

SOUTHERN WOODS WEST

A RESIDENTIAL DEVELOPMENT

DEVELOPER

**MORNINGSIDE DEVELOPMENT CORPORATION
GREYSTONE DEVELOPMENT, LLC
WINCHESTER DEVELOPMENT, LLC**

May 15, 1998

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SOUTHERN WOODS WEST

Offering Information

Southern Woods West is a residential development which includes Courtside at Southern Woods West and Shadow Creek at Southern Woods West (hereinafter referred to as the "Development") that will be established by Morningside Development Corporation, a Tennessee corporation, Greystone Development LLC, Winchester Development LLC, (hereinafter referred to as the "Developer"), under the terms of that certain Declaration of Covenants, Conditions and Restrictions for Southern Woods West, to be filed in the Register's Office for Williamson County, Tennessee (hereinafter referred to as the "Declaration"). Southern Woods West shall be constructed in a series of nine or more sections, comprising a total of 418 residential lots. All of the land underlying proposed Sections I through IX or more shall be submitted initially to the Declaration. Under the terms of the Declaration, the use of the property is to be limited to that of a residential development. The ownership interest of each owner of a lot in Southern Woods West will be subject to the provisions of the Declaration.

Southern Woods West will be governed in accordance with the provisions of the Declaration, and the Charter and Corporate Bylaws of Southern Woods West Homeowner's Association, Inc., a Tennessee non-profit corporation that will be organized to manage its affairs (hereinafter referred to as the "Association"). Each purchaser of a residence in Southern Woods West will acquire title to the lot and shall become a Member of the Association, which will hold title to all property and improvements of Southern Woods West other than the individual lots. Each Owner becomes a voting Member of the Association at the time he receives a deed to his residence and all subsequent sales or transfers of the residence will automatically convey the ownership interest appurtenant to such residence as well as membership in the Association to the new lot owner. Each Owner shall be entitled to one vote for each lot on which a residence is constructed, which lots are designated as Class "A" lots in the Covenants and Conditions. Lots still owned by the Developer and/or builders are designated as Class "B" lots and each Developer shall be entitled to four votes for each lot. The Developer has the option to convert all lots to Class "A" status at such time as 20% of the lots (or more) in the Development are owner occupied. The Developer shall cause all lots to be converted to Class "A" status when 80% of the lots are owner occupied. The Association will manage the affairs of the Development, thereby relieving lot owners of the need to arrange for maintenance, cleaning services, repairs and landscaping services with respect to the common areas and recreational facilities. The Association will arrange for all necessary utilities for the common areas, in compliance with Williamson County regulations, including common recreational facilities, procure hazard insurance with respect to common areas, and secure liability insurance to protect the Association and all lot owners in regards to occurrences on or about the common areas of Southern Woods West. Individual lot owners will furnish repairs, maintenance and landscaping services for their individual lots, and shall maintain their respective lots in an aesthetically pleasing manner. The Association will reserve the right to enter upon any lot to remove unsightly materials or to provide for general landscape maintenance, should the owner of such lot neglect to do so. Any charges for such services shall be added to the assessment due and owing with respect to such as provided below. When all lots within the Development have been converted to Class A Status (or seven years from the date of the first such sale, whichever first occurs) members of the Board of Directors of the Association will be elected at the annual meeting of members of the Association as prescribed in the Association's Corporate Bylaws. Until such time, members of the Board of Directors will be appointed by the Developer. By virtue of the foregoing retained control and the weighted voting described above, the Developer shall retain substantial control of the Development for a significant period of time.

The Association intends to appoint a manager of the Association to be responsible for common area utilities, maintenance, and insurance, as well as collection of assessments from lot owners. All of these services will be paid for by the lot owners pursuant to monthly assessments to be set and levied by the Board of Directors of the Association in accordance with the Declaration. Each lot owner shall be personally liable for such assessments. Should any owner fail to pay his assessment when due, his voting rights in the Association will be suspended, and interest and costs of collection may be charged upon the delinquent assessment. The projected amount of the annual assessment to be levied during 1998 and subsequent years is anticipated to be \$420 per lot, prorated at \$35 per month, beginning with the month in which the home buyer takes title from the Builder. This amount will be subject to change during any year in the event actual costs should exceed projections; however, in on event shall the increase exceed 10% in any given year.

At the time of closing a sale of a residence, each Owner shall be charged an amount equal to 2 months assessment to capitalize the Association. At closing the Association shall also be entitled to require prepayment of assessments through the end of the calendar year in which the closing occurs on a prorated basis.

Southern Woods West is being constructed on a parcel that is contiguous to a 222 lot subdivision known as Southern Woods. The Developer also owns a 12.61 acre tract located within the boundaries of the original Southern Woods development which is being dedicated as Common Area and on which the Developer is developing an amenity package which includes recreational facilities. Therefore, residents of Southern Woods are also being afforded an opportunity to become members of the Association. The voting rights of Members who become such by their own option shall be limited to matters affecting the 12.61 acre Common Area. Moreover, the Association shall have no responsibility for maintenance of any kind within Southern Woods. The assessment to be levied against Southern Woods residents who elect to become Members is anticipated to be \$300.00 annually, payable \$25.00 a month.

To ensure that each lot owner will conduct his affairs in a manner so as to insure the maintenance of the Development as a first-class development, the Board of Directors of the Association may establish Rules and Regulations governing the use of the lots and the common areas by lot owners as well as their respective tenants, contractors, agents, employees and invitees.

Each lot purchaser is required to commence and complete construction of the improvements on his lot within two (2) years from the date of closing, and failure to so complete construction shall result in the Developer having the absolute right to repurchase the lot. Should the lot owner attempt to convey his lot in violation of the exclusive option to purchase agreement referenced above, any profits from said sale shall be held by such lot owner in trust for the benefit of the Developer.

The conveyance of ownership of a lot in Southern Woods West shall be pursuant to a Warranty Deed by direct purchase from the Developer upon payment of the total purchase price for the lot. A lot purchaser will be responsible for the cost of recording the Warranty Deed to his lot and any title insurance coverage he may desire. Financing of the purchase of the lot may be secured by a purchaser from any financing institution, and all fees or other costs in connection with such financing will be borne by the purchaser.

The Developer will warrant that the improvements to the common areas of Southern Woods West will be in good order and free from defects in material, workmanship or installation for a period of (1) year from the completion of the Section in which such lot is located, provided that such defect is not the result of vandalism, catastrophe or cause beyond the control of the Developer or due to the negligence or other fault of the purchaser, purchaser's contractors or agents. The Developer's liability under the warranty shall be limited to the repair or replacement of any defective item or condition and the Developer will have no liability for loss of use, injuries to person or property or other consequential damages resulting from such defect or condition, and Developer expressly disclaims any other warranty or liability for the condition of soils, subsurface conditions or any other matter that might affect Purchaser's cost of erecting improvements upon the lot.

Legal matters relating to the establishment of Southern Woods West and the offering of lots as described in this Offering Brochure have been performed for the Developer by Stephen Miller, Attorney, 222 2nd Ave. North, Suite 360-M, Nashville, Tenn. 37201, as counsel for the Developer. However, the opinions of Developer's counsel will be rendered for the sole benefit of the Developer and should not be relied upon by prospective purchasers.

The succeeding sections of this Offering Brochure contain material documentation relating to the creation of Southern Woods West and proposed contractual arrangements between the Developer and purchasers of lots.

Within the Development several areas of common grounds exist which the Developer will leave in the natural wooded state, either for buffer or aesthetic purposes, solely at the discretion of the Developers.

Prospective purchasers of lots should be aware the Developer reserves the right to alter, amend, or revoke the offer to sell lots in Southern Woods West as set forth in this Offering Brochure at any time prior to the execution of an Agreement of Sale of Lot(s) without notice to such prospective purchaser.

THIS INSTRUMENT PREPARED BY:
 Stephen Miller, Attorney
 222 2nd Avenue North Suite 360-M
 Nashville, Tennessee 37201

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
 FOR
 SOUTHERN WOODS WEST

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (hereinafter referred to as the "Declaration") is made and published this 15th day of April, 1999, by and between Morningside Development Corporation, a Tennessee corporation, Greystone Development LLC, Winchester Development LLC, having its principal place of business located in Franklin, Tennessee (hereinafter referred to as "Developer") and any and all persons, firms or corporations hereafter acquiring any of the within described property:

WITNESSETH:

WHEREAS, Developer is the owner of a subdivision in the County of Williamson, State of Tennessee, known as Southern Woods West, Section I of which is shown upon a plat of record in Book 28, Page 33, Register's Office for said County, Section I being the first part of an overall development, a master plan for which is on file in the Office of the Planning Commission of Williamson County, Tennessee; and

WHEREAS, it is in the best interest of Developer, as well as to the benefit, interest and advantage of each and every person or other entity hereafter acquiring any of the within described property that certain covenants, conditions and easements, assessments, liens and restrictions governing and regulating the use and occupancy of the same be established, fixed and set forth and declared to be covenants running with the land; and

WHEREAS, Developer desires to provide for the preservation of the values and amenities and the desirability and attractiveness of the real property in the Southern Woods West community; and for the continued maintenance and operation of such recreational and common areas as may be provided;

NOW, THEREFORE, in consideration of the premises, the Developer agrees with any and all persons, firms, corporations or other entities hereafter acquiring any of the property hereinafter described, that the same shall be and is hereby subject to the following restrictions, covenants, conditions, easements, assessments and liens (all hereafter collectively referred to as "Restrictions") relating to the use and occupancy thereof, said Restrictions to be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title or interest in the described properties or any part thereof, and which shall inure to the benefit of each Owner thereof. Every person or other party hereafter acquiring any of the within described properties made subject to this Declaration, shall be deemed to have assented to this Declaration and Restrictions by virtue of acceptance of a deed to any of the properties or any interest therein.

