

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
MOUNTAIN VISTA ESTATES SUBDIVISION**

WHEREAS, CALVIN L. SMART AND SUSAN K. SMART (hereinafter "declarant" or "developer") are the owners of **MOUNTAIN VISTA ESTATES SUBDIVISION**, a plat of which appears of record at 11/197, Register's Office, Cumberland County, Tennessee; and,

1) **WHEREAS**, the Declarant desires to impose certain restrictive covenants, conditions, and reservations on the lots in said subdivision for the benefit and protection of owners and to insure the future value and attractiveness of lots in the subdivision; and

2) **WHEREAS** these restrictive covenants, conditions and reservations shall be made a matter of public record and the property in said subdivision shall be conveyed subject to such restrictions, conditions, and reservations.

3) **WHEREAS**, Mountain Vista Estates Owners Association, Inc., a non-profit, non-stock, membership corporation organized and existing under and by virtue of the laws of the State of Tennessee, with its principal office located in Crossville, Cumberland County, Tennessee, joins in this Declaration, intending to bind itself to perform certain functions as hereinafter set forth, and to exercise the powers and duties as provided herein.

NOW, THEREFORE, in consideration of the premises, the Declarant imposes upon Mountain Vista Estates Subdivision the following restrictions, conditions, and reservations, all of which shall be deemed covenants running with the land and binding upon all future owners, to wit:

ARTICLE I-DEFINITIONS

The following words when used in this Declaration shall have the following meanings:

Section 1. "Architectural Control Committee" (hereafter ACC) shall mean and refer to the Architectural Control Committee appointed by the Board of Directors of Mountain Vista Estate Owners Association, Inc. pursuant to Article VII, infra.

Section 2. "Assessments" or "Common Assessments" shall mean and refer to the actual and estimated expenses of operating the Association and the Properties, including any reasonable reserve and capital expenses, all as may be imposed hereunder or found to be necessary and appropriate by the Board pursuant to this Declaration, the Bylaws and Charter. The term "Assessments" is further defined and set out in Article V, infra.

Section 3. "Association" shall mean and refer to Mountain Vista Estates Owners Association, Inc., a nonprofit, membership corporation non-stock entity incorporated

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under the laws of the State of Tennessee, its successors and assigns.

Section 4. "Board of Directors" or "Board" shall mean and refer to the elected body of the Association having its normal meaning under the Tennessee Nonprofit Corporation Act and other governing law.

Section 5. "By-Laws" shall mean and refer to those By-Laws of the Association which govern the administration and operation of the Association, as the same may be amended from time to time.

Section 6. "Charter" shall mean and refer to the Charter of Mountain Vista Estates Owners Association, Inc. on file with the Secretary of State of the State of Tennessee, as same may be amended from time to time.

Section 7. "Common Area" shall mean all real property including the Improvements thereto and personal property thereon owned by the Declarant and to be conveyed to the Association to be devoted to the common use and enjoyment of the Members of the Association. For clarification, the "Common Area" will not include all of the area designated as common area on the recorded plat of the Mountain Vista Estates, Section I, recorded in the Register's Office, Cumberland County, Tennessee in Plat Book 11, page 197. The common area will encompass some of that area. However, the Developer can add to and/or take away from that area and some additional "Common Area" can be added in other places. The Declarant has the sole discretion to designate and/or convey which area and/or common property to the Association to be known as "Common Area" at any time from the present up to the end of the "Development Period."

Section 8. "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions, and any Supplementary Declaration filed hereto, as this Declaration may, from time to time, be amended in accordance with its terms.

Section 9. "Development Period" shall mean and refer to that period of time commencing on the date this Declaration is recorded in the Register's Office, Cumberland County, Tennessee, and extending through January 1, 2015. The Declarant reserves the right to unilaterally end this Development Period prior to January 1, 2015.

Section 10. "Family" shall mean an adult or married couple and their "dependents", if any, as defined under current federal income tax regulations.

Section 11. "Living Unit" and/or "Dwelling" shall mean and refer to any structure or portion thereof designed and intended for use and occupancy as a residence by a single Family.

Section 12. "Lot" shall mean and refer to the plots of land so designated on plats to be recorded in the Register's Office for Cumberland County, Tennessee. For all purposes hereunder, it shall be understood and agreed that Declarant shall be the owner of all said lots, save and except only those particular lots which Declarant conveys in fee by recordable

deed from and after the date hereof, with the exception of the Mountain Vista Estates Owners Association, Inc. Common Area. "Lot" shall include any areas committed to the construction and location of multifamily structures.

Section 13. "Member" or "Members" or "Membership" shall mean and refer to each and all of the members of the Association and includes, subject to the terms and conditions hereof, the Declarant.

Section 14. "Member in Good Standing" shall mean and refer to a Member who is not delinquent with respect to the payment of any assessments, fees or other charges owing to the Association and who is otherwise not in violation of any provision of this Declaration, the By-Laws or Rules and Regulations of the Association.

Section 15. "Mortgage" shall mean and refer to a mortgage, deed to secure debt, deed of trust, installment sales contract or contract for deed, and a "First Mortgage" shall mean and refer to any installment sales contract or contract for deed or to any first priority mortgage, deed to secure debt or deed of trust.

