencement of construction of such Improvements, then this Article shall be deemed to have been fully satisfied.

If the Architectural Committee fails to approve or disapprove the design of any proposed Improvements within forty-five (45) days after plans and specifications therefor have been submitted and received, approval will not be required, and the requirements of this Article shall be deemed to have been fully satisfied; provided, that the plans and specifications required to be submitted shall not be deemed to have been received by the Architectural Committee if they contain erroneous data or present inadequate information upon which the Architectural Committee can arrive at a decision. Notwithstanding the foregoing, the Architectural Committee shall have no right or power, either by action or failure to act, to waive or grant any variance relating to any mandatory requirements specified in the Declaration.

Section 6. Right of Inspection: The Architectural Committee shall have the right, at its election, to enter upon any of the Sites during preparation, construction, erection, or installation of any Improvements to determine that such work is being performed in conformity with the approved plans and specifications.

Section 7. Limitation of Liability: Neither the Architectural Committee, the members thereof, nor Declarant shall be liable in damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgment, negligence or nonfeasance (except where occasioned by gross negligence) arising out of services performed pursuant to this Declaration.

Section 8. Compensation: No member of the Architectural Committee shall be entitled to compensation arising out of services performed pursuant to this Article. The Association shall reimburse members of the Architectural Committee for reasonable out-of-pocket expenses incurred by such members in the performance of their duties as members of the Architectural Committee.

Section 9. Exterior Maintenance:

(a) The maintenance of Dwelling Units, Sites, Designated Greens (except as provided in subparagraph (b) below) and the improvements constructed thereon shall be the duty of the Owners of such Dwelling Units or Sites (except where specifically provided otherwise) and shall not normally be interfered with by the Association or any person. If, however, in the opinion of the Association, any Owner shall fail to maintain his Dwelling Unit or Site in a manner which is reasonably neat and orderly or shall fail to keep Improvements constructed thereon in a state of repair so as not to be unsightly, the Association at its discretion, and following ten (10) days written notice to the Owner, may enter upon and make or cause to be made repairs to such Improvements and perform such maintenance on the Dwelling Unit or Site such as, but not limited to, the removal of trash, cutting of grass, pruning of shrubbery, and seeding for erosion control, including such work on unimproved Sites. The Association or its agents shall have an easement for the purpose of accomplishing the foregoing. The costs incurred by the Association in rendering all such services plus a service charge of twenty percent (20%) of such costs, shall be added to and become a part of such other assessments to which such Site is subject.

(b) Maintenance of the Common Area, subdivision security system, street lights, lakes and ponds (including lighting and any docks for use by all Owners), and the private streets and signage located thereon or adjacent thereto shall be the duty of the Association. The Association shall have the right and easement of ingress, egress and regress over the Designated Greens in connection with its right (but not obligation) to plant and maintain flowers, shrubs or other flora thereon.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

Section 1. Members: The Declarant, for so long as it shall be an Owner, and every person or entity who is an Owner of a fee or undivided fee interest in any Site which is subject by covenants of record to assessments by the Association, including contract sellers, shall be a member of the Association. The foregoing does not include persons or entities who hold an interest merely as security for the performance of an obligation. Ownership of a Site shall be the sole qualification for membership, and no Owner shall have more than one membership, except as expressly provided hereinafter. Membership shall be appurtenant to and may not be separated from ownership of any

Site which is subject to assessment by the Association. The Board may make reasonable rules relating to the proof of ownership of a Site to qualify as a Member.

Section 2. Voting Rights: The Association shall have one class of voting Members. Members shall be entitled to one vote for each Site in which they hold the interest required for membership. When more than one person holds such interest or interests in any Site, all such persons shall be Members, and the vote for such Site shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to such Site. The Declarant shall be entitled to three (3) votes for each Site in which it holds the required ownership interest.

Section 3. Voting Rights Suspension: The right of any Member to vote may be suspended by the Board for just cause pursuant to its rules and regulations and according to the provisions of Article II, Section 7.

Section 4. Right of Declarant to Representation on Board of Directors of the Association: Notwithstanding anything contained herein to the contrary, as long as Declarant's membership exists, and for a period of nine (9) months thereafter, Declarant shall have the right to designate and select a two-thirds majority of the Board. Declarant may surrender this right early by notice to the Board. Whenever Declarant shall be entitled to designate and select any person or persons to serve on any Board, the manner in which such person or persons shall be designated shall be as provided in the Articles of Incorporation and/or Bylaws. Declarant shall have the right to remove any person or persons selected by it to act and serve on the Board and to replace such person or persons with another person or other persons to act and serve in the place of any director so removed. Any director designated and selected by Declarant need not be an Owner. The Declarant or any representative of Declarant serving on the Board shall not be required to disqualify himself from any vote or upon entrance into any contract or matter between Declarant and the Association where Declarant may have a pecuniary or other interest.

ARTICLE VI ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessment: The Declarant, for each Site owned, hereby covenants, and every other Owner of any Site subject to this Declaration, by acceptance of a deed therefor, whether or not expressed in any such deed or other covenant, is deemed to covenant and agrees to pay to the Association:

(a) annual assessments or charges, as determined by the Board;

(b) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided.

The annual and special assessments on a Site together with interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest and costs, and reasonable attorney's fees incurred by the Association in collecting delinquent assessments shall also be the personal obligation of the person or entity who

was the Owner of such Site at the time when the assessment became due. The personal obligation of an Owner for delinquent assessments shall not pass to his successors or assigns in title unless expressly assumed by them, notwithstanding that the lien for delinquent assessments shall continue to encumber the Site.

Section 2. Purpose of Assessments: The assessments levied by the Association shall be used exclusively for the following purposes:

(a) for the promotion of the recreation, health, safety, and welfare of the residents of the Properties;

(b) for the payment of ad valorem taxes and public assessments levied on the Common Area owned by the Association;

(c) for the maintenance and operation of water, sewer, and other utility systems, if the same are owned or being purchased by the Association, and for the maintenance of the private streets, roads, paths, and walks (and signage and lighting located thereon and adjacent thereto);

(d) for the general use, enjoyment, and maintenance of the Common Area and the Designated Greens, including but not limited to, the cost of repairs and replacements of community buildings and active recreational facilities, and the cost of labor, materials, and equipment necessary for the proper use, enjoyment and maintenance of the Common Areas;

(e) for the acquisition, improvement and maintenance of the services and facilities devoted to the aforesaid purposes;

(f) for the procurement and maintenance of liability and hazard insurance in accordance with the Bylaws and the regulations of the Federal National Mortgage Association, such liability insurance to insure the Association in a minimum amount of \$1,000,000.00 per occurrence; and

(g) for the employment of professionals, such as accountants and attorneys, to represent the Association when necessary.

Section 3. Annual Assessment: To and including December 31, 1997, the annual assessment shall be shared equally and shall not be in excess of Three Hundred Dollars (\$300) per Site, except as otherwise provided herein, the exact amount of which shall be determined from time to time by the Board of Directors in accordance with the following provisions:

(a) From and after December 31, 1997, the annual assessment may be increased by the Board effective January 1 of each year, without the vote of the Members, by a percentage which may not exceed the sum of five percent (5%) plus the percentage increase

reflected in the U.S. City Average, Consumer Price Index-United States (published by the U.S. Bureau of Labor Statistics, Washington, D.C.) or such index as may succeed the Consumer Price Index, for the twelve month period ending the immediately preceding July 1.

(b) After December 31, 1997, the annual assessment may be increased by the assent of two-thirds (2/3) of the votes of all of the Members who are voting in person or by proxy at a meeting called for such purpose. Written notice of the meeting shall be given to all Members not less than ten (10) days in advance of the meeting. The provisions of this Subsection shall not apply to nor be a limitation upon any change in the annual assessment undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

Section 4. Special Assessment for Repairs: In the event any portion of any Common Area is damaged or destroyed by an Owner or any of his guests, tenants, licensees, agents, or family members, such Owner hereby authorizes the Association to repair such damaged area in a good and workmanlike manner. The amount necessary for such repairs, labor and materials, shall become a special assessment upon the Site of such Owner.

Section 5. Special Assessments for Capital Improvements: In addition to the annual assessments authorized above, the Association may levy one or more special assessments applicable to that year only for the purpose of defraying the costs of construction or reconstruction, unexpected repair, or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of all of the Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than ten (10) days in advance of the meeting.

Section 6. Uniform Date of Assessment: Both annual and special assessments (with the exception of the special assessment authorized by Article VI, Section 4) must be fixed at a uniform rate for all Sites and may be collected on a monthly or quarterly basis in advance as the Board may determine.

Section 7. Date of Commencement of Annual Assessments: The annual assessments provided for herein shall commence as to all Sites in a phase on the day that the first Site in such phase is conveyed from the Declarant, with such annual assessment being prorated as necessary. Notwithstanding anything herein to the contrary, assessments for Sites owned by Declarant for which no certificate of occupancy has been issued shall be waived until December 31, 1999, and thereafter it shall be twenty-five percent (25%) of the annual assessment applicable to all other Sites. The Board shall fix the amount of the annual assessment against each Site at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates and appropriate penalties for late payment shall be established by the Board. The Association, upon demand at any time, shall furnish a certificate in writing setting forth whether the assessments on a specified Site have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment status.

Section 8. Remedies for Non-Payment of Assessments: Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within sixty (60) days after the due date, the assessment shall bear interest from the date of delinquency at a rate not to exceed ten percent (10%) per annum. The Board may, in its sole discretion, waive the imposition of interest as to any delinquent assessment. The Association may bring an action at law or equity against the Owner personally obligated to pay any assessments and interest or foreclose the lien created herein in the same manner as prescribed by the laws of the State of Tennessee for the foreclosure of deeds of trust. Costs and reasonable attorney's fees (as set forth in Article VI, Section 1) of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by the nonuse of the Common Area or abandonment of his Dwelling Unit or Site.

In the event of such action at law or equity and in the further event that such action results in a judgment being entered against the Owner and in favor of the Association, then the Association shall be further empowered to execute on that judgment in such manner and to the extent provided and permitted by the laws of the State of Tennessee.