ARTICLE I

DEFINITIONS

The following words when used in this Declaration or any supplemental declaration hereto (unless the context shall prohibit) shall have the following meanings:

1.1 "Southern Woods West" shall mean and refer to that certain residential community which is being developed in nine or more sections on real property now owned by Developer in Williamson County, Tennessee, in accordance with the master plan on file in the office of the Planning Commission for such county.

1.2 "Association" shall mean and refer to Southern Woods West Homeowners Association, Inc., a nonprofit corporation to be organized and to exist under the laws of the State of Tennessee, its successors and assigns.

1.3 "Common Area(s)" shall mean and refer to any and all real property owned by the Association, or such other property to which the Association may hold legal title whether in fee or for a term of years, for the non-exclusive use, benefit and enjoyment of the members of the Association subject to the provisions of the Declaration, such Common Areas to include, without limitation, the streets, sidewalks, and other passageways to the extent not dedicated to and accepted by any governmental body, parks, recreational areas, club house, and walls and fences constructed by Developer. Common Areas with respect to the properties made subject to this Declaration or subsequently by Supplementary Declaration(s) shall be shown on the plat(s) of Southern Woods West and designated thereon as "Common Areas" or "Open Space" and which shall constitute "general common elements" within the meaning of the Tennessee Horizontal Property Act.

1.4 "Declaration" shall mean and refer to this Declaration of Covenants, Conditions, and Restrictions applicable to the properties as is recorded in the Office of the Register of Deeds for Williamson County, Tennessee.

1.5 "Developer" shall mean and refer to Morningside Development Corporation, a Tennessee corporation, Greystone Development LLC, Winchester Development LLC, having their principal places of business in Franklin, Tennessee, its successors and assigns.

1.6 "Member" shall mean and refer to any person or persons who shall be an "Owner" and, as such, shall be a member of the Association. "Member" shall also mean and refer to a resident of Southern Woods Subdivision who elects to become a member of the Association and be bound by the Declaration.

1.7 "Owner" shall mean and refer to the record owner, whether one or more persons or entities of the fee interest in any Residence which is a part of Southern Woods West excluding, however, those parties having such interest merely as a security interest for the performance of an obligation.

1.8 "Person" shall mean and refer to a natural person, as well as a corporation, partnership, firm, association, trust or other legal entity. The use of the masculine pronoun shall include the neuter and feminine, and the use of the singular shall include the plural where the context so requires.

1.9 "Properties" shall mean and refer to any and all of that certain real property within that certain 159.09 acre residential subdivision being developed by Developer in Williamson County, Tennessee, which subdivision is and shall be commonly known as Southern Woods West, including common areas and private elements as provided in the Tennessee Horizontal Property Act.

1.10 "Residence" shall mean and refer to a residential dwelling constructed on a "Site" or "Lot" in accordance with the provisions of Article VI and for which a certificate of occupancy has been issued.

1.11 "Site" or "Lot" shall mean and refer to any plot of land to be used for single-family residential purposes and so designated on the subdivision plat or survey of Southern Woods West which shall be of public record and which shall constitute "private elements" within the meaning of the Tennessee Horizontal Property Act.

ARTICLE II

PROPERTIES SUBJECT TO THIS DECLARATION

2.1 Property. The property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Williamson County, Tennessee. Southern Woods West is to be built in nine (9) or more sections. All of the real property known as Southern Woods West shall be submitted to these restrictions, subject to the Developer's right to construct improvements on the properties in phases and the right to submit certain additional land designated thereon as Sections I through IX to the restrictions set forth herein as provided below.

2.2 Additional Sections. Without further assent or permit, Developer hereby reserves the right, exercisable from time to time to construct on the real property submitted to this Declaration pursuant to Paragraph One hereof eight (8) or more additional sections. The total number of lots which may be constructed on the property to be submitted to this Declaration shall be four hundred eighteen (418) Lots, regardless of the number of Sections in which the development occurs.

2.3 Additional Tracts. Without further assent or permit, Developer hereby reserves the right, exercisable from time to time, to subject all or part of other, contiguous real property described as Section I through IX to the restrictions set forth herein, in order to extend the scheme of this Declaration to such property to be developed as part of Southern Woods West in compliance with Williamson County regulations, and to thereby bring such additional contiguous properties within the jurisdiction of the Association.

2.4 Supplementary Declaration. The additions herein authorized shall be made by filing of record one or more supplementary Declarations in respect to the creation of additional Lots or the addition of other properties to be then subject to this Declaration and which shall extend the jurisdiction of the Association to such property and thereby subject such addition to assessment for its just share of the Association's expenses and shall also require the filing of such additional plats as are required for such sections in the Register's Office for Williamson County. Each supplementary Declaration must subject the added property or additional Lots to the covenants, conditions, and restrictions contained herein.

2.5 Consent to Rezoning. Every Member shall be deemed to have consented to any rezoning of Section I through IX or more that may be necessary to the development of such property as part of Southern Woods West. Owners of any Sites in the additional property shall succeed to all of the rights and obligations of membership in the Association.

2.6 Extension of Development Rights to Adjacent Property. The Developer shall have the rights described in Paragraphs 2.2 and 2.3 of this Article II, exercisable without approval of the Association or any other person or entity. The Developer shall have the voting rights as specified hereinafter with respect to any added Sites, subject to the original limitations as to duration of weighted voting.

The Association may not assert as a reason to object to the new development plan the fact that existing Association facilities will be additionally burdened by the property to be added by the new development.

ARTICLE III

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. (a) Every person or entity who is the Owner of record of a fee interest in any Site within the Properties shall be a member of the Association, subject to and bound by the Association's Articles of Incorporation, Bylaws, Rules and Regulations. Every person who is a resident of Southern Woods Subdivision and who elects to be bound by this Declaration, the Association's Articles of Incorporation, Bylaws, Rules and Regulations shall also be a Member. The foregoing is not intended to include persons or entities who hold an interest in any Site merely as security for the performance of an obligation. Ownership of such Site (or of a residence in Southern Woods Subdivision) shall be the sole qualification for membership. When any Site is owned of record in tenancy by the entireties or tenancy in common or by some other legal entity, membership as to such Site(s) shall be joint and the right of such membership (including the voting power arising therefrom) shall be exercised only as stipulated in Paragraph 3.2 herein below.

(b) During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, or be in violation of the covenants or restrictions imposed on owners of residences in Southern Woods West,

the voting rights and right to the use of the Common Areas or any other facilities which the Association may provide may be suspended by the Board of Directors until such assessment is paid. In the event of violation other than the non payment of an assessment, a member's voting and use rights may be suspended by the Board only after a hearing. Such hearing shall be held by the board (or a committee thereof) only after giving such Member ten (10) days prior written notice specifying each alleged violation and setting the time, place and date of and procedure for the hearing. Determination of the default or violation and imposition of the sanction shall be made by a majority vote of the Board or the Committee thereof. The rights of the Association under this paragraph are in addition to the right to enforce maintenance restrictions in paragraph 6.3, below.

(c) No membership or initiation fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the Association except to pay when due the charges, assessments and special assessments levied upon each Member's Lot as specified in the Declaration, the Bylaws, or as the Developer or the Directors of the Association may from time to time hereafter adopt.

3.2 Voting and Voting Rights. (a) The voting rights of the Members shall be appurtenant to the ownership of the Site. There shall be two classes of Sites with respect to voting rights:

(i) Class A. Class A Sites shall be all Sites except Class B Sites as the same are hereinafter defined, and the Owner(s) of each such Class A site shall be entitled to one (1) vote. When two or more persons hold an interest (other than a leasehold or security interest) in any site, all such persons shall be Members. The vote for such Site shall be exercised by one of such persons as proxy and nominee for all persons holding an interest in a Site and in no event shall more than one (1) vote be cast with respect to any Site. For purposes of this paragraph, residents of Southern Woods Subdivision who elect to become Members shall be deemed to be Owners of Class "A" Sites.

(ii) Class B. Lots still owned by the Developer and/or builders are designated as Class "B" lots and each Developer shall be entitled to four votes for each lot. The Developer has the option to convert all lots to Class "A" status at such time as 20% of the lots (or more) in the Development are owner occupied. The Developer shall cause all lots to be converted to Class "A" status when 80% of the lots are owner occupied.

(b) Any Member who is delinquent in the payment of any charges duly levied by the Association against a Site owned by such Member shall not be entitled to vote until all such charges, together with such reasonable penalties as the Board of Directors of the Association may impose, have been paid.

(c) Members shall vote in person or by proxy executed in writing by the Member. No proxy shall be valid after eleven (11) months from the date of its execution or upon conveyance by the Member of his Site. No proxy shall be valid unless in a form approved by the Board of Directors as an official proxy. A corporate Member's vote shall

be cast by the President of the Member corporation or by any other officer or proxy appointed by the President or designated by the Board of Directors of such corporation. The vote of a limited liability company Member shall be cast by the Chief Manager of such company.

(d) Voting on all matters except the election of directors shall be by voice vote or by show of hands unless a majority of the Members present at the meeting shall, prior to voting on any matters, demand a ballot vote on that particular matter. Where directors or officers are to be elected by the Members, the official solicitation of proxies for such elections may be conducted by mail.

(e) The Developer shall have the right, in its discretion, to appoint at least one (1) representative on the Board of Directors during the first seven (7) years after the date hereof notwithstanding the sale of all the Sites within Southern Woods West to Owners within such time frame.