Section 16. "Mortgagee" shall mean and refer to a beneficiary, grantee or holder of a Mortgage. A "First Mortgagee" is the beneficiary, grantee or holder of a First Mortgage.

Section 17. "Mortgagor" shall mean and refer to the grantor of a Mortgage.

Section 18. "Owner" shall mean and refer to the record owner, whether one (1) or more persons, of any Lot or Living Unit or other tract or parcel of land located within the Properties made subject to this Declaration, or, in the case of a contract for deed or installment sales contract, the purchaser under such contract for deed or installment sales contract. The term "Owner" shall not include any person holding such interest solely as security for the payment or satisfaction of an obligation; provided, however, that the purchaser at a foreclosure or other forced sale shall be deemed an Owner. The term "Owner" shall include the Declarant and Declarant is the initial Owner of any lot created by this Declaration.

Section 19. "Person" shall mean and refer to a natural person, a corporation, a partnership, a limited liability company, trustee, or other legal entity.

Section 20. "Properties" shall mean and refer to the properties set out and described on Exhibit "A" attached hereto and to such additional property or other properties as are made subject to this Declaration in accordance with the terms hereof. Properties shall also include the Common Area.

Section 21. "Reserved Properties" shall mean and refer to those areas so designated now or in the future on any Subdivision Plat for the Properties.

Section 22. "Rules and Regulations" shall mean and refer to those Rules and Regulations as promulgated by the Board of Directors or the Membership of the Association

pursuant to this Declaration and the Bylaws.

Section 23. "Single Family Detached Structure" shall mean and refer to any building intended for use as a Living Unit located on a separate parcel of land.

Section 24. "Subdivision Plat(s)" shall mean and refer to any Subdivision Plat or other plat of the Properties filed of record with the Office of the Register of Deeds for Cumberland County, Tennessee.

Section 25. "Supplemental Declaration" shall mean and refer to a declaration of covenants, conditions and restrictions which, from and after the date of recording this Declaration, subjects designated additional property to this Declaration. Such Supplemental Declaration may contain supplemental covenants and restrictions to reflect the different character of an area, so long as such complementary additions and modifications shall be consistent with and comply with the covenants and restrictions set forth herein; provided, however, nothing herein shall prohibit a Supplemental Declaration from having additional or more restrictive covenants or restrictions which are unique to the properties then being subjected to the Supplemental Declaration.

Section 26. Timesharing Prohibited. The concept of timesharing or interval ownership in Mountain Vista Estates is prohibited.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Description of Property. Declarant is developing this property in stages as a residential community. The plat (hereinafter called the "Plat") of Mountain Vista Estates Subdivision, Section I, was filed of record with the Register's Office, Cumberland County, Tennessee on May 15, 2008, in Plat Book 11, page 197. For the benefit and protection of the Declarant and the persons who shall become owners of lots in Mountain Vista Estates, Section I, Declarant by these presents, and by the execution of this instrument, subjects the lots in Mountain Vista Estates, Section I, of record as set forth above, to the Declaration of Covenants and Restrictions. The lots in Mountain Vista Estates, Section I, shall also be subject to all matters shown on the plat of Mountain Vista Estates, Section I, including utility, drainage, pedestrian and road right-of-way easements and setback requirements.

Section 2. Excluded Properties. Declarant owns additional property adjacent to and in the vicinity of the property encompassed in Mountain Vista Estates, Section I. This property is designated as Future Development on said plat. The Developer reserves the right to develop said additional property, either as single family residential or multifamily residential property at its sole option and discretion. Additional property may, at Declarant's sole option, be brought within the plan of this Declaration by a Supplemental Declaration, which may contain supplementary and complementary covenants and restrictions applying to such property. Declarant shall not be obligated to bring any additional property within the plan of this Declaration, and no implied restrictions or implied negative reciprocal easements shall be created

as to the Developer's additional property not encompassed within the plat of Mountain Vista Estates, Section I.

Section 3. "Additions Limited to Declarant." No one other than the Declarant, its successors or assigns, shall have the right to subject any property to this Declaration or to cause any property to be entitled to the benefits arising hereunder.

Section 4. "Severability as to each Property." Notwithstanding any provision contained herein, if any Lot or Lots or Parcel of Land hereafter made subject to this Declaration, shall for any reason fail to be validly bound by the terms of this Declaration, such failure as to such Lot, Lots or Parcel of Land shall in no way prevent or limit the effectiveness of this Declaration with respect to all other properties that are properly included hereunder.

ARTICLE III

Membership in Association

The following sections of this Article III shall apply to membership in the Association as that term is defined in Article I, Section 3, hereof.

Section 1. Members. Every person, as defined, who is a record owner in fee of at least one-half (½) interest of any lot within Section I of Mountain Vista Estates shall be a member of the Association, as defined, provided however, that anyone who holds such interest solely as security for the performance of an obligation shall not be a member. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment within the property as defined herein. Ownership of such lot shall be the sole qualification for membership. Any member of Mountain Vista Estates Owners Association, Inc., must pay an annual assessment at the discretion of the board (payable monthly), to be determined by the Board of Directors for the purposes of cash flowing the Association's operational and capital needs.