Section 9. Subordination of the Lien to Deeds of Trust: The lien of the assessments provided for herein on any Site shall be subordinate to the lien of any mortgage or deed of trust representing a first lien on such Site in favor of any bank, savings and loan association, insurance company or similar financial institution for the financing of construction or acquisition of Improvements upon such Site or for the refinancing of such Improvements now or hereafter placed upon any Site, provided that such first mortgage or deed of trust was recorded before the delinquent assessment was due. Sale or transfer of any Dwelling Unit or Site shall not affect the assessment lien, provided, however, that the sale or transfer of any Site pursuant to a decree of foreclosure on a deed of trust or mortgage thereon or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Dwelling Unit or Site from liability or liens arising from assessments thereafter becoming due.

Section 10. Exempt Property: Any portion of the Properties dedicated to, and accepted by, a local public authority shall be exempt from the assessments created herein; provided, however no land or improvements restricted to Dwelling Unit use shall be exempt from such assessments.

Section 11. Annual Budget: By a majority vote of the directors, the Board shall adopt an annual budget for the subsequent year of operation, which shall provide for allocation of expenses in such a manner that the obligations imposed by the Declaration and any and all amendments hereto shall be met. The annual assessment levied against the Sites shall include a sufficient amount allocated to a reserve fund for the replacement of Improvements on the Common Area.

Section 12. Omission of Assessments: The omission by the Board, before the expiration of any year, to fix the assessments hereunder for that or the next year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay the assessments, or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

ARTICLE VII

EASEMENTS

Section 1. Walks, Drives, Parking Areas, Utilities, Etc.: The Properties, including Sites and Common Areas, shall be subject to such easements for (i) driveways, (ii) walkways, (iii) parking areas, (iv) water lines, (v) sanitary sewers, (vi) storm drainage facilities, (vii) gas, telephone, cable television, fiber optics, information cables, and electric power lines, (viii) other utilities, (ix) ingress, egress and regress, and (x) otherwise as shall be established by the Declarant or by its predecessor in title, prior to the conveyance of the property designated to be the Common Area to the Association or to an Owner; and the Association shall have the power and authority to grant and establish further easements upon, over, under and across the Common Area owned by it for the purposes set forth above.

Section 2. Encroachments and Declarant's Easement to Correct Drainage: All Dwelling Units or Sites and the Common Area shall be subject to easements for the encroachment of initial improvements constructed on adjacent Sites by the Declarant to the extent that such initial improvements actually encroach, including, without limitation, such items as overhanging eaves, gutters, downspouts, exterior storage rooms, steps and walls. If an encroachment is created as a result of settling or shifting of any building or as a result of any permissible repair, construction, reconstruction, or alteration, there is hereby created and shall be and remain a valid easement for such encroachment for the maintenance of the same. For a period of twenty-five (25) years from the date of conveyance of the first Site in a phase, the Declarant reserves a blanket easement and right on, over and under the ground within that phase to maintain and to correct drainage or surface water in order to maintain reasonable standards of health, safety and appearance, expressly including the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any other similar action reasonably necessary. After such action has been completed, the Declarant shall restore the affected property to its original condition to the extent practicable. Declarant shall give reasonable notice of intent to take such action to all affected Owners. These rights and reservations are assignable by the Declarant. Nothing in this section shall be deemed to impose an obligation upon Declarant to maintain and correct drainage and surface water conditions.

Section 3. Private Streets, Lakes, and other Common Areas: Private streets, lakes, and other Common Areas may be created upon any Site by the Declarant to serve the needs of all the Sites in the Properties prior to the conveyance of such Site to the Owner. Private streets, lakes, and other Common Areas whether title to such property is held by the Association or an Owner, shall be subject to an easement in favor of every Site and shall be deemed appurtenant to each Site whereby the Owner of such Site shall be entitled to use them as a means of ingress, egress and regress and such other uses as shall have been designated. All lakes and ponds in the Properties, whether natural or man-made, shall also be subject to an easement in favor of every Site for limited recreational purposes, not to include any motorized boats, water vehicles in excess of 14 feet or swimming. Under no circumstances shall the recreational easement with respect to the lakes or ponds extend to the right of ingress, egress or regress along the shores of such lakes or ponds.

Section 4. Easement to City of Cleveland and Bradley County: A perpetual easement is hereby established for municipal, state or public or private utilities serving the area, their agents and employees over all Common Area hereby or hereafter established for school bus service; postal and private mail delivery; garbage collection; setting, removing, and reading utility meters;

maintaining and replacing utility or drainage connections; and acting with other purposes consistent with the public safety and welfare, including, without limitation, police and fire protection.

Section 5. Easement for Drainage of Properties: Floodway levels on the Properties are based on the current topography of the Properties, as changed by Declarant's Improvements. Changes in the lakes, ponds and flood storage capacity of such structures will affect floodway boundaries. The Owners and the Association shall have a perpetual, nonexclusive easement to drain storm waters on the Properties to the lakes, ponds and other storm control or water impoundment structures located on the Properties.

Section 6. Greenway Easements: Notwithstanding any other provisions of this Declaration, the Association, Owners, tenants, guests and invitees of Owners, or families of Owners shall not, within any portion of the Common Area which is designated as a greenway area on any plat filed by the Declarant:

- (a) grant easements of any nature whatsoever;
- (b) remove any trees or vegetation;
- (c) erect gates, fences or other structures;
- (d) place any garbage receptacles;
- (e) fill or excavate; or
- (f) plant vegetation or otherwise restrict or interfere with the use, maintenance and preservation of the greenway in its natural state, including without limitation, recreational pursuits such as walking, bicycling and other similar activities by the general public.

It is understood and agreed that within any greenway area, the Declarant may erect trails, trail markers, place litter receptacles, and other convenience facilities and adopt and amend regulations concerning the use of the greenway (including without limitation hours of operation). The Association and Owners may adopt such other regulations governing the use of the greenway, not inconsistent with those adopted by the Declarant as is deemed appropriate to insure the maintenance and upkeep of the greenway in its natural state, free of litter and unsightly debris.

Section 7. Right of Entry - City of Cleveland or Bradley County: In no event shall the City of Cleveland or Bradley County, its agents, employees or officials, be responsible for failing to provide any emergency or regular fire, police, or other public service to the Properties or its Owners when such failure is due to the lack of access to such areas due to inadequate design or construction, blocking of access routes, or any other factor within the control of the Declarant, the Association or the Owners.

The City of Cleveland or Bradley County, their agents, employees, and emergency personnel, shall have the right, without notice or liability, to break any locked gate across the private roads when such emergency personnel reasonably believe that so doing is necessary to save life, to prevent serious bodily harm, to extinguish a fire, or to avert or control a public catastrophe.

ARTICLE VIII

ANNEXATION OF ADDITIONAL PROPERTIES; DECLARANT'S RESERVED RIGHTS

Section 1. Annexation by Members: Except as provided in Section 2 of this Article, additional lands may be added and annexed to the Properties only if two-thirds (2/3) of all the votes entitled to be cast by Members are cast in favor of annexation. A meeting shall be duly called for this purpose, written notice of which shall be sent to all Members not less than ten (10) days in advance of the meeting.

For the purpose of such meeting, the presence thereof of Members or authorizing proxies entitled to cast sixty (60%) percent of the votes, in the aggregate, of the Members, shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called within sixty (60) days thereafter, subject to the notice requirement set forth above, and the required quorum of such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting.

If a quorum is present and a majority of the votes are cast in favor of the annexation, but the majority is less than the two-thirds (2/3) majority required for approval of the annexation, and it appears that the required two-thirds (2/3) may be achieved if the Members not present or voting by proxy assent to the annexation, then and in that event, the Members not present or voting by proxy may assent to or dissent from the proposed annexation in writing within one hundred twenty (120) days following the date of the meeting at which they are entitled to vote either in favor of or against the annexation. If the number of votes cast at the meeting in favor of the annexation, together with the votes deemed to have been cast by the Members assenting to the annexation, shall constitute the requisite two-thirds (2/3) majority of all votes entitled to be cast, the annexation shall stand approved.

Section 2. Annexation by Declarant: The Declarant may annex additional lands to the Properties in the following manner:

(a) If, on or before December 31, 1999, the Declarant acquires the Developer's rights for Phases I and II as described on Page 1 of Exhibit "B" and impose the terms of this Declaration upon said Phases or the owners in said Phases submit their property to the terms hereof, or should Declarant develop additional lands within the property described in Exhibit "B" attached hereto, such additional lands may be annexed to the Properties without the assent of the Members; provided that such annexation of such additional lands referred to in this Subsection shall not exceed 500 Sites.

(b) If, on or before December 31, 1999, the Declarant should develop, from time to time, an additional tract or additional tracts of land, other than set forth in Subsection (a) above, consisting of any property contiguous to the property described in Exhibit "B" attached hereto, such additional lands may be annexed to the Properties without the assent of the Members; provided, however, that the annexation of such additional lands referred to in this Subsection shall not exceed fifty (50) acres in size or two hundred (200) Dwelling Units, whichever is less.

(c) The Declarant may annex to the Properties the additional land described in Subsections (a) and (b) by recording with the Bradley County Register's Office a Declaration of Annexation, duly executed by Declarant, describing the lands annexed and incorporating the provisions of this Declaration. The additional land may be deemed annexed to the Properties on the date of recordation of the Declaration of Annexation, and no other action or consent shall be necessary.

(d) Subsequent to recordation of the Declaration of Annexation by the Declarant, the Declarant shall deliver to the Association one or more deeds conveying any property that will be designated as Common Area (and which is not to be a part of a Site) within the lands annexed as such designated property is developed. Such Common Area shall be conveyed to the Association in the same manner as set forth in Article II, Section 8 of this Declaration.

Section 3. Reserved Declarant Rights: As long as Declarant's membership exists, the Declarant reserves the following development rights: (i) to add real estate to the Property in accordance with Article VIII, Section 2 of this Declaration; (ii) to create Dwelling Units; (iii) to add Common Areas; (iv) to modify or change Dwelling Unit types; (v) to reallocate Dwelling Units or Sites within the property described on Exhibit "B" attached hereto; and (vi) to withdraw real estate from the property described on Exhibit "B" attached hereto.