(f) The voting rights of Members who are residents of Southern Woods Subdivision shall be limited to matters affecting the 12.61 acre Common Area designated for recreational facilities.

ARTICLE IV

COMMON AREA PROPERTY RIGHTS

4.1 Ownership of the Common Areas shall be vested in the Association, shall remain undivided and shall not be subject to partition or division of co-ownership. Every owner shall have a non-exclusive right and easement of enjoyment in and to the Common Areas, including any Common Areas which may be added to Southern Woods West, which shall be appurtenant to and shall pass with the title for every Site subject to the provisions of this Declaration, the Charter and Bylaws of the Association, including, but not limited to, the following:

(a) The right of the Association to limit the use of the Common Area to Members, their families, and guests;

(b) The right of the Association to suspend the voting and enjoyment rights of a Member for any period during which any assessment against his Site remains unpaid, or for an infraction of the Association's published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to a public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least two-thirds (2/3) of the votes appurtenant to Class A Sites and Class B Sites agree to such dedication or transfer and signify their agreement by a signed and recorded written document, provided that this paragraph shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of electrical, telephone, cablevision, water

and sewerage, utilities and drainage facilities upon, over, under and across the Common Areas when such easements are requisite for the convenient use and enjoyment of the Properties.

(d) The Developer hereby retains the right to maintain a sales office on the Common Areas or on a designated lot of the Developer's choice. The Builder also retains the right to maintain a sales or construction office on a designated lot of the Builder's choice. This office will be a small portable building or mobile home, and may be moved from one Lot to another Lot at Builder's discretion as the project progresses.

4.2 The right and easement of enjoyment granted to every Member in paragraph 4.1 may be exercised by the Member's family. A Member may, with the approval of the Board of Directors of the Association, delegate his right of enjoyment in the Common Area to his tenants who occupy the residence of the Member within the Properties.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

5.1 Monthly or Annual Assessment for Maintenance Fund. For each Class A Site owned within the Properties, every Member covenants, and each subsequent owner of any such Site, by acceptance of a deed therefor, whether or not it is so expressed in such deed, is deemed to covenant and agree to pay to the Association monthly or annual assessments or charges for the creation and continuation of a maintenance fund in the amount hereafter set forth, which may be levied by the Board of Directors of the Association. However, if Developer converts any Class B Lots to Class A Lots before all Lots are Owner occupied, the Developers and/or Builders will not be subject to Homeowners Association fees or any annual assessment fees.

5.2 Purpose of Assessments. The assessments levied by the Association shall be used to provide funds for such purposes as the Association may determine are for the benefit of its Members, which purposes shall include maintenance, landscaping and beautification of the Common Areas, wall and fences constructed by the Developer, and maintenance of all landscaped areas and recreational areas. Funds may also be used to provide other services for the Association Members to promote the health, safety and welfare of the residents of the community and in particular for the acquisition, improvement and maintenance of properties, services and facilities related to the use and enjoyment of the Common Area, including but not limited to the cost of repair, replacement and additions thereto, the employment of a general manager and other personnel; the cost of labor, equipment, materials, management and supervision thereof; the payment of taxes assessed against the Common Area; the procurement and maintenance of insurance; the employment of attorneys, accountants and other personnel whom the Directors may determine to be useful; the employment of security personnel to provide any service which is not readily available from any governmental authority; and such other needs as may arise. In addition, the Association shall maintain and operate recreational areas, and a management office and the Association shall assess the membership all reasonable costs so incurred.

5.3 Creation of the Lien and Personal Obligation of Assessment.

In order to secure payment at and after due date, as each assessment becomes due there shall arise a continuing lien and charge against each Site, the amount of which shall include costs and reasonable attorneys fees to the extent permissible by law. Each such assessment, together with such interest, costs and reasonable attorneys fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. Such personal obligation shall not pass to successors in title unless expressly assumed by them, provided such assumption shall not relieve such Owner of such obligation if the same is not paid when due by the successor assuming it. The lien securing the obligation shall nevertheless be enforceable against the Site even after sale to a subsequent purchaser for value from such Owner. The Board of Directors may also cause a separate notice of lien to be filed of record in connection with any action to collect the assessment herein provided. The Board of Directors shall have the same right with respect to residents of Southern Woods who elect to become Members of the Association.

5.4 Exempt Property. The assessments, charges and liens created under this Article V shall not apply to the Common Area, nor shall it apply to any Site, the title to which is vested either in any mortgagee subsequent to foreclosure; provided, however, that upon the resale of such property by such mortgagee the assessment herein provided shall again commence and accrue and shall be fully applicable to such Site upon the conveyance to any subsequent Owner. Any Site which Developer may hereafter designate for common use as part of the Common Area or otherwise shall be exempt from the assessments and charges created herein. In addition, all property dedicated to and accepted by a local public authority, all land granted to or used by a utility company shall be exempt from such assessments.

5.5 Special Assessments. In addition to the monthly or annual assessments, the Association may levy, in any assessment year, a special assessment applicable to that year only, provided that any such assessment shall have affirmative votes or not less than a two-thirds (2/3) majority of a meeting of the members, held after not less than five (5) days notice in writing.

5.6 Date of Commencement of Annual or Monthly Assessment: Due Dates: Certificate of Payment. Annual or monthly assessments provided herein shall commence as to each Site effective as of the date on which a certificate of occupancy is issued with regard to the improvements contracted on such Site. At the time of closing a sale of a residence, each Owner shall be charged an amount equal to 2 months assessment to capitalize the Association. The Association shall also be entitled to require prepayment of assessments through the end of the calendar year in which the closing occurs on a prorated basis. The purpose of the capital fund is to insure that the Association will have cash available to meet unforeseen expenditures or to acquire additional equipment or services deemed necessary or desirable by the Developers. At least thirty (30) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Site and in the event the Board elects not to fix such assessment rate as herein provided, the amount of the prior year's annual assessments shall be the fixed amount. Written notice of any changed assessment rate shall be sent to every Member.

The due dates for the payment of annual and special assessments shall be established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Site have been paid to date.

5.7 Effect of Non-Payment of Assessment: Remedies of the Association. Any assessment not paid within the due date shall bear interest at the maximum legal contract rate and to the extent allowed by law. The Association, its agent or representative, may bring an action at law against the Member personally obligated to pay the same or foreclose the lien against the Site to which the assessment relates, and interest, costs and reasonable attorneys' fee for such action or foreclosure shall be added to the amount of such assessment to the extent allowed by law. No Member may waive or otherwise escape liability for the assessment provided for herein by nonuse of the Common Area or abandonment of his Lot. By acceptance and recordation of deed to a Site, each Member grants to the Association irrevocably the power to sell the Site at Public auction to the highest and best bidder for cash in accordance with the procedures, terms and conditions governing Judicial or Trust Sales provided by Tennessee law.

5.8 Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any deed of trust (sometimes hereinafter called "mortgage") on any Site. The sale or transfer of any Site shall be subject to any assessment lien. The sale or transfer of any Site which is subject to any mortgage, pursuant to a foreclosure thereof, or under a power of sale or any proceeding in lieu of foreclosure thereof, however, shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer, but the Association shall have the lien upon the proceeds from foreclosure or sale junior only to the said foreclosed mortgage but senior to the equity of redemption of the mortgagor or trustor.

ARTICLE VI

ARCHITECTURAL, CONSTRUCTION, MAINTENANCE AND USE RESTRICTIONS

Anything in this Declaration to the contrary notwithstanding, the Developer shall have the responsibility of enforcing the restrictions set forth in this Article including the right to approve the initial design and construction of all improvements on the sites while the Developer is still the owner of class "B" Lots. After all Lots have been converted to class "A" status, the Board of Directors of the Association shall assume and be responsible for the enforcement hereof. References in this Article to the Developer shall, therefore, apply to the Association after it has been incorporated and has assumed the enforcement of these restrictions.

Except as provided for in Paragraph 10.8 & 10.9 hereinafter, the following architectural, construction, maintenance and use restrictions shall apply to each and every residence now or hereafter subjected to this Declaration.

6.1 Approval of Plans and Architectural Review Committee. No construction, reconstruction, remodeling, alteration or addition to any structure, building, fence, wall, driveway, path or other improvement of any nature shall be constructed without obtaining the prior written approval of the Developer as to the location of the same and as to its plans and specifications, which shall be in compliance with Williamson County regulations. For this purpose, the Developer shall establish an Architectural Review Committee which shall have full authority to review and act upon requests for approval of plans. As a prerequisite to consideration of such approval, and prior to the beginning of the contemplated work, one (1) complete set of building plans must be submitted to the Developer for approval. The Architectural Review Committee shall be the sole arbiter of the same and may withhold approval for any reason, including purely aesthetic considerations. Upon approval being given, construction shall commence within ninety (90) days, and shall proceed to completion promptly and in strict compliance with the approved plans, otherwise the approval shall be void. The failure of the Developer to act upon any set of plans within thirty (30) days from the date of the submission of the same shall constitute the approval of such plans. All plans of proposed residences to be constructed in Southern Woods West must be of an architectural style as specified in Paragraph 6.2 hereof, and the Architectural Review Committee may refuse approval of any plans which in its sole judgment, are inconsistent with the overall purpose and aesthetic values of Southern Woods West or the architectural standard described in Paragraph 6.2 hereof.