Section 2. Rights and Responsibilities of Lot Owners in Future Sections of Mountain Vista Estates. The declarant and/or the declarant's assigns may at a future date develop properties into lots in the areas designated for future development on the plat to Mountain Vista Estates. Every person, as defined, who becomes a record owner in fee of at least a one-half (½) interest of any lot within those future developments shall be a member of the association as defined. Said member shall have the same rights and responsibilities as set out by the declarant in this document for the members of Section I of Mountain Vista Estates.

Section 3. Voting Rights of Members. The right to vote in the Association is determined by lots, with each lot entitled to one vote. When two persons hold a 50% interest each in a single lot, both persons shall be members, and the vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to such lot.

Section 4. Voting. At every called meeting of the Members, where a quorum is present, the vote of the Members representing a majority of the total votes cast with

respect to any question, in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which, by express provision of statute or this Declaration, a different vote is required, in which case such express provision shall govern and control. No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is not a member in good standing as defined in Article I, §15.

Section 5. Proxies. A member may appoint any other member or the Declarant or any other person permitted by law or by the By-Laws as his proxy. In no case may any member (except the Declarant) cast more than one vote by proxy in addition to his vote. Any proxy must be in writing and must comply with all requirements imposed by law and the Association's By-Laws.

Section 6. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, 1/10th of the votes of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the By-Laws or this Declaration. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

ARTICLE IV

Mutual Rights of Member and Association

Section 1. Member's Easements of Enjoyment. Subject to the provisions of Section 3 of this Article IV, every member shall have a right and easement of enjoyment in and to the common areas and such easement shall be appurtenant to and shall pass with the title to every lot.

Section 2. Common Areas. In order to preserve and enhance the property values and amenities of Mountain Vista Estates, the common areas and all facilities built or installed thereon shall at all times be maintained in good repair and condition and shall be operated in accordance with high standards. In order to provide reasonable pedestrian and vehicular ingress and egress to the property, an easement is hereby declared on the common areas contained in any portion of the property, which upon recordation of this Declaration, shall be deemed to run with the land and shall permit vehicular and pedestrian traffic and ingress and egress for each owner and each owner's heirs, successors, assigns, lessees and invitees.

Section 3. Extent of Members' Easements. The rights and easements created hereby shall be subject to the following:

a) Reasonable Rules and Regulations, including Construction Requirements as set out in Article VII, imposed by the Association in accordance with its Articles and By-Laws.

b) The right of the Association to take such steps as are necessary to protect the common areas against foreclosure.

c) The right of the Association as provided in its Articles and By-Laws, to suspend the voting rights and right to use of recreational facilities for any member for any period

during which any assessment remains unpaid, and for any period, not to exceed sixty days, for any infraction of its published Rules and Regulations.

d) The right of the Declarant and of the Association to grant and reserve easements and rights of way through, under, over and across the common areas, for the installation, maintenance and inspection of phones, electricity, sewer, water, master television antenna system, cable TV, storm drains, drainage ditches, gas or other utilities.

e) The right of the Association to limit the number of guests of members.

f) The right of the Association to dedicate or transfer all or any part of the common area to any 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 an instrument has been signed by 2/3rds of members, agreeing to such dedication, sale or transfer.

g) The right of the Association to regulate parking on all lots and common areas, including roadways.

h) The right of the Association in accordance with its Articles and By-Laws to borrow money for the purpose of improving the common areas and facilities, and with the assent of 2/3rds of each of members, mortgage, pledge, deed in trust or hypothecate, any or all of its real or personal property as security for money borrowed or debts incurred.

i) The right of the Association to suspend the voting rights and right to use the common areas of a member who is not in good standing as defined in Article I, §15.

Section 4. Delegation of Use. Any owner may delegate in accordance with the By-Laws, his right of enjoyment to common areas and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 5. Use of Motor Vehicles. The use of all motor vehicles shall be limited to roadways and driveways, only.

ARTICLE V

Assessments and Liens

Section 1. Creation of the Lien and Personal Obligation of Assessments.

Each owner of any lot, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association:

a) annual assessments or charges

b) special assessments for capital improvements; and

c) emergency assessments as provided in the By-Laws, such assessments to be fixed, established and collected from time to time as hereinafter provided.

d) the annual, special and emergency assessments, together with such interest thereon and costs of collection thereof as are hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the lot against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the owner of such lot at the time when the assessment fee was first due.

Section 2. Annual Assessments and Carrying Charges of the Association.