ARTICLE IX

AMENDMENT OF DECLARATION

Section 1. Amendment by Owners: The covenants, conditions and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Site subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants, conditions and restrictions of the Declaration may be amended during the first thirty (30) year period or thereafter by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Sites, provided, however, that the Board may amend this Declaration to correct any obvious error or inconsistency in drafting, typing or reproduction or amendment requested by the Federal National Mortgage Association, without action or consent of the Owners, and such amendment shall be certified as an official act of the Board and recorded in the Bradley County Register's Office.

Section 2. Amendment to Achieve Tax-Exempt Status: The Declarant, for so long as it shall retain control of the Board, and thereafter, the Board, may amend this Declaration as shall be necessary, in its opinion, without the consent of any Owner, in order to qualify the Association or the Properties, or any portion thereof, for tax exempt status. Such amendment shall become effective upon the date of its recordation in the Bradley County Register's Office.

Section 3. Certification and Recordation of Amendment: Any instrument amending this Declaration (other than an amendment by the Board to correct an error or inconsistency in

drafting, typing, or reproduction or an amendment by Declarant pursuant to Article IX, Section 2) shall be delivered, following approval by the Owners, to the Board. Thereupon, the Board shall, within thirty (30) days alter delivery, do the following:

(a) Reasonably assure itself that the amendment has been duly approved by the Owners as provided in Section 3 of this Article. (For this purpose, the Board may rely on its roster of Members and shall not be required to cause any title to be examined).

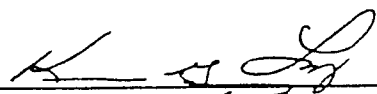
(b) Attach to the amendment a certification as to its validity, which certification shall be executed by the Association, and shall be in the following form:

CERTIFICATION OF VALIDITY OF AMENDMENT TO
DECLARATION OF MASTER COVENANTS, CONDITIONS, AND
RESTRICTIONS FOR ANATOLE SUBDIVISION

By authority of its Board of Directors, the Anatole Subdivision-Homeowners' Association, Inc., hereby certifies that the foregoing instrument has been duly executed by the Owners of 100 percent of the Sites and is therefore, a valid amendment to the existing Declaration of Anatole Subdivision.

IN WITNESS WHEREOF, the Anatole Subdivision Homeowners' Association, Inc. has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed, the day and year first above written.

ANATOLE SUBDIVISION
HOMEOWNERS' ASSOCIATION, INC.

By: 
Title: President

ATTEST


Secretary [Corporate Seal]

(c) Within the thirty (30) day period aforesaid, cause the amendment to be recorded in the Bradley County Register's Office.

Section 4. Effect and Validity of Amendment: All amendments shall be effective from the date of proper recordation in the Bradley County Register's Office. When any instrument purporting to amend this Declaration has been certified by the Board and recorded as provided in this Section, it shall be conclusively presumed that such instrument constitutes a valid amendment as to the Owners.

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement: The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Rights of Eligible Mortgagees:

(a) Any decision to terminate the Association for reasons other than substantial destruction or condemnation of the Properties shall require the prior written consent of Eligible Mortgagees representing at least sixty-seven percent (67%) of the votes allocated to Sites subject to Mortgages held by Eligible Mortgagees. Except for any amendment to the Declaration made for the purpose of annexing property pursuant to Article VIII, Section 2, any amendment to the Declaration or the Bylaws which changes any of the following shall require the prior written consent of Eligible Mortgagees representing at least fifty-one percent (51%) of the votes of Sites that are subject to Mortgages held by Eligible Mortgagees:

- (i) voting rights;
- (ii) assessments, assessment liens or subordination of such liens;
- (iii) reserves for maintenance, repair and replacement of Common Area maintained by the Association;
- (iv) insurance or fidelity bonds;
- (v) expansion or contraction of the Properties, or the addition, annexation or withdrawal of land to or from the Properties, other than by virtue of Declarant's rights under Article VIII, Section 2;
- (vi) responsibility for maintenance and repairs;

(vii) reallocation of interests in the Common Area, or rights to their use,

(viii) convertibility of Sites into Common Area;

(ix) imposition of any restriction on an Owner's right to shall or transfer his Site;

(x) a decision by the Association to establish self-management when professional management had been required previously by this Declaration or Bylaws or by an Eligible Mortgagee;

(xi) restoration or repair of the Common Area (after damage insured by the hazard insurance or after partial condemnation) in a manner other than that specified in this Declaration or Bylaws;

(xii) any action to terminate the legal status of the Association after substantial destruction or condemnation of the Properties occurs; or

(xiii) any provisions that expressly benefit the Eligible Mortgagees.

(b) An Eligible Mortgagee is entitled to receive timely written notice of the following:

(i) any condemnation or casualty loss that affects either a material portion of the Properties or the Site securing its Mortgage;

(ii) any 60-day delinquency in the payment of assessments or charges owned by the Owner on which the Eligible Mortgagee holds a Mortgage;

(iii) a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and

(iv) any proposed action that requires the consent of a specified percentage of Eligible Mortgagees.

(c) An Eligible Mortgagee shall be deemed to have given its implied approval when such Eligible Mortgagee fails to submit a response to any written proposal for an amendment to the Declaration within thirty (30) days after it receives proper notice of the proposal, provided the

notice was delivered by registered or certified mail, return receipt requested.

Section 3. Exchange of Common Area: Notwithstanding any provision herein to the contrary, it is expressly provided that the Association may convey to the Declarant, as well as any other Member, for fair market value (in cash or property) any portion of the Common Area theretofore conveyed to the Association. Upon such conveyance, the area conveyed may at the option of the Board cease to be Common Area and may at the option of the Board cease to be subject to the provisions of these covenants relating to the Common Area.

Section 4. Protective Covenants for Dwellings: Nothing herein shall affect the Declarant's right to establish, from time to time, appropriate specific additional covenants to the development and use of Sites for dwelling.

Section 5. Conflicts: In the event of any irreconcilable conflict between the Declaration and the Bylaws of the Association, the provisions of this Declaration shall control. In the event of an irreconcilable conflict between this Declaration and the Articles of Incorporation, the provisions of the Declaration shall control. In the event of any irreconcilable conflict between the Declaration and the restrictions on Phases I and II as described in Exhibit "B", Page 1, the provisions of the Declaration shall control.

Section 6. Severability: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 7. Professional Management: The management and obligations of the Association may be delegated to a professional management organization in the discretion of the Board by a majority vote of same. Such professional management contract shall be reasonable as to term, compensation and termination. During such time that the Declarant controls the Board, all contracts with any professional management organization shall include a right of termination without cause upon ninety (90) days advance notice, without penalty for termination at any time after the transfer of control of the Board.

ARTICLE XI

DISSOLUTION OR INSOLVENCY OF THE ANATOLE SUBDIVISION HOMEOWNERS' ASSOCIATION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such public purposes.

IN WITNESS WHEREOF, the Undersigned Southern Heritage Development Company, L.L.C. as the Declarant, has caused this Instrument to be executed in its name in the day and year first above written.

DECLARANT:

SOUTHERN HERITAGE DEVELOPMENT COMPANY, L.L.C.,
a Tennessee limited liability company

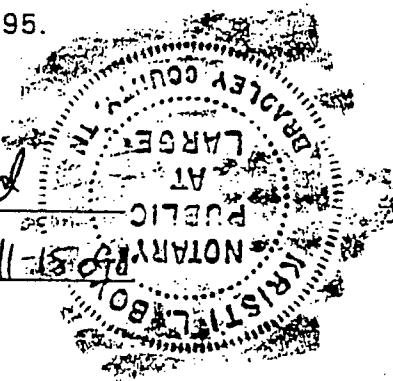
By: K. S. Long
Title: Managing Member

STATE OF TENNESSEE)
COUNTY OF BRADLEY)

Personally appeared before me, Kristi R. Boyd, Notary Public, Kernan D. Long with whom I am personally acquainted, and who acknowledged that s/he executed the within instrument for the purposes therein contained, and who further acknowledged that s/he is the Managing Member of Southern Heritage Development Co., LLC, and is authorized by the corporation to execute this instrument on behalf of the corporation.

WITNESS my hand, at office, this 2nd day of Oct., 1995.

Kristi R. Boyd
Notary Public
My Commission Expires: 11-15-98



IN THE THIRD WARD OF BRADLEY COUNTY, AND IN THE FIRST WARD OF THE CITY OF CLEVELAND, TENNESSEE:

TRACT ONE (1): Beginning at the Northwest corner of Lot Thirty-nine (39), Anatole Subdivision, Phase II, as shown by plat of record in Plat Book 6, page 107, in the Register's Office of Bradley County, Tennessee, in the South line of Anatole Lane; thence South 34 degrees 15 minutes 00 seconds West 509.27 feet; thence North 66 degrees 20 minutes 00 seconds West 451.26 feet; thence North 24 degrees 18 minutes 10 seconds East 149.07 feet; thence North 45 degrees 52 minutes 13 seconds East 54.54 feet; thence Northeastwardly, with and along a curve to the left having a delta of 55 degrees 26 minutes 33 seconds, a radius of 184.00 feet and a tangent of 96.69 feet, an arc distance of 178.05 feet (said curve being subtended by a chord bearing North 52 degrees 20 minutes 58 seconds East 171.18 feet); thence North 31 degrees 08 minutes 00 seconds East 216.02 feet to a point in the South line of Anatole Lane; thence South 56 degrees 44 minutes 00 seconds East, with and along the South line of Anatole Lane, 302.54 feet; thence Eastwardly, with and along the South line of Anatole Lane along a curve to the left having a delta of 04 degrees 05 minutes 00 seconds, a radius of 726.28 feet and a tangent of 25.89 feet, an arc distance of 51.76 feet (said curve being subtended by a chord bearing South 58 degrees 46 minutes 30 seconds East 51.75 feet); thence South 60 degrees 49 minutes 00 seconds East, with and along the South line of Anatole Lane, 62.99 feet to the point of beginning.

REFERENCE is made for prior title to Deed of record in Deed Book 369, page 411, in the Register's Office of Bradley County, Tennessee.