6.2 Improvement, Setback, and Use Restrictions.

- (a) All structures must be of architectural styles acceptable to the Developer in Developer's sole discretion and built to comply with the approved Site plan and plans and specifications therefore and applicable building codes. Before any house may be occupied it must be completely finished and a certificate of occupancy issued therefore. The owner of any residence must complete landscaping prior to assuming occupancy.
- (b) Minimum setback requirements have been established but are not intended to gender uniformity. They are intended to avoid overcrowding and monotony. It is therefore intended that setbacks may be staggered, where appropriate, so as to preserve trees and to assure vistas of open areas. The Developer reserves the right to approve the Site and location of each house or other structure on each Site and to arrange the same in such manner as it shall deem in the best interest of the overall development. No building or structure, or any part thereof, shall be located on any Site nearer to the front line nor to a side street line than the minimum setback lines shown on the recorded plan or as specified in these Restrictions. Interior Lots shall provide the minimum side yard provided on the recorded plan. For the purpose of determining compliance with the minimum setback requirement, eaves, open or covered stoops and steps extending beyond the front wall of a structure shall not be considered as a part thereof.

- (c) The total living area of the main structure upon any Lot, exclusive of the open porches, patios, garages, carports, and breezeways, shall not be less than two thousand (2,000) square feet, nor more than that maximum square footage as indicated on the recorded Site Plan for each Site, and shall comply with the maximum and minimum ratios of land to building area as shown on the recorded plan.
- (d) Boundary walls may be erected, provided that the same are set back from the street at least as far as the front building line. Without prior approval of the Architectural Review Committee, no walls, other than retaining walls may be constructed along the front lot line of any Site; no retaining wall shall extend to a height greater than three (3) feet above the earth being retained, unless approved by Developer; no boundary wall, nor any wall enclosing a patio or courtyard, shall extend to a height greater than six (6) feet from ground level (except) with the consent of all adjoining Site Owners. All boundary and retaining walls or fences must be of brick, stone, stucco or material acceptable to the Architectural Review Committee.
- (e) Unless otherwise approved by Developer, swimming pools must be located to the rear of the main dwelling and shall be no nearer than five (5) feet to any Site line. Any swimming pools to be constructed within Southern Woods West must be approved by Williamson County Environmental Department, and by the Southern Woods West Architectural Review Committee. No above ground pools will be permitted. Developer reserves the right to establish a uniform mail box and mail box location system, including the designation of materials for construction.
- (f) Incinerators for garbage, trash or other refuse shall not be used nor permitted to be erected or placed on any Lot. Any and all equipment, woodpiles, garbage cans, refuse or storage piles placed on any Lot, whether temporary or permanent, shall be walled in to conceal the same from view of neighboring Lots, roads, streets and open areas. Plans for all screening walls and enclosures must be approved by the Architectural Committee. Trash pick-up service must be contracted for by each homeowner, to be picked up at the residence door, thereby preventing trash containers from being placed in the front yards or near the street in driveways.
- (g) No lumber, brick, stone, block, or concrete or other building materials, nor any other thing used for building purposes shall be stored on any Site except for the purpose of construction on such Site, and then only for such length of time as is reasonably necessary for the construction of the improvements then in process.
- (h) All mechanical equipment, air conditioning compressors, and other like equipment shall not be visible from neighboring Lots, roads, streets and open areas. Outdoor television antennas may be installed, with the prior approval of the Architectural Review Committee. Ground installed satellite dishes must be screened and buffered with landscaping materials as approved by the Architectural Review Committee.

- (i) No Owner shall excavate or extract earth from any of the Lots subject to this Declaration for any business or commercial purpose. No elevation changes shall be permitted which will materially affect the surface grade of surrounding Site except to the extent that fill may be required on a certain Site as shown on the recorded plan. All fill shall be subject to the approval of the Architectural Review Committee, as to the nature of the fill employed and as to the manner and methods of installation.
- (j) Outside clothesline and clothes hanging devices shall not be permitted. Eave lights may not be installed or directed so as to shine on the residence of adjacent property owners.
- (k) Sales of personal property on the premises by "garage sale", "patio sales" and similar sales to the general public are prohibited, unless approved by the Board of Directors.
- (l) Any builder or Member who damages any public areas in any way shall be responsible for repairing the same at his sole expense.
- (m) All driveways shall be constructed of exposed aggregate concrete, plain concrete, asphalt, or any material approved by Developer and must be installed before occupancy, unless prior written approval is received from Developer.
- (n) If exterior siding is desired by a builder or homeowner, a residence shall be permitted a maximum of 25% exterior approved siding material, unless a greater percentage is otherwise approved by the Architectural Review Committee in advance of the start of construction, which approval shall be at the sole and absolute discretion of the Architectural Review Committee. In this regard, the Architectural Review Committee shall not be governed by previous approvals or denials and shall be free to impose its own comprehensive standards as to percentage of coverage and as to quality and type of material.
- (o) Any repainting on Southern Woods West residences, if of a different color than the existing color, must be approved by the Architectural Review Committee of the Association.
- (p) No trailer, tent, garage, barns or other outbuildings shall be erected or used as either a temporary or permanent residence. Any other type outbuilding shall not be permitted without permission of developers.
- (q) No school buses, trailer trucks, dump trucks, or mobile homes are to be parked or stored on any lot. The Developer and Builder may use a small portable building or mobile home as a temporary or permanent office. It may be moved from one Lot to another Lot at the Developer's or Builder's discretion as the project progresses.

- (r) No duplexes are permitted on any lot without permission of Developer.
- (s) A perpetual easement is reserved on each lot, as shown on the recorded plat, for the construction and maintenance of utilities, such as electricity, gas, water, sewerage, drainage, etc., and no structure of any kind shall be erected or maintained upon or over said easement.
- (t) Any garage erected on said lot shall be attached to the residence, or a garage can be installed in basement of any residence. No detached garage will be permitted on any lot, and said garages shall open to either the front, side or rear. Any residence with less than a two car garage must have written approval from the Developer. Carports will not be permitted.
- (u) The Developer of this subdivision, or its assigns, reserve the right to enter upon any lot for the purpose of cutting grass and cleaning up such lot, if the same be reasonably required, charging the expense thereof, which shall become a lien upon the lot, unless paid by the residence owner.
- (v) For the purpose of the beauty and continuity of the subdivision the Developer reserves the right to prohibit any builder or group of builders from building the same residence in its same exterior form or elevation in lots adjoining or in a close proximity.
- (w) All buildings or structures of any kind constructed on any Lot shall have masonry foundations, and no exposed block or concrete foundations shall be exposed to the exterior above grade level. Brick, stone, or stucco is accepted. Any exceptions must be approved in writing by the Developer.
- (x) Drainage and sewer easements as shown on the recorded plat shall be for the purpose of construction, maintaining, opening or sizing storm drains, sewerage lines and open ditches.
- (y) In order to preserve and protect the decorum of the community, the developer reserves the right to restrict the advertising and placement of signs on or relating to properties for sale or resale within the premises of Southern Woods West, Section I through IX or more and to designate the size, design, wording and placement of signs and other advertising material used in connection therewith.
- (z) The construction of permanent improvements on the Lot(s) shall commence within one year from the date of the Agreement for sale of Lot(s) and be completed within two years from the date of the Lot sales agreement. Once begun, construction shall proceed in an expeditious manner to completion and no residence shall be left in a partially completed state.
- (aa) Vehicles belonging to contractors and laborers shall be parked at locations designated by Developer.

- (bb) Roads within the development shall be kept open for traffic and shall not be blocked except as may be temporarily necessary for the delivery of materials and the connection of utility services.
- (cc) All work on the premises shall be done in a neat and orderly fashion with debris to be removed regularly throughout the course of construction. Upon completion of construction all excess building materials shall be removed from the property.
- (dd) While the Developer may defer final paving of the streets and completion of landscaping until a substantial completion of houses within each area of the Development, any damage to the physical improvements within the common areas (i.e. roads, landscaped open areas) shall be repaired by the contractor causing any such damage at his expense.
- (ee) Building materials and equipment shall not be stored on driveways, common areas or other lots without the prior consent of the Developer.
- (ff) Absolutely no fires, for the burning of refuse or discarded construction materials, underbrush or any other material shall be permitted anywhere within the Development, except in areas designated therefore by the Developer. Developer reserves the right to further designate the times at which such materials may be burned and to require that a contractor or builder desiring to use said burning site provide adequate supervision to insure the safety of the entire project.

6.3 Maintenance. (a) All Sites, together with the exterior of all improvements located thereon shall be maintained in neat and attractive conditions by their respective owners. To provide uniformity in the maintenance of the landscaping, the Developer shall contract with one or more landscaping services to provide maintenance service for the Common Area. The cost of such maintenance shall be treated as a Common Area charge for all areas and paid by the Homeowners Association.

In the event any Owner shall fail to complete his residence according to the approved plans or to maintain the improvements situated upon his or her Lot in a manner satisfactory to the Association, including any landscaping, the Association may, upon the vote of two-thirds (2/3) of the Association's Directors, and after ten (10) days notice in writing to the Site Owner, and his continued failure to commence the correction of the matter in issue, enter upon said Site and complete, repair, or maintain such improvements or landscaping and the costs attributable thereto shall be added to and become a part of the assessment to which such site is subject and the owner shall be personally liable for the cost so incurred; provided, however, only three (3) days notice shall be required for nonperformance of routine landscape maintenance.

6.4 Residential Use. Unless otherwise designated on the recorded plat, each Site shall be used only for private, single family residential purposes and not otherwise.

6.5 Parking of Automobiles. A minimum of two (2) off-street parking spaces for each residence must be provided by such Site Owner, which shall be located off of the service drive at the rear of the residence, where there is a service drive; or in the Owner's driveway. Additional parking will be permitted at the front of the residence for guests of residents. Additionally, the Developer may permit the use of certain designated open spaces for the parking of automobiles on special occasions.