Each lot owner(s) shall pay to the Association an annual assessment equal to each lot's proportionate share of the sum required by the Association as determined and established by its Board of Directors, to meet its annual expenses. Each proportionate share is calculated by dividing the total annual expenses needed by the Association by the total number of lots eligible for memberships. The annual expenses include but are not limited to:

- a) The cost of all operating expenses of the Mountain Vista Estates Owners Association, Inc., and services furnished, including charges by the Association for facilities and services furnished by it;
- b) The cost of necessary management and administration, including fees paid to a Management Agency;
- c) The amount of all taxes and assessments levied against the association or upon any property which it may own or which it is otherwise required to pay;
- d) The cost of fire and extended liability insurance on the project and the cost of such other insurance as the Association may effect;
- e) The cost of furnishing water, electricity, heat, gas, garbage and trash collection and/or other utilities, to the extent furnished by the Association;
- f) The cost of funding all reserve established by the Association, including, when appropriate, a general operating reserve and/or a reserve for replacements, and the cost of replacements.
- g) The estimated cost of repairs, maintenance and replacement of the common areas and the improvements located thereon.
- h) the estimated costs of repair, maintenance and replacement of all roads and sidewalks in Mountain Vista Estates; and,
- i) any other expenses and costs reasonably associated with the upkeep, maintenance and sustainability of the Association.
- j) The cost of purchasing or replacing the furniture, appliances, tables, chairs, kitchenware, swimming pool equipment, exercise equipment and machines, and any other personal property used and belonging to the Association and located on the Common Areas.

Section 3. Determination of Annual Assessment. The Board of Directors of the Association shall determine the amount of the annual assessment against each lot at least thirty days in advance of each annual assessment period, but may do so at more frequent intervals should circumstances so require as provided in the By-Laws. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates 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 assessment on a specified lot has been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 4. Special Assessments. In addition to the regular assessments authorized by this Article, the Association may levy in any assessment year a special assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the

cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the Common Areas including the necessary fixtures and personal property related thereto or for such other purposes as the Board of Directors may consider necessary, provided that any such assessment shall have the assent of the members representing 2/3rds of the total number of votes eligible to be cast. A meeting of the appropriate members shall be duly called for this purpose, written notice of which shall be sent to all members at least 10 days in advance of such meeting, which notice shall set forth the purpose of the meeting.

Section 5. Emergency Assessments. In the event of any emergency situation, condition or occurrence affecting the life, health, safety or welfare of members or property of members, the Board of Directors acting pursuant to this section, may declare an emergency assessment in such amount and payable at such time as Board of Directors, in its sole discretion, shall deem necessary. Such emergency assessment, except for the amount and time of payment, shall be governed by all other provisions of this Declaration. Such assessment shall be borne prorata by all members of the Association.

Section 6. Declarant Shall Pay No Assessment During Development Period. Regardless of lots or common property owned, declarant shall pay no assessments to the Association during the Development Period.

Section 7. Non-Payment of Assessment. Any assessment levied pursuant to this Declaration, or any installment thereof, which is not paid on the date when due, shall be delinquent and shall, together with interest thereon, and the cost of collection thereof, hereinafter provided, thereupon become a continuing lien upon the lot or lots belonging to the member against whom such assessment is levied and shall bind such lot or lots in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the member to pay such assessment shall, however, remain his personal obligation for the statutory period and a suit to recover a money judgment for non-payment of any assessment levied pursuant to the By-Laws, or any installment thereof, may be maintained without foreclosing or waiving the lien herein. Any assessment levied pursuant to this Declaration or any installment thereof, which is not paid within 90 days after it is due, may, upon resolution of the Board of Directors, bear interest at a rate not to exceed the highest lawful rate allowed in the State of Tennessee, and may, by resolution of the Board of Directors, subject the member obligated to pay the same to the payment of such penalty or "late charge" as the said association may fix, and the Association may bring an action at law against the member personally obligated to pay the same, or foreclose the lien against the lot or lots then belonging to said member, in either of which events, the members shall be obligated to pay all interest, costs and reasonable attorney's fees. No owner may waive or otherwise escape liability for assessments provided for herein by nonuse of the common areas or abandonment of his lot. For the purpose of enforcing the lien of any unpaid and delinquent assessment each lot owner grants to the Board of Directors of the Association, irrevocably the power to sell his unit at public outcry to the highest and best bidder for cash. The Association is authorized to make such a public sale if and only if such sale is made subordinate to any bonafide recorded mortgage or deed of trust upon the lot. The Board of Directors is authorized to elect to enforce any lien by action in court where priority is asserted over a prior recorded mortgage or deed of trust or to enforce the lien by public sale where no priority is sought over the lien of a prior recorded mortgage or deed of trust. Any such sale shall

be made after first advertising the same of said property for 30 days by 4 weekly publications in some newspaper in the County of Cumberland, City of Crossville, State of Tennessee, giving notice of the time and place of such sale, the owners of that lot, and all other information as required by T.C.A. § 35-5-104 relating to non judicial foreclosures of deeds of trust. Any sale of a lot to enforce a lien for delinquent and unpaid assessments shall be free from the equity and statutory right of redemption, marital, homestead and all other exemptions, all of which are expressly waived by the lot owner; and any such sale and the lien enforced thereby shall take precedence over and have priority over any and all other liens of every nature against the lot, except real estate and ad valorem taxes assessed against the lot. The proceeds of any such sale, whether under the power of sale or by foreclosure suit, shall be applied first to the payment of expenses of protecting the property and the expenses of litigation, attorneys fees and sales commission, and second to the payment of real estate and ad valorem axes assessed against the lot and any prior recorded mortgages, and third to the payment of all amounts due the Association under the terms of the Declaration and By-Laws, and the balance, if any, to the of owner whose lot is sold and his assigns. Upon any default in the payment of any assessments, the Board of Directors shall have the right to all rents, issues and profits from the lot in default and shall lave the right to secure the payment through notice to those in possession of the lot or by entry into possession in the same manner as the mortgagee entering into possession following default. All rights, remedies and privileges granted to the Board of Directors, or a lot owner, pursuant to any terms, provisions and covenants or conditions of the Declaration and By-Laws shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such party by the Declaration and By-Laws or at law or in equity. The Association shall notify the holder of the first mortgage on any lot for which any assessment levied pursuant to this Declaration becomes delinquent for a period in excess of 90 days and in any other case where the owner of such lot is in default with respect to the performance of any other obligation hereunder for a period in excess of 90 days. Any other member Association which may hereafter be established shall have the same rights to enforce payment of unpaid annual, special or emergency assessments as is granted to the Association, set out in this Section.