TRACT TWO (2): To locate the point of beginning, begin at the Southwest corner of Lot Thirty-eight (38), Anatole Subdivision, Phase II, as shown by plat of record in Plat Book 6, page 107, in the Register's Office of Bradley County, Tennessee, and then go North 66 degrees 20 minutes 00 seconds West 2,989.93 feet, and then go North 23 degrees 52 minutes 17 seconds East 243.90 feet, and then go North 22 degrees 48 minutes 48 seconds East 372.63 feet to the point of beginning; thence North 22 degrees 48 minutes 48 seconds East 1,236.54 feet; thence South 71 degrees 03 minutes 01 seconds East 1,037 feet; thence South 09 degrees 15 minutes 00 seconds West 219.10 feet; thence South 11 degrees 25 minutes 00 seconds West 49.95 feet; thence North

78 degrees 35 minutes 00 seconds West 79.09 feet; thence South 19 degrees 38 minutes 00 seconds West 132.50 feet; thence South 24 degrees 20 minutes 00 seconds West 260 feet; thence South 06 degrees 47 minutes 00 seconds West 130 feet; thence South 27 degrees 05 minutes 00 seconds West 117.70 feet; thence South 58 degrees 23 minutes 00 seconds East 45 feet; thence South 26 degrees 36 minutes 00 seconds West 50.1 feet; thence Westwardly, with and along a curve to the left having a delta of 11 degrees 53 minutes 59 seconds, a radius of 214.74 feet and a tangent of 22.38 feet, an arc distance of 44.60 feet; thence North 70 degrees 18 minutes 00 seconds West 40.60 feet; thence Northwestwardly, with and along a curve to the right having a delta of 52 degrees 09 minutes 31 seconds and a radius of 152.80 feet, an arc distance of 139.10 feet; thence South 81 degrees 23 minutes 00 seconds West 40.30 feet; thence Westwardly, with and along a curve to the right having a delta of 17 degrees 04 minutes 45 seconds and a radius of 139.22 feet, an arc distance of 41.50 feet; thence South 25 degrees 21 minutes 00 seconds West 205.60 feet; thence North 60 degrees 30 minutes 00 seconds West 416.14 feet; thence South 23 degrees 40 minutes 01 second West 178.95 feet; thence North 66 degrees 19 minutes 59 seconds West 107.42 feet; thence South 54 degrees 55 minutes 29 seconds West 58.49 feet; thence North 51 degrees 06 minutes 13 seconds West 74.90 feet; thence North 63 degrees 50 minutes 27 seconds West 166.38 feet to the point of beginning.

REFERENCE is made for prior title to Deed of record in Deed Book 369, page 411, in the Register's Office of Bradley County, Tennessee.

SUBJECT TO Governmental zoning and subdivision ordinances or regulations in effect thereon.

The boundary survey made at the time of this conveyance and from which the within land was described was prepared by: Barry Savage, License No. 1618, address: P. O. Box 2164, Cleveland, TN 37320.

EXHIBIT "A-1"

William E. Poole Area
Lots ~~38~~ Through ~~53~~

Lots 38 through and including Lot 53 as shown on the plat for Anatole as recorded in Plat Book 8, Page 70, Register's Office of Bradley County, Tennessee.

EXHIBIT "B"

Additional Lands That May Be Added to the Development

Includes the lands described on the next two (2) pages, plus the lands included in original Anatole Subdivision Restrictions as recorded in Misc. Book 153, Page 637 as ratified in Misc. Book 171, Page 830 and lands described in Phase II as recorded in Misc. Book 180, Page 191, all in the Register's Office of Bradley County, Tennessee.

In the event there is a conflict or an inconsistency between the above restrictions on the first two phases of Anatole and the terms of this Declaration of Master Covenants, Conditions and Restrictions shall control.

IN THE THIRD WARD OF BRADLEY COUNTY, AND IN THE FIRST WARD
OF THE CITY OF CLEVELAND, TENNESSEE:

To locate the point of beginning, begin at the Southwest corner of Lot Thirty-eight (38), Anatole Subdivision, Phase II, as shown by plat of record in Plat Book 6, page 107, in the Register's Office of Bradley County, Tennessee, and then go North 66 degrees 20 minutes 00 seconds West 451.26 feet to the true point of beginning; thence North 66 degrees 20 minutes 00 seconds West 2538.67 feet; thence North 23 degrees 52 minutes 17 seconds East 243.90 feet; thence North 22 degrees 48 minutes 48 seconds East 372.63 feet; thence South 63 degrees 50 minutes 27 seconds East 166.38 feet; thence South 51 degrees 06 minutes 13 seconds East 74.90 feet; thence North 54 degrees 55 minutes 29 seconds East 58.49 feet; thence South 66 degrees 19 minutes 59 seconds East 107.42 feet; thence North 23 degrees 40 minutes 01 seconds East 178.95 feet; thence South 60 degrees 30 minutes 00 seconds East 416.14 feet; thence South 61 degrees 19 minutes 00 seconds East 34.30 feet; thence South 35 degrees 42 minutes 00 seconds East 210 feet; thence South 17 degrees 39 minutes 00 seconds West 40 feet; thence South 84 degrees 29 minutes 00 seconds East 199.40 feet; thence South 79 degrees 26 minutes 00 seconds East 40.10 feet; thence North 69 degrees 06 minutes 00 seconds East 53.80 feet; thence South 71 degrees 02 minutes 00 seconds East 68.10 feet; thence North 67 degrees 46 minutes 00 seconds East 147.50 feet; thence South 81 degrees 50 minutes 00 seconds East 113.60 feet; thence North 62 degrees 32 minutes 00 seconds East 42.10 feet; thence North 00 degrees 18 minutes 00 seconds East 30.24 feet; thence North 83 degrees 00 minutes 00 seconds East 128.73 feet; thence South 72 degrees 14 minutes 00 seconds East 35 feet; thence South 67 degrees 31 minutes 30 seconds East 64.26 feet; thence South 23 degrees 40 minutes 00 seconds West 658.68 feet; thence South 66 degrees 20 minutes 00 seconds East 867.50 feet; thence Southwestwardly, with and along a curve to the right having a delta of 55 degrees 26 minutes 33 seconds, a radius of 184.00 feet and a tangent of 96.69 feet, an arc distance of 178.05 feet (said curve being subtended by a chord bearing South 52 degrees 20 minutes 58 seconds West 171.18 feet); thence South 45 degrees 52 minutes 13 seconds West 54.54 feet; thence South 24 degrees 18 minutes 10 seconds West 149.07 feet to the point of beginning.

IN THE THIRD WARD OF BRADLEY COUNTY, AND IN THE FIRST WARD OF THE CITY OF CLEVELAND, TENNESSEE:

Beginning at the Northwest corner of Lot Forty-four (44), Anatole Subdivision, Phase II, as shown by plat of record in Plat Book 6, page 107, in the Register's Office of Bradley County, Tennessee; thence South 35 degrees 00 minutes 00 seconds West 901.13 feet; thence North 48 degrees 24 minutes 00 seconds West 271.24 feet; thence Westwardly, with and along a curve to the right having a radius of 320 feet, an arc distance of 132.10 feet (said curve being subtended by a chord that is 131.16 feet in length); thence North 81 degrees 02 minutes 00 seconds West 67.90 feet to a point in the East line of Paragon Parkway; thence Northwardly, with and along the East line of Paragon Parkway as it curves to the left, said curve having a delta of 08 degrees 56 minutes 59 seconds, a radius of 379.88 feet and a tangent of 29.73 feet, an arc distance of 59.34 feet (said curve being subtended by a chord bearing North 11 degrees 44 minutes 30 seconds East 59.28 feet); thence continuing generally Northwardly, with and along the East line of Paragon Parkway as it curves to the left, said curve having a radius of 204.45 feet, an arc distance of 90.78 feet (said curve being subtended by a chord having a length of 90.04 feet); thence North 49 degrees 41 minutes 00 seconds East 341.50 feet; thence North 39 degrees 55 minutes 00 seconds West 405.30 feet to a point in the East line of Anatole Subdivision, as shown by plat of record in Plat Book 5, page 39, in the Register's Office of Bradley County, Tennessee; thence North 50 degrees 39 minutes 00 seconds East 151.80 feet; thence North 46 degrees 50 minutes 00 seconds East 338.20 feet; thence North 40 degrees 59 minutes 00 seconds East 149.67 feet to a point in the South line of North Club Estates, as shown by a plat of record in Plat Book 3, page 229, in the Register's Office of Bradley County, Tennessee; thence South 70 degrees 48 minutes 00 seconds East 484.69 feet; thence South 50 degrees 27 minutes 00 seconds West 451.46 feet; thence South 70 degrees 48 minutes 00 seconds East 362.32 feet to the point of beginning.

REFERENCE is made for prior title to Deed of record in Deed Book 369, page 411, in the Register's Office of Bradley County, Tennessee.

EXHIBIT "C"

**Bylaws of Anatole Subdivision
Homeowners' Association, Inc.**

BYLAWS
OF
ANATOLE SUBDIVISION HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Anatole Subdivision Homeowners' Association, Inc., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 4373 N. Decree St. Cleveland, TN 37312, or at such other place as the Board of Directors may, from time to time, designate. Meetings of Members and directors can be held at such places within the State of Tennessee, County of Bradley, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Articles of Incorporation" refers to the articles of incorporation of the Association filed with the Tennessee Secretary of State.

Section 2. "Association" refers to Anatole Subdivision Homeowners' Association, Inc., its successors and assigns.

Section 3. "Common Area" refers to all real property within the Properties, including private streets, and lakes, whether natural or man-made, for the common use and enjoyment of all Members, which property is owned either by the Association or Owners, together with all sewer and water lines serving and located on the Properties outside of dedicated public easements or municipal rights-of-way and not located on any Site. All real property owned by the Association and all real property not owned by the Association but designated on the recorded subdivision map of the Properties as "Common Area" shall be considered Common Area. This term shall also refer to any recreational facilities constructed on or lying in the Common Area, unless the context otherwise requires. The Designated Greens shall not be considered part of the Common Area.

Section 4. "Declarant" refers to Southern Heritage Development Company, L.L.C., a Tennessee limited liability company, its successors and assigns.

Section 5. "Declaration" refers to the Declaration of Master Covenants, Conditions and Restrictions applicable to the Properties recorded in the Bradley County Register's Office.

Section 6. "Dwelling Unit" refers to a residence containing sleeping facilities for one or more persons and a kitchen, which residence is located on a Site.