6.6 Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred, pastured or maintained on any Site, except household pets which shall be kept thereon in reasonable numbers as pets for the sole pleasure of the occupants, but for not any commercial purpose or use. No pets shall be permitted outside of the residences or an enclosed courtyard, or in the Common Areas unless accompanied by their Owners and except on a leash. The Association may take appropriate measures to insure compliance with this provision, including having pets placed in the city pound.

6.7 Nuisances and Unsightly Materials. No house or other structure on any site shall be used for any commercial or business purpose. Each Owner shall refrain from any act or use of his Site which could reasonably cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. In this regard, each Owner shall refrain from engaging in inherently dangerous activities such as the assembly and disassembly of motor vehicles or other mechanical devices, the shooting of firearms, fireworks, or pyrotechnic devices of any type or size. No noxious, offensive or illegal activity shall be carried on upon any Site. Boats and recreational vehicles may be stored on the property, but must be adequately screened with landscaping material as approved by the Architectural Review Committee. No motorized off-road vehicle of any kind whatsoever shall be permitted to be operated in the streets or Common Areas at Southern Woods West. No airplane, helicopter, gyrocopter, or any other motorized flying device whatsoever shall be permitted to land on or be operated in the streets, lots, or common areas at Southern Woods West. However, residents may own and operate motorcycles as a means of transportation only and may be operated for purpose of access to their residence.

6.8 Governmental Restrictions. Each Member shall observe all governmental building codes, health regulations, zoning restrictions and other regulations applicable to his residence. In the event of any conflict between any provision of any such governmental code, regulation or restriction and any provisions of this Declaration, the more restrictive provision shall apply.

6.9 Recreational Activities. All recreational activities shall be restricted to the areas indicated for these purposes on the recorded plat for Southern Woods West.

6.10 Rules and Regulations. The Board of Directors may establish reasonable rules and regulations from time to time, all of which shall be binding upon every Member.

ARTICLE VII

EASEMENTS

7.1 General. Each Site now or hereafter subjected to this Declaration shall be subject to all easements shown or set forth on the recorded plat(s) or survey upon which such Lot is shown. No structure(s) of any type shall be erected or placed upon any part of a Lot or Common Areas which will interfere with the rights and use of any and all easements shown on such recorded plat.

7.2 Emergency. There is hereby reserved without further assent or permit, a general easement to all policemen and security guards employed by Developers, firemen, ambulance personnel and all similar persons to enter upon the properties or any portion thereof which is now or hereafter made subject to this Declaration in the performance of their respective duties.

ARTICLE VIII

SALE OR LEASE OF SITES

8.1 Right of First Refusal. To assure a community of congenial Owners and thus protect the value of the Sites in Southern Woods West, any Owner who desires to sell or lease any Site or Sites, prior to the completion of improvements there on, shall first offer the same for sale or lease to Developer at the same price and on the same terms at which the highest bona fide offer has been made to the Owner therefor. An Owner desiring to sell or lease an unimproved or partially improved Site shall give Developer notice via certified mail, return receipt requested, of his desire to sell or lease such Site(s) together with such other information as may be requested. Within seven (7) days thereafter, Developer may (1) approve the transaction; (2) furnish a purchaser or lessee approved by the Association who will accept the transaction upon terms as favorable as those stated in the notice; (3) purchase or lease upon the same terms and conditions subject to the right of the Developer to obtain an appraisal which shall govern if the appraised value is less than the price at which the Owner intended to sell or lease; or (4) fail to respond in which event the transaction will be deemed approved. The right of first refusal granted by this Declaration to Developer shall continue until residences have been completed and certificates of occupancy issued with respect to all Sites in Southern Woods West. This right of first refusal does not apply to the holder of a first mortgage or deed to secure debt upon the exercise of any power of sale or upon becoming the Owner of a Site, or upon the exercise of any power of sale or upon becoming the Owner of a Site, or upon the sale of said site thereafter; provided, however, that in any event, such sale or lease shall remain subject to the covenants and restrictions of this Declaration.

8.2 Sales and Resales. In order to preserve and protect the decorum of the community, the Developer reserves the right to restrict the advertising and placement of signs on or relating to properties for sale or resale within the premises of Southern Woods West and to designate the size, design, wording and placement of signs and other advertising material used in connection therewith. No "For Sale" signs or directional signs or open house signs except those of the Developer, its affiliates shall be placed at the entrance, or anywhere inside the development on the Common Areas. This right of the Developer shall continue for a period of seven (7) years from the date hereof; thereafter this right shall be exercisable by the Association through its Board of Directors.

ARTICLE IX

PROVISIONS FOR PROTECTION OF MORTGAGEES

9.1 Special Actions Requiring Mortgagee Approval. Notwithstanding anything herein to the contrary, unless each of the mortgagees of the individual Sites, as the case may be, have given their prior written approval, the Association shall not be entitled to:

- (a) By act or omission, seek to abandon the Properties or terminate the restrictions declared herein; except as provided by statute in case of substantial loss of the Sites and Common Areas;
- (b) Partition or subdivide any Site;
- (c) Change the pro rata interest or obligations appurtenant to a Site or Lot for purposes of levying assessments and charges and determining shares of Common Areas and Proceeds of the Properties.
- (d) By act or omission, seek to abandon, partition or subdivide, encumber, sell or transfer the Common Areas. The granting of easements for public purposes consistent with the intended use of the Common Areas shall not be deemed to transfer within the meaning of this clause;
- (e) Use hazard insurance proceeds for losses to any common facilities for other than the repair, replacement or reconstruction of such improvements, except as provided by statute.

9.2 Special Rights of Mortgagees. A mortgagee, or beneficiary of any deed of trust shall be entitled to the following rights:

- (a) Upon request, such mortgagee is entitled to written notification from the Association of any default in the performance of any individual Owner of any obligation under the Declaration.
- (b) Upon request, such mortgagee is entitled to receive copies of any other notices permitted or required by this Declaration to be given to an Owner.
- (c) Any mortgagee shall have the right to examine the books and records of the Association during regular business hours, and such books and records shall be made available to such mortgagees upon written request, delivered at least seven (7) days prior to the date on which such inspection is requested.

9.3 Conformity with Federal Home Loan Mortgage Corporation Regulations. Notwithstanding anything to the contrary contained in these restrictions, all terms, conditions, and regulations now existing, or which may be promulgated from time to time, by the Federal Home Loan Mortgage Corporation pertaining to planned residential developments of the same type as Keystone are hereby incorporated as terms and conditions of this Declaration and shall be binding upon Developer, the Association and the Owners, so long as such terms and

conditions are not inconsistent with the laws of the State of Tennessee and do not infringe on any substantial property rights of individual Owners. Any agreement for the professional management for the Association, whether it be by the Developer, its successors and assigns, or any other person or entity, may be terminated on ninety (90) days written notice and the terms of any such contract shall so provide and shall not be of a duration in excess of three (3) years. The Association shall give to the Federal Home Loan Mortgage Corporation or any lending institution servicing such mortgages as are acquired by the Federal Home Loan Mortgage Corporation, notice in writing of any loss to or the taking of the common facilities if such loss or taking exceeds Ten Thousand Dollars (\$10,000). The Association may rely on the information contained in book entitled "Mortgages" as must be established pursuant to this Declaration for a list of mortgages to be notified hereby.

9.4 Notice of Mortgage. Any Owner who mortgages his ownership interest shall notify the Association in such manner as the Association may direct, of the name and address of his mortgagees. The Association shall maintain such information in a book entitled "Mortgages".

9.5 Subordination of a Lien for Assessments. Any holder of a mortgage or deed of trust which comes into the possession of a Site pursuant to the remedies provided in such instrument, or by foreclosure or deed (or assignment) in lieu of foreclosure, shall take such Site free and clear of any claims for unpaid assessments of charges against the mortgaged Site which accrued prior to such holder coming into possession as provided in paragraphs 5.4 and 5.8, above. While a mortgagee is in possession of a Site, such Site shall be exempt from assessment as provided in paragraph 5.4. Moreover, such Mortgagee shall not be required to follow the procedures set forth in paragraph 8.1 as a condition of reselling such lot.

ARTICLE X

GENERAL PROVISIONS

10.1 Covenants Running with the Land All provisions, conditions, restrictions, options, benefits and burdens contained in this Declaration and the Bylaws attached hereto and forming a part hereof shall be construed as covenants running with the land and with every part thereof and every interest therein, including, but not limited to, every Site and the incidents and appurtenances of every Site; and every Owner and every claimant of any interest of any nature at any time in the Properties, or any Site, either present or future, and every Owner's heirs, executors, administrators, successors and assigns shall be bound by and entitled to the benefits of the same.

10.2 Acceptance of Development. By the acceptance of a deed to a Site, any purchaser of a Site shall be deemed to have accepted and approved the entire plans for Southern Woods West, and all improvements constructed by that date, including, without limitation, the utilities, drains, roads, septic areas, landscaping, management office, decorative masonry, landscaping, and all other improvements as designated on the Plat of record in Book 28, Page 33, Register's Office for Williamson County, Tennessee. Such purchaser agrees that all improvements constructed after the date of purchase consistent with such plans, and of the same quality of then existing improvements, shall be accepted. Security will be provided at the Developers discretion, and no owner shall have any cause of action for failure to provide adequate security.