Section 8. Acceleration of Installments. Upon default in the payment of any one or more annual installment of any assessment levied pursuant to this Declaration, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

Section 9. Priority of Lien. The lien established by this Article shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

- a) General and special assessments for real estate taxes on the lot; and
- b) the liens of any bona fide deeds of trust, mortgage instruments or encumbrances duly recorded on the lot prior to the assessment of the lien thereon or duly recorded on said lot after receipt of a written statement from the Board of Directors reflecting that payments on said lien were current as of the date of recordation of said Deed of Trust, mortgage instrument or encumbrance.

Section 10. Subordination and Mortgage Protection. Notwithstanding any other provisions hereof to the contrary, the lien of any assessment levied pursuant to this Declaration upon any lot in the Mountain Vista Estates shall be subordinate to, and shall in no way affect the rights of the holder of any indebtedness secured by any recorded bona fide first mortgage (meaning a mortgage with priority over other mortgages) upon such interest made in good faith and for value received; provided however, that such subordination shall apply only to assessments which have become due and payable prior to the sale or transfer of such lot pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure, and shall not in such instance apply to claims for a share of such assessments or charges resulting from a reallocation of such assessments or charges to all lot owners, including the mortgaged lot. Such sale or transfer shall not relieve the purchaser at such sale of the lot from liability for any assessment thereafter becoming due, nor from the lien of any such subsequent assessment which said lien, if any, claims shall have the same effect and be enforced in the same manner as provided herein. No amendment to this Section shall affect the rights of the holder of any such mortgage for the indebtedness secured thereby recorded prior to recordation of such amendment unless the holder thereof for the indebtedness secured thereby shall join in the execution of such amendment.

Section 11. "Rights and Obligations of Forced-Sale or Foreclosure Purchases." Any person who acquires any ownership in a Lot or Living Unit, except through foreclosure of an institutional first mortgage of record, or by virtue of an institutional first mortgagee accepting a deed to property in lieu of foreclosure, including without limitation, persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to the use or occupancy of the Lot or Living Unit or enjoyment of the Common Elements, until such time as all unpaid annual, special or emergency assessments, due and owing by the former Owner(s) have been paid. The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to Declarant, or to any other Association, or to any third party.

Section 12. Additional Default. Any recorded first mortgage secured on a lot in the Residential Community shall provide that any default by the mortgagor in the payment of any assessment levied pursuant to this Declaration, or any installment thereof, shall likewise be a default in such mortgage for the indebtedness secured thereby but failure to include such a provision in any such mortgage shall not affect the validity or priority thereof and the protection extended to the holder of such mortgage or the indebtedness secured thereby by reason of Section 9 of this Article.

Section 13. Exemptions. The following property shall be exempt from assessments, charges, and liens created by this Article:

- a) Common Areas.
- b) Utility easements and all other easements under this Declaration or under any Plat or other document relating to any part of the Properties.
- c) Utilities.
- d) Water and sewer systems and the real and personal property associated therewith.
- e) Reserved Properties or Future Development properties.

f) Specific Lots expressly exempted by Declarant during the Development Period for a term no longer than the Development Period.

Section 14. Regulation of Any Commercial Activities in the Common Area. The Board may approve the installation of appropriate vending machines around the Club House and pool area, and such activities shall not be construed as violating the residential only restriction. Any profits from such activities shall belong to the Association.

There is also reserved unto the members the right to choose that a limited amount of retail sales for essential items such as are marketed at convenience stores may be operated on the Club House property. However, no advertising of any kind would ever be allowed except an appropriate sign no larger than two square feet.

No such activity will be allowed except by a vote at a membership meeting duly called for such purpose and approved by a 2/3rds vote of the members, only.

ARTICLE VI

Association Powers and Responsibilities

A. IN GENERAL.

Section 1. Common Area. Following the Development period ending January 1, 2015, or at any time prior to January 1, 2015, that the Declarant unilaterally ends the Developing Period, the Association, subject to the rights, easements and privileges set forth in this Declaration, shall be responsible for the management and control of the Common Area and all improvements thereon and shall keep it in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions hereof. The Association shall maintain, operate, and preserve the Common Area for the good and benefit of the Properties and holders of easements herein provided for or contemplated.