Section 7. "Member" refers to those persons or entities entitled to membership with voting rights as provided in the Declaration and in Article III of these Bylaws.

Section 8. "Owner" refers to the record Owner, whether one or more persons or entities, of the fee simple title to any Site which is part of the Properties, including contract sellers, but excluding those having such interest as security for the performance of an obligation.

Section 9. "Properties" refers to that certain real property described in the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 10. "Site" refers to any lot or plot of land regardless of size as shown on a recorded subdivision map of the Properties which has been approved by Declarant as required by this Declaration. Each Site shall be undeveloped or shall contain one residential Dwelling Unit.

ARTICLE III

MEMBERSHIP AND PROPERTY RIGHTS

Section 1. Membership. Every Owner of a Site which is subject to assessments shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Site subject to assessment by the Association. As evidence of each Owner's membership, each Owner shall deliver to the office of the Association a photocopy of his deed which entitles him to membership. The voting rights of the Members shall be as provided by the Declaration.

Section 2. Suspension of Membership. During any period in which a Member shall be in default in the payment of any annual or special assessment levied by the Association, such Member's voting rights and right to use recreational facilities located in the Common Area may be suspended by the Board of Directors until such assessment has been paid. Such rights of a Member may also be suspended, after notice and hearing, for a period not to exceed thirty days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area and facilities.

Section 3. Property Rights. Each Member shall be entitled to the use and enjoyment of the facilities as provided in the Declaration. A Member's spouse, parent, and child who resides with such Member shall have the same easement of enjoyment hereunder as a Member. Any Member can delegate his rights of enjoyment of the Common Area and facilities to his tenants or contract purchasers.

Such Member shall notify the Secretary of the Association in writing of the name of the delegate. The rights and privileges of such delegates are subject to suspension to the same extent as those of the Member.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the conveyance of the first site from the Declarant and each subsequent regular annual meeting of the Members shall be held in the month of the anniversary date thereof at the time and date designated by the Board of Directors.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 3. Notice of Meeting. Except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of the meeting. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. Waiver by a Member in writing of the notice required therein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, ten percent (10%) of the votes of the entire Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. Unless specifically otherwise required, every act or decision done or made by a majority of the Members present, in person or by proxy, at a meeting at which a quorum is present shall be regarded as an act of the Association.

Section 5. Proxies. At all meetings of the Members, each Member can vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Site.

Section 6. Closing of Books. For purposes of determining Members entitled to notice of or to vote at any meeting of Members, or any adjournment thereof, or in order to make a determination of Members and their respective votes for any other proper purpose, the date on which notice of the meeting is mailed shall be the record date for the determination of Members.

ARTICLE V

BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors who need not be Members of the Association. The initial Board of Directors named in the Articles of Incorporation shall be three (3) in number.

Section 2. Term of Office. At the first annual meeting, the Members shall elect five (5) directors: one (1) director for a term of one (1) year, two (2) directors for a term of two (2) years, and two (2) directors for a term of three (3) years; and at each annual meeting thereafter the Members shall elect either one (1) or two (2) directors (whichever is appropriate to maintain a board of 5 directors) for a term of three (3) years.

Section 3. Removal. Any director can be removed from the Board with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or

removal of a director, such director's successor shall be selected by the remaining members of the Board, and shall serve for his unexpired term.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association as a director. Any director, however, can be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nominations for election to the Board of Directors shall be made by a Nominating Committee. Nomination for election to the Board can also be made from the floor at the annual meeting of Members. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations can be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies can cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VII

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held during each calendar quarter, or at such other periodic intervals as may be established by the Board of Directors from time to time, without notice at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than twelve (12) hours notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VIII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. **Powers.** The Board of Directors shall have power:

- (a) to adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) to exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by the other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (c) to declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (d) to employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and
- (e) to employ attorneys to represent the Association when deemed necessary.

Section 2. **Duties.** It shall be the duty of the Board of Directors:

- (a) to cause to be kept a complete record of all its acts and corporate affairs; and to present a statement thereof to the Members at the annual meeting of the Members, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;
- (b) to supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided herein and in the Declaration:
 - (1) to fix the amount of the annual assessment against each Site at least thirty (30) days in advance of each annual assessment period; and
 - (2) to send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) to foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law or in equity against the Owner personally obligated to pay the same.

(d) to issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate issued for a reasonable charge, setting forth whether or not any assessment has been paid; if a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) to procure and maintain adequate liability insurance covering the Association, its directors, officers, agents and employees and to procure and maintain adequate hazard insurance on the real and personal property owned by the Association and on the Common Area;

(f) to cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) to cause the Common Area and facilities to be maintained;

(h) to pay all ad valorem and public assessments lawfully levied against the Common Area and facilities; and

(i) to direct and supervise the affairs of the Association and require the Association to fulfill all of its obligations and duties as set forth in the Declaration.

ARTICLE IX **COMMITTEES**

Section 1. The Association may appoint an Architectural Control Committee as provided in the Declaration and a Nominating Committee as provided in these Bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purposes, such as:

(a) A Recreational Committee which shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines;

(b) A Maintenance Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Properties, and shall perform such other functions as the Board in its discretion, determines;

(c) A Publicity Committee which shall inform the members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the Association;

(d) An Audit Committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular meeting as provided in Article IV, Section 1 of these Bylaws. The Treasurer shall be an ex-officio member of the Committee.

Section 2. It shall be the duty of each committee to receive complaints from Members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

ARTICLE X OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointment. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officers may be removed from office with or without cause by the Board. Any officer can resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office can be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer can be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall (i) preside at all meetings of the Board of Directors; (ii) see that orders and resolutions of the Board are carried out; (iii) sign all leases, mortgages, deeds and other written instruments; (iv) co-sign all promissory notes; and (v) perform such other duties as required by the Board.

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence, disability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary shall (i) record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; (ii) keep the corporate seal of the Association and affix it on all papers requiring said seal; (iii) serve notice of meetings of the Board and of the Association together with their addresses; and (iv) perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall (i) receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; (ii) authorize payment of all checks and co-sign promissory notes of the Association; (iii) keep proper books of account; (iv) cause an annual audit of the Association books to be made by an independent public accountant at the completion of each fiscal year; and (iv) prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy each to the Members.

ARTICLE XI

RECORDS AND BOOKS

The records, books and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member or by any holder, insurer or guarantor of a first deed of trust that is secured by a Dwelling Unit. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within sixty (60) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association can bring an action at law or in equity against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessments. No Owner can waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area and facilities or abandonment of his Site.

ANATOLE SUBDIVISION

ARCHITECTURAL REVIEW GUIDELINES

Adopted September 30th, 1995

This Instrument Prepared by:
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832 Georgia Avenue
Chattanooga, TN 37402-2289
(423) 756-8800

TABLE OF CONTENTS

SECTION I	MINUTES OF ARCHITECTURAL COMMITTEE MEETING OF ANATOLE SUBDIVISION	1
SECTION II	ANATOLE SUBDIVISION ARCHITECTURAL CONTROL AND ARCHITECTURAL COMMITTEE GUIDELINES	2
SECTION III	ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE PROCEDURES	6
SECTION IV	ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE STANDARDS	9
SECTION V	ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE LANDSCAPE GUIDELINES	11
SECTION VI	ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE INFORMATION FOR CONTRACTORS	13
SECTION VII	ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE APPEAL PROCEDURES	14

SECTION I

MINUTES OF ARCHITECTURAL COMMITTEE MEETING OF THE
ANATOLE SUBDIVISION HOMEOWNERS' ASSOCIATION

Meeting Date: September 30, 1995

Location: Retail Development Group, 4373 North Ocoee Street, P. O. Box 4323,
Cleveland, TN 37320-4323

Attending: Kenman G. Lay and Stephen Lay

Meeting was called to order by Kenman G. Lay, President of Southern Heritage Development Company, the developer (declarant) of Anatole Subdivision and acting as the first architectural committee.

Kenman G. Lay moved that Stephen Lay shall act as Secretary of the Anatole Subdivision Architectural Committee and that he shall transcribe the first meeting minutes. The move was seconded by Stephen Lay. A vote of all attending members was taken and was unanimously approved.

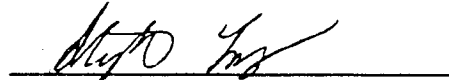
Kenman G. Lay moved that pursuant to Article IV of the Anatole Subdivision Declaration of Master Covenants, Conditions and Restrictions, that the guidelines, attached and incorporated herein by reference, shall become the initial guidelines. The move was seconded by Stephen Lay. A vote of all attending members was taken and was unanimously approved.

The meeting was adjourned.

NOW THEREFORE, BE IT RESOLVED that Stephen Lay shall act as Secretary of the Anatole Subdivision Architectural Committee, and;

That pursuant to Article IV of the Anatole Subdivision Declaration of Master Covenants, Conditions and Restrictions, the guidelines, attached and incorporated herein by reference, shall become the initial guidelines.

TRANSCRIBED BY:



Secretary, Anatole Subdivision
Architectural Committee

Date: September 30, 1995

SECTION II

ANATOLE SUBDIVISION ARCHITECTURAL CONTROL AND ARCHITECTURAL COMMITTEE GUIDELINES

1. **Preamble.** It is the intent of the developer to preserve and enhance the unique natural environment of Anatole Subdivision. Experience has shown that careful attention during the design and construction stages is required to insure that the finished home will be compatible with the original site. The Architectural Committee ("Committee") recommends, therefore, that lot owners and their architects and contractors inspect their lot with a representative from the Committee prior to initiation of design and construction .

The following guidelines are provided in the Anatole Subdivision Declaration of Master Covenants, Conditions and Restrictions:

2. **Definitions.**

(a) **Articles of Incorporation.** "Articles of Incorporation" refer to the articles of incorporation of the Association.

(b) **Association.** "Association" refers to the Anatole Subdivision Homeowners' Association, Inc., a Tennessee non-profit corporation, its successors and assigns.

(c) **Board.** "Board" refers to those persons elected or appointed to act collectively as the directors of the Association.

(d) **Book of Resolutions.** "Book of Resolutions" refers to the document containing rules and regulations and policies adopted by the Board.