10.3 Amendment. The covenants and restrictions of this Declaration may be amended by the Developer as a matter of right until such time as all of the lots in Southern Woods West have been converted to Class A status or until seven (7) years from the date of recording this Declaration, whichever first occurs. No such amendment may change the percentage of ownership interest of a Lot or Site or otherwise operate to diminish an Owner's rights without the consent of the affected Owner and Mortgagees. This Declaration and the Bylaws of the Association may also be amended by a vote of at least two thirds (2/3) of the Members of the Association; provided however that nothing herein contained shall require the holder of a mortgage or deed of trust to join in an amendment unless the amendment changes the size of the Lot or Site or the pro rata interest of said Lot or Site in the Common Areas. Any such amendment shall not become effective until the instrument evidencing such amendment and its adoption has been duly recorded in the Register's Office for Williamson County Tennessee.

10.4 Enforcement. Each Member, Owner, tenant, occupant or invitee shall be governed by and shall comply with the provisions of this Declaration, the Bylaws, and the decisions, resolutions and regulations from time to time adopted by the Board of Directors; and failure to comply with the same or any default shall entitle the Board of Directors or other unit owners to the following relief:

- (a) Any such default shall be grounds for an action by the Board of Directors on behalf of the other Members to recover any sums or amounts due, to recover damages or to secure injunctive relief, foreclosures of any lien, or any combination thereof.
- (b) Any Member shall be liable for the expense of any maintenance, repair or replacement rendered necessary by the Member's act, neglect or carelessness or by that of the Member's invitees, employees, agents or lessees, but only to the extent that such expenses are not met by the proceeds of insurance carried by the Board of Directors, or by insurance carried by an injured or damaged Member (where insurance is carried, it is agreed and intended that such insurance shall provide, if possible, that no insurer shall have any right of subrogation against, or any right of action against, the Developer, any Member, any Owner, any Owner's lessees, invitees, employees or agents).
- (c) In any proceeding arising because of an alleged default by an Member, the Board of Directors shall be entitled to recover from the Member the costs of the proceeding and reasonable attorney's fees.
- (d) The failure of the Board of Directors to enforce any right, provision, covenant or condition which may be granted by the Declaration and Bylaws shall not constitute a waiver of the right of the Board of Directors to enforce such right, provisions, covenant or condition in the future.
- (e) Invalidation of any one or more of the terms, covenants restrictions or provisions of this Declaration or the Bylaws by judgment, court order, legislation or regulation shall not affect, alter, modify or impair any other term, covenant, restriction or provision of such documents.

10.5 Headings and Binding Effect. Headings are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer. The covenants, agreements and rights set forth herein shall be binding upon and inure to the benefits of the respective heirs, executors, successors and assigns of the Developer and all persons claiming by, through or under Developer.

10.6 Unintentional Violation of Restrictions. In the event of unintentional violation of any of the foregoing restrictions with respect to any Lot, the Developers or its successors reserves the right (by and with the mutual written consent of the Owner or Owners for the time being of such Lot) to change, amend, or release any of the foregoing restrictions as the same may apply to that particular Lot.

IN WITNESS WHEREOF, the Developer has caused this Declaration of Covenants, Conditions and restrictions to be duly signed this 20th day of May, 1999.

Morningside Development Corporation

BY: Lanny Hester, Pres.

LANNY HESTER, PRESIDENT

Winchester Development LLC

BY: Larry Hasty, Chf Mgr

LARRY HASTY, CHIEF MANAGER

Greystone Development LLC

BY: Eddy Queen, Chf Mgr

EDDY QUEEN, CHIEF MANAGER

STATE OF TENNESSEE)
)
COUNTY OF WILLIAMSON)

Before me, Menton Stein a Notary Public in and for the County and State aforesaid, personally appeared Lanny Hester, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be President of Morningside Development Corporation, the within named bargainor, a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as President.

WITNESS my hand and official seal at office in Nashville, Tennessee, this
20th day of May, 1999.

Menton Stein
Notary Public



My Commission Expires:

08/22, 2001

STATE OF TENNESSEE)
)
 COUNTY OF WILLIAMSON)

Before me, Morton Stein, a Notary Public in and for the County and State aforesaid, personally appeared Larry Hasty, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be Chief Manager of Winchester Development LLC, the within named bargainor, a corporation, and that he as such Chief Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Chief Manager.

WITNESS my hand and official seal at office in Nashville, Tennessee, this
20th day of May, 1999.

Morton Stein
 Notary Public

My Commission Expires:

Oct. 22, 2001

STATE OF TENNESSEE)
)
COUNTY OF WILLIAMSON)

Before me, Morton Stein, a Notary Public in and for the County and State aforesaid, personally appeared Eddy Queen, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be Chief Manager of Greystone Development LLC, the within named bargainor, a corporation, and that he as such Chief Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Chief Manager.

WITNESS my hand and official seal at office in Nashville, Tennessee, this
20th day of May, 1999.

Morton Stein
Notary Public

My Commission Expires:

Oct 22, 2001

**CHARTER
OF
SOUTHERN WOODS WEST HOMEOWNERS ASSOCIATION, INC.**

The undersigned persons, under the Tennessee Nonprofit Corporation Act adopts the following charter for the above corporation:

ARTICLE I

The name of the corporation is SOUTHERN WOODS WEST HOMEOWNERS ASSOCIATION, INC.

ARTICLE II

The corporation is a mutual benefit corporation. This corporation is not a religious corporation.

ARTICLE III

The address of the initial registered office of the corporation in the State of Tennessee is c/o Morningside Development Corporation, 4261 Columbia Pike, Franklin, Tennessee 37064. The registered agent at such address shall be Lanny Hester.

ARTICLE IV

The name and address of the incorporator is : Stephen M. Miller, 222 2nd Avenue North Ste. 360M, Nashville, Tennessee 37201

ARTICLE V

The complete address of the corporation's principal office is : 4261 Columbia Pike, Franklin, Williamson County, Tennessee.

ARTICLE VI

The Corporation is not for profit.

ARTICLE VII

The purposes for which the corporation is organized are:

- (a) To own, operate, manage, and maintain the Common Areas and administer the affairs of Southern Woods West, a Residential Development, established pursuant to that certain Declaration of Covenants, Conditions, and Restrictions dated May 15, 1998, filed for record in Book 1846, Page 387, and the Plat filed for Record in Plat Book 28, Page 33, all in the Register's Office for Williamson County, Tennessee (hereinafter referred to as the "Declaration" and the "Plat") on behalf of Morningside Development Corporation, Greystone Development LLC, Winchester Development LLC, (hereinafter the "Developer").
- (b) To enter into and perform any contract and to exercise all powers which may be necessary or convenient to the operation, management, maintenance and administration of the affairs of Southern Woods West in accordance with the Declaration.

ARTICLE VIII

The Corporation is to have Members, as the term is defined in the Declaration, and no other person or entity shall be entitled to membership. An Owner's exercise and enjoyment of rights as a Member of the Corporation shall be conditioned on the observance of the terms and conditions of these Articles of Incorporation, the By-laws and the Declaration.

ARTICLE IX

- a) The share of a Member in the funds and assets of the corporation cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Lot in the Residential Development.
- b) Each Member shall be entitled to one vote for each lot on which a residence is constructed, which lots are designated as Class "A" lots in the Covenants and Conditions. Lots still owned by the Developer and/or builders are designated as Class "B" lots and each Developer shall be entitled to four votes for each lot. The Developer has the option to convert all lots to Class "A" status at such time as 20% of the lots (or more) in the Development are owner occupied. The Developer shall cause all lots to be converted to Class "A" status when 80% of the lots are owner occupied. Lots owned by Members who are residents of Southern Woods and whose membership in the Association is optional, shall be excluded for purposes of this calculation.
- c) At any regular or special meeting of the Members of the Corporation, the presence in person or by proxy, of more than fifty (50%) per cent of the total votes entitled to be cast by Members qualified to vote shall constitute a quorum for the transaction of business. Special meetings of the Members, for any purpose or purposes, may be called by the President, the Board of Directors, or by Members constituting not less than twenty five (25%) per cent of the total votes entitled to be cast by Members qualified to vote at such meeting.
- d) No Member other than the Developer shall be entitled to vote at any meeting of the Corporation until evidence of ownership of a residence in the Residential Development has been presented to the Corporation. The vote of each Member may only be cast by such Member or by a proxy given by such Member to his duly authorized representative. If title to a residence shall be in the name of two or more persons as Owners, any one of such Owners may vote as a Member at any meeting of the Corporation and such vote shall be binding on such other Owners who are not present at such meeting until written notice to the contrary has been received by the Corporation, in which case the unanimous action of all such Owners (in person or by proxy) shall be required to cast their vote as Members. If two or more of such Owners are present at any meeting of the Corporation then unanimous action shall also be required to cast their vote as Members. The foregoing provision shall also apply to Members who are residents of Southern Woods, and whose membership in the Association is optional.

- e) The voting rights of Members who are residents of Southern Woods and whose membership in the Association is optional, shall be limited to matters affecting the 12.61 acre common area designated for recreational facilities.
- f) No cumulative voting of Members interests shall be permitted.
- g) A Member in default with respect to any provision of the Declaration shall not be entitled to vote at any meeting of the Corporation so long as such default is in existence, subject to the notice and hearing procedures established by the By-laws of the Corporation.
- h) The terms "Developer", "Southern Woods West", "Lot", "Owner", "Member", and "Site", as used herein, shall have the same meanings as those described to them in the Declaration.

ARTICLE X

- a) The number of Directors of the Corporation shall be fixed by the Bylaws of the Corporation but shall not be less than three (3). The initial Directors of the Corporation shall be appointed by the Developer. The Directors shall thereafter be elected by the Members at the annual meeting of Members as provided in the Bylaws of the Corporation to serve in accordance with the terms of office established in such Bylaws. The Developer, at its option, may appoint one member of the Board of Directors for seven (7) years following the recordation of the Declaration.
- b) Directors may take any action which they are required or permitted to take without a meeting on written consent setting forth the action so taken, signed by all of the Directors entitled to vote thereon.
- c) To the extent permitted by Tenn. Code Ann. § 48-52-102(3), or any future amendments thereto, a Director shall not be liable to the Corporation or its Members for breach of fiduciary duty as a Director; provided that such breach does not involve breach of the Director's duty of loyalty to the Corporation or a knowing violation of law or the authorizing distributions in violation of the Tennessee Nonprofit Corporation Act.