Section 2. General Powers. The Association shall have all powers conferred upon non-profit corporations by common law and the statutes of the State of Tennessee in effect from time to time. Such powers shall include, without limitation, all powers necessary or desirable to exercise the rights and privileges of the Association and to perform the duties and responsibilities of the Association as set forth in this Declaration, the Charter, the Bylaws, and as provided by law.

Section 3. Rules and Regulations. (a) The Association, through its Board, may establish reasonable Rules and Regulations concerning the use of the Common Area and improvements located thereon. Copies of all such Rules and Regulations and any amendments thereto shall be made available to all Owners upon request. Such Rules and Regulations shall be binding upon the Owners and users, their families, tenants, guests, invitees, licensees, and agents, until and unless such Rules or Regulations requirement is specifically overruled, canceled, or modified by the Board.

(b) Members subject to the Declaration shall be responsible for ensuring that the occupant, and the family, tenants, guests, invitees, licensees, contractors, and agents of the Members or the occupants strictly comply with all provisions of the Declaration, Bylaws, Rules and Regulations and Construction Requirements (set out in Article VII), infra, promulgated by the Board.

Section 4. Enforcement of Restrictions. The Association shall have the right and power to enforce each and every covenant, condition, provision and restriction herein contained, including those restrictions relating to architectural approval and construction, and shall have all those powers and privileges necessary or desirable to so act.

Section 5. Power to Assess. The Association shall have the right and power, as more particularly set forth in this Declaration, to fix, levy, collect, and enforce payment by any lawful means, all charges and assessments pursuant to the terms of this Declaration, to pay all expenses in connection therewith, and all office and other expenses incident to the conduct and affairs of the business of the Association.

Section 6. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration, the Bylaws, or its Charter and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Section 7. Board Right to Act. To the extent not otherwise required by the provisions of the Tennessee Non Profit Corporation Act, this Declaration, the Bylaws, or the Charter, the powers granted to the Association by this Declaration or the Charter or Bylaws of the Association shall be exercised by the Board of Directors, acting through the officers of the Association or the Association's general manager.

B. INSURANCE AND CASUALTY OR LIABILITY LOSSES.

Section 1. Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall also obtain a public liability policy applicable to the Common Areas covering the Association, its officers, directors, members, agents and employees in amounts to be determined from time to time by the Board of Directors of the Association and such other insurance coverages as may be required by applicable law or determined by the Board to be in the best interests of the Association. Such coverages may include, without limitation, director's and officer's insurance providing liability insurance coverage to the Association's directors and officers. The cost of all such insurance coverage shall be a part of the Common Assessment of the Association. Each insurance policy may contain a deductible in such amounts as determined by the Board. It shall be the responsibility of each Owner at his own expense, to provide public liability, property damage, title, and other insurance with respect to his own Lot or Living Unit.

Section 2. Disbursement of Proceeds. All proceeds of insurance policies shall be disbursed as determined by the Board of Directors, acting in its sole reasonable discretion.

Section 3. Lot Owners' Responsibility. In the event that any Living Unit or other structure is totally destroyed or rendered uninhabitable or unusable and the Owner or Owners thereof determine not to rebuild or reconstruct, then that Owner or Owners shall clear that Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction. The obligation of an Owner hereunder specified shall not be applicable to any Owner whose Lot or Living Unit is insured under a casualty insurance policy obtained by an association of owners on his behalf, but to such association.

ARTICLE VII

Architectural Controls

Section 1. "Preamble." The primary purpose of these covenants and restrictions and the foremost consideration in the origin of same has been the creation of a community which is aesthetically pleasing and functionally convenient. The establishment of objective standards relating to design, size and locations of structures makes it impossible to take full advantage of the individual characteristics of each parcel of property and of technological advances and environmental values. For this reason such standards are not fully established by these covenants. In order to implement the purposes of these covenants, Declarant and Association shall establish and amend from time to time Construction Requirements and guidelines which shall be in addition to these covenants, and administered by the ACC.

Section 2. Architectural Control Committee (hereafter ACC). (a) The ACC shall consist of no less than three (3) nor more than seven (7) members, which members shall be appointed by the Board of Directors and serve at the pleasure of the Board.

(b) The Board shall appoint a chairperson who shall preside at all meetings of the ACC. The ACC shall operate in accordance with policies and procedures established from time to time by the ACC and approved by the Board.

(c) The ACC is authorized to retain, within budget limits established by the Board, services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the ACC in performing its functions set forth herein and all such expenses shall be at the expense of the Association.

(d) Any member of the ACC appointed by the Board may be removed with or without cause by the Board at any time by written notice to such appointee and its successor or successors appointed to fill such vacancies shall serve at the pleasure of the Board.