(e) **Bylaws.** "Bylaws" refers to the bylaws of the Association as they now or hereafter exist.

(f) **Common Area.** "Common Area" refers to all real property within the Properties, including private streets and lakes, whether natural or man-made, for the common use and enjoyment of all Members, which property is owned either by the Association or Owners, together with all sewer and water lines serving and located on the Properties outside of dedicated public easements or municipal rights-of-way and not located on any Site. All real property owned by the Association and all real property not owned by the Association but designated on the recorded subdivision map of the Properties as "Common Area" shall be considered Common Area. This term shall also refer to any recreational facilities constructed on or lying in the Common Area, unless the context otherwise requires. The Designated Greens shall not be considered part of the Common Area.

(g) **Declarant.** "Declarant" refers to Southern Heritage Development Company, L.L.C., a Tennessee limited liability company, its successors and assigns.

(h) **Designated Green.** "Designated Green" refers to an area on a Site which is shown on the recorded subdivision map of the Properties as a designated green area and upon which all Owners and the Association shall have an easement prohibiting development on these areas, except as provided herein. This easement shall be deemed to be appurtenant to each Site.

(i) **Dwelling Unit.** "Dwelling Unit" refers to a residence containing sleeping facilities for one or more persons and a kitchen, which residence is located on a Site.

(j) **Improvement.** "Improvement" refers to all buildings, Dwelling Units, outbuildings, storage sheds or areas, roofed structures, parking areas, loading areas, fences, walls, hedges, mass plantings, poles, driveways, docks, ponds, lakes, changes in grade or slope, site preparation, clothesline installation, swimming pools, tennis courts, signs, exterior illumination, changes in any exterior color or shape, and any new exterior construction or exterior improvement exceeding \$1,000.00 in cost which may not be included in any of the foregoing. The definition of Improvements does not include garden shrub or tree replacements or any other replacement or repair of any magnitude which ordinarily would be expensed in accounting practice and which does not change exterior colors or exterior appearances, but does include both original Improvements and all later changes to Improvements.

(k) **Member.** "Member" refers to every person or entity entitled to membership in the Association as provided in the Declaration and in the Bylaws.

(l) **Owner.** "Owner" refers to the record owner, whether one or more persons or entities, of a fee simple title to any Dwelling Unit or Site which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

(m) **Site.** "Site" refers to any lot or plot of land regardless of size as shown on a recorded subdivision map of the Properties which has been approved by Declarant as required by the Declaration. Each Site shall be undeveloped or shall contain one residential Dwelling Unit.

3. Architectural Control.

Shall be undertaken upon any Site unless the plans and specifications and location of the proposed Improvements shall have been submitted to the Architectural Committee and expressly approved by same in writing. No subsequent alteration or modification of additional Improvements may be undertaken or allowed to remain on any of the Sites without the review and express written approval of the Architectural Committee.

4. Architectural Committee.

The Anatole Subdivision Architectural Committee is established to achieve the following objectives of the Board:

(a) Architectural and developmental controls will be administered by the Architectural Committee. The primary aim of the Committee will be to promote the construction of appealing architectural designs, not duplicate the efforts of the City building inspector. The architectural design concept will require that buildings be unobtrusive in form and color in order to complement their natural setting. No particular period styles, foreign or geographic influences, or historical approaches are specifically endorsed or encouraged; however, William E. Poole/Southern Living plans will be the only plans approved in the Poole Area. The main focus of the architectural concept will be to stress that the total community be homogeneous in feeling and free from discordant or competing architectural shapes and "design statements" which vie for attention. Each building should be treated not as an individual creation or architectural entity, but rather as a carefully planned addition to the natural setting which embraces its site. Consequently, architectural solutions will vary according to their immediate surroundings.

(b) Declarant shall annually appoint the members of the Architectural Committee, which will be composed of at least three (3) individuals, the exact number of members of the Architectural Committee being designated by Declarant from time to time. Each member shall be generally familiar with residential and community development design matters and knowledgeable about the Declarant's concern for a high level of taste and design standards within the Properties. Members of the Architectural Committee may be removed and replaced at any time with or without cause, and without prior notice, by Declarant, for so long as Declarant has the right to appoint the members thereof, and thereafter by the Board. At any time, Declarant may elect not to designate the number of and/or appoint the members of the Architectural Committee and may assign this right to the Board.

(c) Procedure. No Improvement shall be erected, remodeled or placed on any Site until all plans and specifications therefor and a site plan therefor have been submitted to and approved in writing by the Architectural Committee, as to:

i) quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design, and facing of main elevation with respect to nearby streets;

ii) conformity and harmony of the external design, color, type and appearance of extensor surfaces;

iii) location with respect to topography and finished grade elevation and effect of location and use on

neighboring Sites and Improvements situated thereon and drainage arrangement; and

iv) the other standards set forth within these Committee documents (and any amendments hereto) or as may be set forth within bulletins promulgated by the Architectural Committee, or matters in which the Architectural Committee has been vested with the authority to render a final interpretation and decision.

Final plans and specifications (including a site plan showing the location of the contemplated Improvements on the Site) for all improvements proposed to be constructed on a Site shall be submitted to the Architectural Committee for approval or disapproval. The Architectural Committee is authorized to request the submission of samples of proposed construction materials. Any modification or change to the Architectural Committee-approved set of plans and specifications (specifically including, but without limitation, the above described site plan) must again be submitted to the Architectural Committee for its inspection and approval.

The Architectural Committee may from time to time publish and promulgate architectural standards bulletins which shall be fair, reasonable and uniformly applied in regard to the Sites and shall carry forward the spirit and intention of these covenants, conditions and restrictions. Although the Architectural Committee shall not have unbridled discretion with respect to taste, design and any standards specified herein, the Architectural Committee shall be responsive to technological advances or general changes in architectural designs and materials and related conditions in future years and use its best efforts to balance the equities between matters of taste and design (on the one hand) and use of private property (on the other hand). Such bulletins shall supplement the Declaration and are incorporated herein by reference. Current copies of the architectural standards bulletins shall be available to interested persons at the principal office of the Association for a reasonable cost.

(d) **Enforcement.** The Architectural Committee shall have the specific, nonexclusive right (but no obligation) to enforce the provisions contained in this Article and/or to prevent any violation of the provisions contained in this Article by a proceeding at law or in equity against the person or persons violating or attempting to violate any such provisions contained herein.

(e) **Effect of Failure to Approve or Disapprove.** If an Owner erects any Improvements on a Site and a suit to enjoin the erection of or removal of such Improvements is not brought by any person or entity having standing to sue within three (3) months from the commencement of construction of such Improvements, then this Article shall be deemed to have been fully satisfied.

If the Architectural Committee fails to approve or disapprove the design of any proposed Improvements within forty-five (45) days after plans and specifications therefor have been submitted and received, approval will not be required, and the requirements of this article shall be deemed to have been fully satisfied; provided, that the plans and specifications

required to be submitted shall not be deemed to present inadequate information upon which the Architectural Committee can arrive at a decision. Notwithstanding the foregoing, the Architectural Committee shall have no right or power, either by action or failure to act, to waive or grant any variance relating to any mandatory requirements specified in the Declaration.

(f) **Right of Inspection.** The Architectural Committee shall have the right, at its election, to enter upon any of the Sites during preparation, construction, erection, or installation of any Improvements to determine that such work is being performed in conformity with the approved plans and specifications.

(g) **Limitation of Liability.** Neither the Architectural Committee, the members thereof, nor Declarant shall be liable in damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgement, negligence or nonfeasance (except where occasioned by gross negligence) arising out of services performed pursuant to the Declaration.

(h) **Parking, Fences, Mailboxes and Antennas.** The Architectural Committee, in conjunction with the Association, may regulate the parking of boats, campers, trailers, and the placing of tents and other such items on the Common Area. The placing of tents, temporary facilities of any kind, and campers is prohibited without the permission of the Committee and/or the Association. No automobiles, trucks, tractors, boats, campers, or trailers shall be regularly parked within the right-of-way of any street or on the Properties. The Committee is authorized to set a reasonable charge for the use of any special facilities designated as parking areas for any boats, trailers, campers, etc.; however, neither the Committee nor the Association is obligated to provide special parking for any vehicles. The Committee and/or the Association may regulate or prohibit the erection of antennas, satellite dishes, radio towers, and fences, chain link, stockade-type or otherwise, on Sites. All mailboxes in the Properties shall be of a standard size and style to be determined by the Architectural Committee.

SECTION III

ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE PROCEDURES

A. GENERAL REQUIREMENTS

In submitting plans for either preliminary or final approval by the Committee, an "Application for Construction" form must be completed in full and submitted with appropriate plans, drawings, information, etc., as outlined below. Committee approval must be obtained and the City of Cleveland building permit must be properly posted on site prior to start of construction. Any changes desired in the sitting of buildings or their external appearance during and/or after construction must be submitted in writing to the Committee for review and

approval prior to initiation of the work. Architectural review is accomplished in the following sequence:

1. Preliminary review
2. Final review
3. Stakeout inspection
4. Acceptance

In order to provide a systematic and uniform review of proposed construction in the Anatole Subdivision community, the following procedure has been established:

B. PRELIMINARY REVIEW

A request for preliminary review should be made to the Committee as soon as design objectives can be identified in sufficient detail to permit tentative drawings to reflect in general form spatial relation, materials, articulations and circulation patterns. Schematic sketches, scale drawings, and renderings are most appropriate for preliminary review by the Committee. The presentation material must include, but is not limited to, two sets of renderings and/or construction drawings which indicate the front, rear and side elevations. The results of the Committee action will be forwarded to the applicant within ten (10) days of submittal. If a substantive restudy is required, the applicant may elect to resubmit plans for preliminary review before proceeding with the preparation of working drawings.

C. FINAL REVIEW

A request for the final review should be made to the Committee as soon as all plans, specifications, and construction drawings are available. The following plans and information should be included in the submittal:

1. Topographic Survey (this topographic survey can be included on the site plan).
2. Site Plan (at a scale not smaller than one inch equaling thirty feet), including:
 - (a) Property line
 - (b) Access to street
 - (c) Driveway, walk, and patio or deck
 - (d) Culverts (location, sizes, and direction of flow)
 - (e) Drainage and grading
 - (f) Building envelope
 - (g) Location and identification of special features such as water course buffers, drainage ditches, drives, easements, etc.
 - (h) Walls and screens
 - (i) Remaining wooded areas are to be clearly designated on all site plans.