ARTICLE XI

Upon dissolution of the Corporation, and after payment of all creditors as required by law, the assets of the Corporation shall be liquidated in accordance with a plan adopted by the Board of Directors and the proceeds distributed to the Members on the same basis as the Members are entitled to vote.

IN WITNESS WHEREOF, the undersigned, having capacity to contract and acting as the Incorporator under the Tennessee Non-Profit Corporation Act, has adopted the foregoing Charter for Southern Woods West Homeowners Association, Inc.

Dated this 15th day of May, 1998.



Stephen M. Miller, Incorporator

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OF
CORPORATION BYLAWS
OF

SOUTHERN WOODS WEST HOMEOWNERS ASSOCIATION, INC.

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**CORPORATE BYLAWS
OF
SOUTHERN WOODS WEST HOMEOWNERS ASSOCIATION, INC.**

ARTICLE 1: DEFINITIONS

The words defined in the Declaration of Covenants, Conditions and Restrictions for Southern Woods West (the "Declaration") recorded in Book 1846, Page 428, Register's Office for Williamson County, Tennessee, shall have the same meanings ascribed to them in these Corporate Bylaws.

ARTICLE 2: OFFICES

2.01. Registered Office. The registered office of the Corporation shall be c/o Morningside Development Corporation, 4261 Columbia Pike, Franklin, Tennessee 37064.

2.02. Other Offices. The Corporation may also have offices at such other places both within and without the State of Tennessee as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE 3: MEMBERS

3.01. Membership. The Developer and each Owner shall be a Member of the Corporation. Each Owner of a residence in Southern Woods Subdivision who elects to become a Member and be bound by the Declaration shall also be a Member; provided however that such Member's voting rights shall be limited to matters affecting the 12.61 acre Common Area designated for recreational facilities.

ARTICLE 4: MEETINGS OF MEMBERS

4.01. Place of Meetings. Meetings of the Members of the Corporation may be held at any location determined by the Board of Directors within Williamson County, Tennessee.

4.02. Annual Meeting. An annual meeting of the Members of the Corporation shall be held each year on the second Thursday of the third month following the close of the fiscal year, if not a legal holiday, then on the next secular day following, at 7:00 p.m., at which time the members shall elect a Board of Directors, and shall transact such other business as may properly be brought before the meeting.

4.03. Special Meeting. Special meetings of the Members, for any purpose or purposes, may be called by the President, the Board of Directors, or by Members constituting not less than twenty-five percent (25%) of the total of those votes entitled to be cast at such meeting. Business transacted at all special meetings shall be confined to the objects stated in the notice of such meetings.

4.04. Notice. Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or person calling the meeting, to each Member of the Corporation entitled to vote at such meeting.

4.05. Quorum. The presence in person or by proxy of more than fifty percent (50%) of those votes entitled to be cast at a meeting of the Members shall constitute a quorum at all meetings of the Members for the transaction of business.

4.06. Majority Vote; Withdrawal of Quorum. When a quorum is present at any meeting, the vote of more than fifty percent (50%) of the votes entitled to be cast by Members qualified to vote and present in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Charter of the Corporation, these Corporate Bylaws, the Declaration or the Tennessee Non Profit Corporation Act, a different vote is required, in which case such express provision shall govern and control the decision of such question. When a quorum is once present to organize a meeting, a meeting may be adjourned from time to time, without notice other than announcement at the meeting despite the absence of a quorum caused by the subsequent withdrawal of any of those present.

4.07. Method of Voting; Proxies. Each Member shall be entitled to the vote allocated to the residence owned by such Member as set forth in the Declaration. No Member, other than the Developer, shall be entitled to vote at any meeting of the Corporation until such Member has presented evidence of ownership of a residence in the Residential Development to the Board of Directors. The vote of each Member may only be cast by such Member or proxy given by such Member to his duly authorized representative bearing a date not more than eleven (11) months prior to such meeting. Such proxy shall be filed with the Secretary of the Corporation prior to or at the time of the meeting. If title to a residence shall be in the name of two or more persons as Owners, all of such persons shall be Members of the Corporation and are referred to herein as "Joint Owners". Any one of such Joint Owners may vote at any meeting of the Members of the Corporation and such vote shall be binding upon such other Joint Owners who are not present at such meeting until written notice to the contrary has been received by the Board of Directors in which case the unanimous vote of all such Joint Owners (in person or by proxy) shall be required to cast their vote as Members. If two or more of such Joint Owners are present at any meeting, their unanimous action, shall also be required to cast their vote as Members of the Corporation.

4.08. Cumulative Voting Denied. Cumulative voting for Directors shall not be permitted.

ARTICLE 5: DIRECTORS

5.01. Management. The business and the affairs of the Corporation shall be managed by its Board of Directors who may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute, the Charter, the Bylaws, or the Declaration directed or required to be exercised or done by the Members.

5.02. Number; Qualifications; Election; Term. During the period that the Developer is the owner of Class B lots, as specified in the Declaration, the Board of Directors shall consist of three (3) persons appointed by the Developer. After all Lots have been converted to Class A status, the Board of Directors shall consist of five (5) Directors, each of whom shall be a Member of the Corporation or an employee of the Developer, or its subsidiaries or affiliates. The Members of the initial Board of Directors shall serve terms of one (1) year. Each Director elected to replace an original Director upon the expiration of his term of office shall serve for a term of office ending with the annual meeting of Members following his election and until his successor shall be elected and shall qualify. Directors shall serve without compensation.

5.03. Removal; Change in Number; Vacancies. Any Director may be removed either for or without cause, at any special meeting of the Members of the Corporation by the affirmative vote of a majority of Members present in person or by proxy at such meeting and entitled to vote, if notice of the intention to act upon such matter shall have been given in the notice calling such meeting. If any vacancy occurs in the Board of Directors caused by death, resignation, retirement, disqualification or removal from office of any Director or otherwise, a successor or successors may be chosen at a special meeting of Members called for that purpose, and each successor Director so chosen shall be elected for the unexpired term of his predecessor in office. Any Directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting of Members or at a special meeting of Members called for that purpose.

5.04. Place of Meeting. The Directors of the Corporation shall hold their meetings, both regular and special, within Williamson County, Tennessee.

5.05. Annual Meetings. The annual meeting of each newly elected Board shall be held without further notice immediately following the annual meeting of Members of the Corporation, and at the same place, unless by unanimous consent of the Directors then elected and serving such time or place shall be changed.

5.06. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board.

5.07. Special Meetings. Special meetings of the Board of Directors may be called by the President on a three (3) days notice to each Director, either personally or by mail or by telegram. Special meetings may be called by the President or Secretary in like manner and on like notice on the written request of two (2) Directors. Except as may be otherwise expressly provided by statute, the Charter, these Corporate Bylaws, or the Declaration, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in a notice or waiver of notice.

5.08. Quorum. At all meetings of the Board of Directors the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the Directors, when present at any meeting at which there is a quorum, shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of Directors, the Directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

5.09. Committees Having Board Authority. The Board of Directors may, by resolution passed by a majority of the Board, designate one (1) or more committees to consist of two (2) or more of the Directors of the Corporation. Any such committee, to the extent provided in said Resolution, shall and may exercise all of the authority of the Board of Directors in the management of the business and affairs of the Corporation, except where action of the full Board of Directors is required by statute, the Charter, or the Declaration.

5.10. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Corporation may be designated and appointed by a Resolution adopted by a majority of the directors at a meeting at which a quorum is present, or by the President thereunto authorized by a like Resolution of the Board of Directors. Membership on such committees may, but need not, be limited to Directors or Members of the Corporation.

5.11. Procedure. All committees shall keep regular minutes of their proceedings and shall report the same to the Board when required.

5.12. Managing Agents. The Board of Directors may employ for the Corporation a management agent at a compensation established by the Board of Directors and such management agent shall perform such duties and services with respect to the Properties as the Board of Directors shall authorize, and the Board of Directors may delegate to such management agent such duties with respect to management, repair and maintenance of the Properties which are not by statute, the Charter, these Corporate Bylaws, or the Declaration required to be performed by or have the approval of the Board of Directors or the members of the Corporation.

ARTICLE 6: NOTICES

6.01. Method. Whenever notice is required to be given to any Director or Member, and no provision is made as to how such notice shall be given, it shall not be construed to mean personal notice, but any such notice may be given in writing, by mail, postage prepaid, addressed to such Director or member at such address as appears on the records of the Corporation. Any notice required or permitted to be given by mail shall be deemed to be given at the time when the same shall be thus deposited in the United States mail as aforesaid.

6.02. Waiver. Whenever any notice is required to be given to any Member or Director of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice.

ARTICLE 7: OFFICERS

7.01. Number; Titles. The officers of the Corporation shall be elected by the Directors from among the members of the Board of Directors and shall be a President, a Secretary and a Treasurer. Any two (2) or more offices may be held by the same person except the offices of President and Secretary.

7.02. Election. The board of Directors at its first meeting after each annual meeting of members shall choose a President, a Secretary, and a Treasurer, all of who shall be members of the Board.