(e) The ACC is hereby authorized to promulgate, subject to approval by the Board, written architectural standards, regulations, policies, procedures and guidelines (hereafter referred to as the Construction Requirements) governing the construction, location, height, size, dimensions, material and design of improvements (including, without limitation, driveways), structures, landscaping, the contents of submitted plans and specifications, and other information as may be required in order to evidence compliance with and obtain approval

pursuant to this Article VII. The ACC shall make its standards, regulations, policies, procedures and guidelines available to Owners who seek to engage in improvement or construction upon Owners' lot and shall conduct its operations in accordance therewith. Decisions of the ACC shall take into account and be founded upon the nature, kind, shape, color, size, material and location of any construction, improvements, buildings, structures or development and the quality of workmanship planned, and the harmony of external design in relation to surrounding structures, topography and elevation of such construction, improvements, buildings, structures and development. The architectural standards and Construction Requirements shall be binding upon and enforceable against all Owners.

(f) The ACC may charge a reasonable fee as determined by the Board from time to time to cover the administrative expense of its review and comments, such fee to be payable by the applicant to the Association. Additionally, the ACC may require placement of a deposit or bond by an applicant to assure compliance with this Declaration and the Design Standards and to cover any expenses or damages caused by construction or improvement activities required to be approved by it.

Section 3. General Rules for ACC.

(a) No construction, improvements, buildings, structures, landscaping, or development of any kind whatsoever, shall be commenced, carried out on, constructed, altered, added to or maintained on any Lot unless and until plans and specifications and related data required by the standards have been submitted to and approved in writing by the ACC. Notwithstanding the foregoing, in the event such plans and specifications have not been approved or disapproved by the ACC within twenty (20) days of submission, such approval shall not be required, provided the proposed construction, alteration or improvement is otherwise in compliance with this Declaration.

(b) The ACC shall have the sole discretion to determine whether the plans and specifications submitted for approval are acceptable to the ACC in connection with the approval rights. Any disapproval by the ACC may be based upon any ground whatsoever so long as such disapproval is consistent with the objectives and purposes of this Declaration, including, but not limited to, purely aesthetic considerations, provided that such disapproval is not arbitrary or capricious. Any denial of plans and specifications by the ACC may be appealed to the Board pursuant to such policies and procedures respecting appeals as may be adopted by the Board.

(c) Any and all plans submitted for the construction of a Living Unit on a Lot shall depict thereon the proposed Living Unit in such detail as requested by the ACC. Any and all requests for alterations or additions to a Lot or Living Unit, including alterations or additions to existing structures or improvements or the addition of additional structures, items or improvements shall depict thereon the proposed addition or alteration in its proposed location with all height, material, location and other specifics as may be requested by the ACC.

(d) Following approval of any plans and specifications by the ACC, representatives of the ACC shall have the right, without notice, during reasonable hours to enter upon and inspect any Lot, Living Unit or other improvements or structures with respect to which construction is underway to determine whether or not the plans and specifications thereof have been approved and are complied with. In the event that ACC shall determine that such plans and

specifications have not been approved or are not being complied with the ACC, acting in the name and at the expense of the Association, shall be entitled to enjoin further construction and to require the removal or correction of any work, improvement or structure in place which does not comply with the approved plans and specifications.

(e) Any contractor, builder, person or entity constructing a building upon the Properties shall, prior to the beginning of the construction of any such building, furnish to the ACC satisfactory proof that such contractor is licensed and has appropriate builders' risk insurance, including workers compensation insurance, if applicable, effective for the construction period.

(f) Structures shall be completed according to plans and specifications both as to exterior and interior within such time as shall be fixed by the ACC when the plans and specifications for the particular structure are approved by the ACC.

(g) The contractor, builder or Owner shall submit all structures to inspection by the ACC as required to determine compliance with completion dates as herein provided or as may be provided by the ACC. In the event of non-compliance with completion dates as herein provided, the Association shall have the right, but not the obligation, to hire a contractor and/or contractors to perform the work and furnish the materials necessary for compliance and the Association shall bill the Owner for the amount expended plus twelve percent (12%) for administration. In the event the Owner does not pay the same, the Club shall have the legal right to file a lien against the property involved and proceed in law or equity to sell the property to obtain said charges or apply the same against any deposit or bond then in place. All money received over and above said charges and court costs and attorney's fees shall be paid over to the Owner.

(h) No dwelling shall be erected, placed, or permitted to remain on any Lot unless it complies with the following general specifications:

1. The minimum square footage of heated and finished living area (basements excluded), shall be:
 - a. One level with two (2) car garage-1,800 square feet
 - b. One and One-Half story with two (2) car garage-1,800 square feet with minimum first level of 1,500 square feet.
 - c. Two story with two (2) car garage-1,800 square feet with minimum first level of 1,500 square feet.

Section 3. Approval of Structures other than Living Unit. No other detached structure shall be erected, reconstructed, placed or permitted to remain upon any lot, unless such structure is made an integral part of the Living Unit or Lot, nor unless and until the size, location, type, style of architecture, cost, use, the materials of construction thereof, the color scheme therefore, the grade elevation thereof, and the plans, specifications and details of said structure have been first approved in writing by the ACC. Such detached structure shall be subject to all of the covenants, rights, terms, reservations, limitations, agreements and restrictions at any point herein made applicable to the Living Unit. No detached shed, barn, or similar types of detached structures whatsoever shall be erected, reconstructed, placed or permitted to remain upon any Lot.