3. Two (2) complete construction working drawings which must include:
 - (a) Construction details
 - (b) Type of siding to be used
 - (c) Foundation treatment (stucco, brick, etc.)
4. Landscape Plan (at a scale not smaller than one inch equalling thirty (30) feet), including:
 - (a) Size, location, and type of all plantings
 - (b) A schedule of all plantings
 - (c) All surfacing material such as concrete, grass, etc.
 - (d) Location of all exterior lighting and signage

(If unavailable, the landscape plan may be submitted within sixty (60) days of notification of final approval. Failure to provide within the specified time frame shall constitute a violation of Architectural Committee standards.)

5. Specifications, including all exterior colors, materials, and special conditions as appropriate. (See Application for Construction)
6. Signed Application for Construction (Exhibit One attached).
7. Signed Contractor Guidelines (Exhibit Two attached).
8. Signed Owner's Agreement (Exhibit Three attached).

The results of the Committee action will be forwarded to the applicant within forty-five (45) days of submittal. If the application is disapproved, the applicant can request to meet with the Committee for the purpose of reaching an understanding for an acceptable resubmission.

D. CLEARING AND GRADING INSPECTION

After being notified by the Committee of final approval of applicant's plans and specifications, staking out of the lot can be undertaken. All clearing limits should be flagged with blue tape and inspected for Committee approval by a Committee member prior to beginning of clearing and grubbing. Debris from clearing and grubbing operations shall be removed promptly from the site. On-site burning of cleared materials is prohibited unless in a City of Cleveland approved burning dispenser. After site is graded, all major corners of the structure are to be staked by contractor and inspected for Committee approval by a Committee member prior to beginning construction of footings. The Committee should be notified by the applicant when staking is completed and the property is ready for inspection. The applicant will be advised of the Committee action within five (5) working days after notification.

E. CHANGES DURING CONSTRUCTION

If changes to an approved plan become necessary during construction, a request indicating the specific changes shall be submitted to the Committee. The review process for changes will be the same as for initial plan approval.

F. ACCEPTANCE

The Committee will make periodic site inspections during construction. Items noted in Committee inspection reports must be accomplished or resolved within three (3) days. The Committee will make the acceptance inspection within three (3) working days of notification.

G. COMMUNICATIONS

All communications relative to Committee matters including submittal of plans, requests for meeting with the Committee, etc., should be made in writing and addressed to:

Anatole Subdivision Architectural Committee

SECTION IV

ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE STANDARDS

The following standards bulletin was approved by the Anatole Subdivision Architectural Committee on September 30, 1995:

1. All improvements, including, but not limited to, storage sheds, gazebos, fencing, pools, tennis courts, mailboxes, game and play structures, satellite dishes, exposed antennas, doghouses, decks, patios, fire wood storage, energy conservation features, i.e. solar panels, and ornamental structures are to be approved by the Anatole Subdivision Architectural Committee. In most cases, satellite dishes or exposed antennas will not be approved.
2. The parking of any vehicle (boats, campers, trailers, etc.) other than two (2) automobiles and one (1) pickup truck on any property for more than five (5) days is forbidden unless parked and concealed within a garage.
3. Attic or gable vents or louvers are to be of wood, not metal construction.
4. Roof power vents, roof vents, rain diverters, skylights, and plumbing vents are to be stained to blend with shingles.
5. Electrical and telephone services are to be screened to blend with adjacent surfaces.
6. Masonry walls and foundations are to have an approved surface treatment that complements the siding. Exposed concrete block is not permitted.

7. All driveways are to be concrete, brick, pre-cast pavers, or a combination unless otherwise approved, in writing, by the Committee. No asphalt or gravel drives will be allowed. All walkways will be concrete, washed aggregate or brick pavers. All sidewalks will be concrete with river sand, four inches (4") deep, forty-eight inches (48") wide, level across its forty-eight inch (48") width, and at the same elevation as the top of the curb.

8. Asphalt shingles are to be 30 year architectural, 300 pounds or greater per square.

9. All accessories such as weathervanes, cupolas, and awnings are to be approved by the Committee.

10. No metal chimney stacks are allowed. All chimneys are to be masonry.

11. All refuse containers are to be concealed from sight, with an approved enclosure, except on days of collection.

12. The manufacturer, type, and color of stains or paints to be used on siding, doors, windows, and trim are to be submitted for approval. Apply stain or paint selected to a piece of wood similar to that to be used in construction and submit together with a sample of the proposed shingle for approval.

13. A landscape plan, including types, sizes, and numbers of plants must be submitted prior to requesting a final Committee inspection.

14. All yards and landscape must be maintained by keeping grass mowed below a height of six inches (6") and must be kept free of debris and garbage.

15. All lot drainage must be designed and constructed in a manner suitable to prevent adverse conditions on adjacent lots such as flooding, pooling, erosion, etc.

16. All submittals to the Committee for either preliminary or final approval are to include a site plan showing the topographic survey, building envelope, the drive, the walks, and wooded areas.

17. Setback requirements are controlled by the Committee. The Committee generally requires all residences to have a minimum of at least fifteen (15) feet from the side property lines, fifty (50) feet from the edge of the front right-of-way, and thirty (30) feet from the back property lines. For corner lots, the side set back from the street right-of-way is twenty-five (25) feet.

18. All ducts, pipes, wiring, piers, etc., under the house or visible through open garage doors, are to have an approved enclosure, screening or surface treatment.

19. Type of siding is to be approved by the Committee. Masonite is not acceptable for external siding. Wood, brick, stone masonry, stucco, and driven are acceptable types of siding and veneer materials.

20. All roof pitches must be a minimum of 8/12 unless otherwise approved by the Committee.

21. Unless otherwise approved by the Committee, the minimum residence square footage shall be as follows:

i) A 2-story residence with attached double garage; 1,800 square feet on the first floor of such residence, and 2,800 total square feet;

ii) A 1-story residence with attached double garage; 2,400 square feet;

iii) A 1-1/2 story residence with attached double garage, 1,500 square feet on the first floor of such residence and 2,500 total square feet.

NOTE: Garage square footage is not to be counted in satisfying the minimum.

For the purposes of this section, stated square footage shall mean the minimum floor area required, and floor area shall mean the finished and heated living area contained within the residence exclusive of open porches, garages, and steps. In the case of houses which are known as "split-levels," in order for a level to qualify as a main living area, it must be exposed for full height on three sides. In the case of any question as to whether a sufficient number of square feet of enclosed living area have been provided, the decision of the Declarant or the Board shall be final.

22. The Committee shall have the authority to limit or require removal of any improvement including but not limited to structures, plantings, etc. which adversely effects or obstructs the view of any intersection.

23. All mailboxes must conform to the specific style selected by the Committee.

24. Requests for any exception to any standards as specified in the Architectural Committee guidelines, the Declaration of Master Covenants or this document must be submitted, in writing, to the Anatole Subdivision Architectural Committee. The Committee will respond within forty-five (45) days of receipt.

SECTION V

ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE LANDSCAPE GUIDELINES

A. LANDSCAPE DESIGN

1. Landscape plantings should be designed to look as natural as possible and to accent the native surroundings.

2. Landscapes should be designed to extend beyond the front property line to the street pavement.

3. Any structures such as service yards and external HVAC equipment must be screened from view with appropriate plant material.

4. A landscape plan must be submitted with the following items:

(a) A plant list stating the quantity of plants, container size, and color (if flowering plants are to be used).

(b) A lighting plan (if lights are to be incorporated into the landscape).

5. Consulting a landscape architect, designer, garden center, or nursery is recommended if there are any questions concerning landscape design and plant material.

6. The landscape plan should be implemented within six (6) months after completion of the residence.

7. The estimated costs of trees, shrubs and plants shall be at least \$5,000.

B. PLANT MATERIAL

1. All plant material should be tolerant of this region of Tennessee. Below are a few examples:

Crepe Myrtle	Wax Myrtle
Red Maple	Azalea/Oaks
Holly Red Buds	Dogwood
Rhododendron	Holly
Evergreens	

2. Lawns shall be incorporated into the landscape plan. Front yards and sideyards to the extent visible from the street must be sodded and sprinkled. Grass type recommended is one of several types of fescue. Bermuda grass is not recommended due to its tendency to brown out in winter and overtake adjacent lawns.

3. Mulch, pine straw and/or ivy should be used as a ground cover in planted areas as well as areas to be left natural.

SECTION VI

ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE **INFORMATION FOR CONTRACTORS**

**NOTE: ONLY APPROVED BUILDERS CAN BUILD IN ANATOLE SUBDIVISION.
ANY APPROVED BUILDER LIST IS AVAILABLE UPON REQUEST.**

A. CLEARING

No clearing is allowed until a City of Cleveland building permit is posted on site. No trees are to be removed unless approved at the clearing review. All stumps, trees and debris are to be removed from site at least weekly.

B. DUMPING

Absolutely no dumping is permitted on Anatole Subdivision property. Those parties found guilty of dumping will be fined \$500.00 for each occurrence.

C. BURNING

No burning is permitted on site except in City of Cleveland approved burning dispensers.

D. CLEANING

Site is to be cleaned daily. The contractor will furnish a container on site for lunch debris and utilize. No cans, bottles, or other lunch debris are to be deposited on the ground.

E. SIGNS

No commercial signs are allowed.

One project identification sign, to be approved by the Committee, not exceeding two square feet, is allowed. This is in addition to the posting of the Anatole Subdivision and City of Cleveland building permits.

The sign and building permits are not to be nailed to trees and must be removed upon issuance of a Certificate of Occupancy by the City of Cleveland.

F. CONSTRUCTION

Construction must be completed within one year after approval of stakeout.

Vehicles and equipment must enter the property on driveway area so as not to damage trees and street paving.

Adjacent lots are NOT to be entered or used for drives, material storage, work areas, etc.

Contractors shall be responsible for the acts of all their employees and all subcontractors and all persons performing any of the work under a contract with the contractor.

Deviation from approved plans affecting grounds or exterior of building must be submitted to the Architectural Committee for approval before work is begun.