7.03. Other Officers. The Board of Directors may appoint such other officers and agents as it shall deem necessary, who shall be appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

7.04. Salaries. The salaries of all officers of the Corporation, if any, shall be fixed by the Board of Directors.

7.05. Term of Office; Removal. Each officer of the Corporation shall hold office until the annual meeting of the Board of Directors next following his election and thereafter until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office. Any officer or agent elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole Board of Directors, but such removal shall be without prejudice to the contract right, if any, of the person so removed. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

7.06. President. The President shall be the chief executive officer of the Corporation; he shall preside at all meetings of the Members and the Board of Directors, shall have general and active management of the affairs of the Corporation, shall see that all orders and resolutions of the Board are carried into effect, and shall perform such other duties as the Board of Directors shall prescribe.

7.07. Secretary. The Secretary shall attend all sessions of the Board of Directors and all meetings of the members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for any committees when required. He shall give, or cause to be given, notice of all meetings of the members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall be.

7.08. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements of the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Corporation, and shall perform such other duties as the Board of Directors may prescribe. If required by the Board of Directors, he shall give the Corporation a bond in such form, in such sum, and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of his office and for the restoration to the Corporation, in case of his death, resignation, retirement, or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Corporation.

ARTICLE 8: MISCELLANEOUS PROVISIONS

8.01. Reserves. There may be created by resolution of the Board of Directors such reserve or reserves as the Directors from time to time, in their discretion, think proper to provide for contingencies, or to repair or to maintain any portion of the Residential Development, or for such other purposes as the Directors shall think beneficial to the Corporation, and the Directors shall modify or abolish any such reserve in the manner in which it was created.

8.02. Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

8.03. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

8.04. Seal. The corporate seal, if any, shall be in such form as may be determined by the Board of Directors. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced otherwise.

8.05. Indemnification. The Corporation shall indemnify any Director, officer or employee, or former Director, officer or employee of the Corporation, against expenses actually and necessarily incurred by him, and any amount paid in satisfaction of judgments, in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a Director, officer or employee (whether or not a Director, officer or employee at the time such cost or expenses are incurred by or imposed upon him) except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct in the performance of duty. The Corporation may also reimburse to any Directors, officer, or employee the reasonable cost of settlement of any such action, suit or proceedings, if it shall be found by a majority of a committee of the Directors not involved in the matter in controversy, whether or not a quorum, that it was to the interest of the Corporation that such settlement be made and that such Director, officer or employee was not guilty of gross negligence or willful misconduct. Such rights of indemnification and reimbursement shall be not be deemed exclusive of any other rights to which such Director, officer or employee may be entitled by law.

8.06. Inconsistencies. In the event these Corporate Bylaws shall be inconsistent with the Declaration, then the Declaration shall be controlling.

8.07. Amendment of Bylaws. These bylaws may not be altered, amended or repealed except by the affirmative vote of more than fifty percent (50%) of those votes entitled to be cast by Members qualified to vote.

8.08. Table of Contents; Headings. The table of contents and headings used in these Bylaws have been inserted for administrative convenience only and do not constitute matter to be construed in interpretation.

CERTIFICATION

I hereby certify that the foregoing Corporate Bylaws were adopted by the Incorporator of Southern Woods West Homeowners Association, Inc. on the

15th day of May, 1998.

Cindy H. Horn, Sec.
Secretary

State of Tennessee, County of WILLIAMSON
Received for record the 24 day of
MAY 1999 at 1:57 PM. (REC# 323601)
Recorded in official records
Book 1846 Pages 387- 428

Notebook 62 Page 130
State Tax \$.00 Clerks Fee \$.00,
Recording \$170.00, Total \$ 170.00,
Register of Deeds SADIE WADE
Deputy Register SUE WAY

Notice to Southern Woods, Shadow Creek, Courtside,
and South Springs Homeowners

Enclosed you will find 2 petitions to be signed and mailed to Mike Walker with the City of Brentwood. These petitions are about the opening of Sunset Road, so the residents of our neighborhoods will have fast access to Concord Road.

Sign and mail the two petitions in the enclosed addressed envelope to Mike Walker. We would like to have two different signatures so the City of Brentwood receives the largest response possible from our communities.

Please mail these petitions in by March 15th, so the City of Brentwood's office is flooded with our petitions, if everyone mailed in there petition we will have over 800 petitions in their office.

You must fill in your name and address for the petition to be counted.

This Instrument Prepared by:
Sidwell & Barrett, PC
121 First Avenue South, Suite 200
Franklin, Tennessee 37064

PICK UP

**AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR SOUTHERN WOODS WEST**

THIS AMENDMENT is made on the date hereinafter set forth by SIS Development, LLC, a Tennessee limited liability company, and IS Investments, Inc., a Tennessee corporation. SIS Development, LLC and IS Investments, Inc. are collectively referred to herein as "Declarant."

WITNESSETH:

WHEREAS, Declarant, as successor in interest to Morningside Development Corporation, is the developer of the Courthouse at Southern Woods West Subdivision, also known as Southern Woods West Subdivision (the "Subdivision"), and the owner of certain Lots in the Subdivision; and,

WHEREAS, on or about May 24, 1999, Declarant's predecessor(s) in interest caused to be recorded in the Register's Office for Williamson County a Declaration of Covenants, Conditions and Restrictions for Southern Woods West, of record in Book 1846, Page 387, said Register's office, and subsequently thereto caused said Declaration to be amended, which Amendments are of record in Book 2036, Page 673, said Register's Office, and Book 2986, Page 79, said Register's Office.

WHEREAS, Article 10, Section 10.2 of the original Declaration of Covenants, Conditions and Restrictions for Southern Woods West provides that the Developer may, without joinder or consent of any Owner, Member, Mortgagee or other party, amend said Declaration as a matter of right until such time as all lots within the subdivision have been converted to Class A status or the expiration of seven (7) years from the date of recording said Declaration, neither event having yet occurred; and,

WHEREAS, Declarant desires to amend certain portions of said Declaration to comply with the rules and regulations of certain of the foregoing agencies.

NOW, THEREFORE, Declarant declares that the real property as defined in said Declaration shall hereafter be held, transferred, sold, conveyed, and occupied subject to the original covenants, conditions, and restrictions as recorded in Book 1846, Page 387, Register's Office of Williamson County, Tennessee, as such were thereafter amended and as amended as hereafter set forth.

Said Declaration shall be amended as follows:

1. Article X GENERAL PROVISIONS shall be amended by adding Paragraph 10.7 to said Article as follows:

"10.7 Compliance with Local Codes. Notwithstanding anything contained in this Declaration to the contrary, where any provision of said Declaration shall be in conflict with this Paragraph 10.7, the provisions of this paragraph shall govern. To that end, Declarant states:

"(a) Developer hereby acknowledges that the Courtside at Southern Woods West Subdivision falls under and is subject to the jurisdiction of the Brentwood Planning Commission and the zoning ordinances of the City of Brentwood including, but not limited to, §78-186 (3).

"(b) Prior to any conveyance of any part or all of the open space to the Association Developer shall submit to the director of planning the legal framework for a homeowner's association, with articles of incorporation and by-laws which, at a minimum, shall provide that:

(1) the Association will be responsible for liability insurance, local taxes, and maintenance for the open space, including recreational or other facilities, for a period of not less than 40 years.

(2) the Association shall not dispose of any designated open space, by sale or otherwise (except to an organization conceived and established to own and maintain the open space and approved by the planning commission) without first offering to dedicate the open space to the city, provided that such dedication must be approved by the board of commissioners, following review and recommendations by the planning commission. The conditions of any transfer shall conform to the officially recorded plan.

(3) the Association shall not be dissolved, except upon disposal of the designated open space as provided for in this section.

(4) when more than 50% of the lots within the subdivision are sold, a special meeting of the Association shall be called within 60 days to initiate an orderly process for transfer of control to the homeowners.

(5) the deeds to the individual lots within the subdivision shall require mandatory membership in the Association, convey joint ownership in all open space within the development, and provide at a minimum that:

(I) the lot owner shall be responsible for paying a pro rata share of the costs of the Association operation for a period of not less than 40 years;

(ii) the assessments levied by the Association may become a lien on the property if not paid;

(iii) the Association may adjust its bylaws and structure to meet changing need;

(iv) except for membership requirements placed on private golf courses and related facilities, each lot owner shall have permanent unrestricted right to use lands and facilities owned by the Association; and,

(v) the lot owner shall be responsible for a proportional share of any cost of maintaining designated open space incurred by the city pursuant to the provisions of this division, except where a maintenance agreement establishing other provisions has been negotiated between the city and the

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Before me, the undersigned, a Notary Public in and for this county and state, personally appeared Scott T. Sohr, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself to be the Chief Manager of SIS Development, LLC, the within named bargainor, a Tennessee limited liability company, and that he as such, having been authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by himself as Chief Manager.

Witness my hand, at NASHVILLE, Tennessee, this 11TH day of MAY, 2004.


Marjorie E. Blair
Notary Public
My Commission Expires: 05/28/2006

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Before me, the undersigned, a Notary Public in and for this county and state, personally appeared Scott T. Sohr, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself to be the President of IS Investments, Inc., the within named bargainor, a Tennessee corporation, and that he as such, having been authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

Witness my hand, at NASHVILLE, Tennessee, this 11TH day of MAY, 2004.


Marjorie E. Blair
Notary Public
My Commission Expires: 05/28/2006

BK/PG:3233/386-389

04021811

RESTRICTIONS	
05/13/2004	03:29 PM
BATCH	19514
MTG TAX	0.00
TRN TAX	0.00
REC FEE	20.00
DP FEE	2.00
REG FEE	0.00
TOTAL	22.00

STATE OF TENNESSEE, WILLIAMSON COUNTY

SADIE WADE
REGISTER OF DEEDS