G. UTILITIES

Before digging is started in the road right-of-way or easements, information must be obtained on the location of all underground utilities from Heater Utilities, CP&L, Public Service Gas, Southern Bell, Cablevision of Cleveland and MCI.

Before gravity drain elevations are established, the sewer service for the lot should be uncovered and grade checked. Sewer and water service location can be acquired from the City of Cleveland.

H. TREE PROTECTION

Avoid scarring trees. All scarred trees should be sealed to prevent disease.

Avoid filling or trenching around trees.

Trees with damaged root systems should be fertilized.

I. CONSTRUCTION HOURS

7:00 a.m. to 6:00 p.m. Monday through Saturday.

SECTION VII

ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE **APPEAL PROCEDURES**

Any action taken by the Anatole Subdivision Architectural Committee can be appealed. The following are the procedures for such appeals:

1. The initial appeal is required to be in writing with a full explanation including supporting drawings, plans, etc., and signed by the owner. If the appeal is submitted by the contractor or architect, it is necessary that it be countersigned by the owner.

2. The appeal will be considered by the entire Committee at its next meeting. The results of the Committee's review will be forwarded to the owner, contractor, and/or architect within one week of the Committee's meeting, but no longer than thirty days from the date that the appeal was received.

3. The owner, contractor, and architect are required to promptly abide by the Appeal Board's decision. No further appeal should be made. Failure to comply promptly with the decision could result in forfeiture of all or part of any and all legal remedies available under the provisions of the Anatole Subdivision Property Covenants.

EXHIBIT ONE

ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE APPLICATION FOR CONSTRUCTION

DATE OF SUBMISSION _____

LOT NUMBER _____

STREET ADDRESS _____

LOT OWNER _____ PHONE _____

ADDRESS _____

ARCHITECT _____ PHONE _____

ADDRESS _____

BUILDER _____ PHONE _____

ADDRESS _____

SUBMISSION IS FOR _____ PRELIMINARY APPROVAL _____ FINAL APPROVAL

_____ NEW CONSTRUCTION _____ REMODELING/ADDITION

IF REQUEST IS FOR PRELIMINARY APPROVAL, PLEASE COMPLETE THIS SECTION, SIGN
AND DATE THE APPLICATION AND SUBMIT THE FOLLOWING:

_____ TWO (2) SETS OF RENDERINGS AND/OR CONSTRUCTION DRAWINGS WHICH

INCLUDE:

A) FRONT, REAR AND SIDE ELEVATIONS

EXPECTED CONSTRUCTION START DATE _____

TOTAL HEATED SQUARE FEET _____

PRELIMINARY APPROVAL DOES NOT CONSTITUTE APPROVAL OF A CONSTRUCTION
START, CONSTRUCTION WILL BE AUTHORIZED UPON RECEIPT OF THE REQUIRED ITEMS
AND NOTIFICATION OF FINAL APPROVAL.

IF REQUEST IS FOR FINAL APPROVAL, PLEASE COMPLETE THIS SECTION, SIGN AND DATE THE APPLICATION AND SUBMIT THE FOLLOWING:

_____ SIGNED COPY OF CONTRACTOR GUIDELINES

_____ SIGNED COPY OF OWNER'S AGREEMENT

_____ TWO (2) SITE PLANS WHICH INDICATE THE FOLLOWING:

A) FRONT, SIDE, REAR SETBACKS

B) POSITIONING OF HOUSE, DRIVEWAY, WALKS, MAILBOX, ETC.

C) TOPOGRAPHIC SURVEY

_____ D) TWO (2) SETS OF CONSTRUCTION DRAWINGS WHICH INCLUDE:

1) ELEVATIONS

2) FLOOR PLANS

3) POOL, TENNIS COURT, SHEDS, BASKETBALL AREA, ETC.

4) FENCING

_____ LANDSCAPE PLAN, INCLUDING LIGHTING, WALKWAYS, AND PLANTING DESCRIPTIONS. (IF AVAILABLE. OTHERWISE, PLAN MUST BE SUBMITTED WITHIN SIXTY DAYS OF NOTIFICATION OF FINAL APPROVAL).

_____ SPECIFICATIONS, INCLUDING SAMPLES, CUT SHEETS AND OTHER INFORMATION ON THE FOLLOWING:

	MATERIAL TYPE	COLOR
ROOFING	_____	_____
SIDING	_____	_____
EXT. TRIM	_____	_____
WINDOWS	_____	_____
EXT. DOORS	_____	_____
SHUTTERS	_____	_____
FOUNDATION	_____	_____

GARAGE DOOR	_____	_____
FENCING	_____	_____
WALKS	_____	_____
PATIO	_____	_____
DECK	_____	_____
DRIVEWAY	_____	_____
CHIMNEY	_____	_____
OTHER	_____	_____

SAMPLES SHOULD BE SUBMITTED OF ANY COLORS, NEW TYPE OF MATERIALS, OR OTHER MATERIALS THAT MAY ASSIST THE COMMITTEE IN UNDERSTANDING THE COLOR AND STYLE CONCEPT CHOSEN.

EXPECTED CONSTRUCTION START DATE _____

TOTAL HEATED SQUARE FEET _____

TOTAL ELEVATION HEIGHT (ASSUME 2.5 FEET FOR FOUNDATION WALL) _____

ANY APPROVAL ISSUED LAWS LIMITED TO DESIGN CRITERIA ESTABLISHED BY THE ARCHITECTURAL COMMITTEE AS PROVIDED BY THE RESTRICTIVE COVENANTS AND SHOULD NOT BE INTERPRETED AS APPROVAL OF ANY VARIATION FROM RESTRICTIONS OR CONDITIONS IMPOSED ON THE PROPERTY OWNER. ANY AGREEMENT BETWEEN THE CONTRACTOR AND THE PROPERTY OWNER SHALL NOT BE IN VIOLATION OF THESE GUIDELINES OR THE DECLARATION OF MASTER COVENANTS. ALL REVISIONS OR ADDITIONS TO THE EXTERIOR MUST BE RESUBMITTED FOR APPROVAL.

I HAVE READ THE ARCHITECTURAL COMMITTEE PROCEDURE PACKET:

SUBMITTED BY _____ DATE _____

MAILING ADDRESS _____ PHONE _____

CITY/STATE/ZIP _____

EXHIBIT TWO

ANATOLE SUBDIVISION CONTRACTOR GUIDELINES

We the residents and Company Management of Anatole Subdivision take special pride in the appearance of our property. As a contractor doing business within our neighborhood, you are in a position to assist us with enforcement of the contractor guidelines we have established.

The General Contractor will be solely responsible for the compliance of these guidelines by all workmen and subcontractors and suppliers on the job site.

Construction Hours

7:00 a.m. - 6:00 p.m., Monday through Saturday

Appearance of Crew

Shirts, pants, and shoes must be worn.

Job Site

1. Contractor may erect only one personal sign limited in size to not more than 2 square feet in area. No signs shall be nailed or otherwise fastened to trees or Developer may choose to furnish the job sign at Developer's sole option.
2. Contractor shall keep the construction site free of trash, liner and scrap lumber. a suitable dumpster and/or other receptacles are required on site for trash and scrap.
3. Portable toilet facilities must be provided on each site and located so as not to be obtrusive.
4. No burning of construction debris is permitted unless authorized in writing by Anatole Subdivision.
5. No firearms, alcohol or other contraband are allowed in Anatole Subdivision.
6. Construction material, equipment and supplies must be stored in an orderly manner.
7. Parking of vehicles by construction workers must be on the site, not on street or adjacent property.
8. Workers will be cautioned on the following:
 - Loud radios are not permitted.

- No loud or offensive language allowed.
- No dogs are allowed on site.

Disposal of Litter

Litter disposal on roadside is not permitted.

Construction Trailers

Placement of construction trailers on site must have prior approval by the Committee.

Facilities

Workers may not use property owner or guest facilities.

Insurance

Contractor must carry a minimum of \$1,000,000 liability coverage for each occupance.

Access

Property lines must be clearly defined. Adjoining properties may not be used by workmen for access to the job site, storage of materials, parking, placement of dumpster or placement of port-o-let.

Damages

The general contractor is held responsible for damages to roadway or other property adjacent to the site. Precautions should be taken to avoid damaging asphalt shoulders when moving vehicles off roadway onto site.

Violations

Weekly inspections shall be made of the construction site. Violators of contractor guidelines will result in written notification to the contractor with copy to owner. If violation is not corrected within 7 days of notification date, a non-refundable violation fee of \$100 will be levied for each uncorrected violation.

Subsequent Violations

Violations of guidelines which remain uncorrected by next weekly inspection will be again cited in writing to contractor with subsequent fees levied if still uncorrected. Continual refusal to comply may result in legal action.

Road Repairs

In the event road repairs are necessary due to damage done by contractors, workers, suppliers, or subcontractors, all such damage shall be paid for by contractor.

I agree that I, my workers, my subcontractors and their workers will abide by the guidelines as set forth in this document and in the Architectural Committee procedures, standards, and take prompt action on the items noted on the periodic Architectural Committee site inspection reports.

Contractor Signature

Date

Contractor Name

Contractor Telephone Number

Contractor Address/P.O. Box/Street

Job Site

Contractor Address/City/State/Zip

Thank you for your cooperation.

Management and Residents of Anatole Subdivision.

EXHIBIT THREE

ANATOLE SUBDIVISION ARCHITECTURAL COMMITTEE

OWNERS AGREEMENT

It is agreed that I/We, the Owner(s) will not ask or direct any contractor, subcontractor or worker to incorporate any external changes in design, construction, landscaping, or drainage prior to the submittal to and approval by the Architectural Committee and will direct these contractors and workers to comply with Architectural Committee procedures and Contractor Guidelines.

Owner's Signature

Owner's Name Printed

Owner's Mailing Address

Owner's Telephone Number

Construction Address

Date

STATE OF TENNESSEE, BRADLEY COUNTY

The foregoing instrument and certificate were noted
in Note Book 4 Page 248 At 11:55 Clock AM

11-27-19 and recorded in MB Book 240

Page 204 State Tax Paid Fee

Recording Fee 292.00 Total 292.00 Witness my hand

Receipt No. 577.3

Odeil Swafford, Register