Section 4. Disclaimer of Approval of Plans. No approval of plans and specifications and no publication of Construction Requirements pursuant to the terms of this Declaration by the ACC shall be construed as representing or implying that such plans, specifications or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any Living Unit or other improvement built in accordance therewith will be built in a good workmanlike manner. Declarant, the Association and the ACC shall not be responsible or liable for (i) any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Declaration, (ii) any loss or damages to any person rising out of the approval or disapproval of any plans or specifications, (iii) any loss or damage arising from the non-compliance of such plans and specifications as with any governmental ordinances and regulations, nor (iv) any defects in construction undertaken pursuant to such plans and specifications.

Section 5. Site Location of Structures. In cooperation with the ACC and in order to assure that location of buildings and other structures will be located with regard to the topography of each property, aesthetic, and environmental considerations, the Association reserves unto itself, its successors and assigns the right to decide the approximate site and location of any building or structure or structures on any property in Mountain Vista Estates for reasons which may in the sole and uncontrolled discretion and judgment of the Association seem sufficient. Such location shall be determined only after reasonable opportunity is afforded the property owner to recommend a specific site.

Section 6. Construction Criteria and Requirement of Compliance With Law. All Living Units and other structures and improvements shall be constructed, modified, altered or added to in compliance with any and all then applicable state, county and municipal zoning and building restrictions and any applicable regulations and restrictions as might apply to the real estate. All grading, clearing, construction of impervious surfaces, building and other construction activity performed on Lots or Living Units that are subject to the rules, regulations, guidelines and restriction of any regulatory authority shall be performed in accordance with such rules, regulations, guidelines and restrictions as are then applicable. Notwithstanding anything in this Article or elsewhere to the contrary, this section shall be applicable to all construction, modifications, additions or alterations in or upon all Single Family Lots, Multi Family Lots, and other property located within the Properties.

Section 7. Unapproved Variances Prohibited. In all instances where plans and specifications are required to be submitted to and are approved by Declarant or the A.C.C., if subsequent thereto, there shall be any variance in the actual construction and location of any alteration or addition, fence, wall, hedge or roadway, any such variance shall be deemed a violation of these restrictions, unless resubmitted and approved.

Section 8. Sewage Disposal. No privately-owned sewage disposal system shall be permitted upon any Lot or parcel of land within the Properties.

Section 9. Water Supply. No privately-owned water system shall be

permitted upon any Lot or parcel of land within the Properties.

ARTICLE VIII

UTILITY EASEMENTS

With respect to all existing utilities and utilities installation in Mountain Vista Estates, Declarant and assigns hereby reserves and is given a perpetual, alienable, and releasable easement, privilege and right on, over and under the grounds where such utilities are presently located. Such easement shall permit Declarant to erect, maintain and use electric and telephone wires, cables, conduits, natural gas lines, water mains, sewer lines, drainage lines and drainage ditches, or drainage structures, sewers, whether gravity, low pressure or otherwise, and other suitable equipment and structures for drainage and sewerage collection and disposal purposes or for the installation, maintenance, transmission and use of electricity, telephone, natural gas, lighting, heating, water, drainage, sewerage, cable TV, and other conveniences or utilities on, in, over, and under all the areas presently served, and on, in, over, and under all the areas presently served, and on, in, over, and under all of the easements, including but not limited to, roadways shown on any plat or plan of Mountain Vista Estates (whether such easements are shown on said plans or plats to be for drainage, utilities or other purposes). Declarant also reserves and is given the same perpetual, alienable, and releasable easement with respect to all future utilities established in Mountain Vista Estates. Declarant shall have the unrestricted and sole right and power of alienating and releasing the privileges, easements and rights reserved and referred to in this Section or any such privileges, easements and rights reserved on any plat or plan of Mountain Vista Estates. The owners, other than the Declarant, of the Lot or Living Units, subject to the privileges, rights, and easements referred to herein shall acquire no right, title, or interest in or to any wires, cables, conduits, pipes, mains, lines or other equipment or facilities placed on, over, or under the property which is subject to said privileges, rights, and easements. All such easements, including those designated on any plan or plat of the Properties, shall at the appropriate time, be transferred and given to the appropriate utility entity or public group responsible for the upkeep and maintenance of said utilities.

ARTICLE IX

CONSTRUCTION AND MAINTENANCE OF COMMON PROPERTIES

Section 1. Recreational Facilities. It is contemplated Developer shall construct a club house, an entry sign and possibly other recreation facilities and convey said structures and facilities to the Association for the benefit of all Owners and Members. Following the Development Period, the cost of maintenance, operation, taxes, and other expenses incident to such Common Properties shall be the obligation of the Association and shall be paid from assessments, and also from fees for the use of the Common Properties, if any. Declarant shall be the sole judge as to if and when the club house, entry sign or other recreational facilities shall be constructed and/or conveyed.

ARTICLE X

USE RESTRICTIONS

The real property described in Article II, and located being known as Mountain Vista Estates Subdivision a plat of which appears at _____, Register's Office Cumberland County Tennessee shall be held, transferred, sold, conveyed, given, donated, leased, possessed, and used subject to the following declaration and/or use restrictions. The ACC may from time to time enact a set of CONSTRUCTION REQUIREMENTS and guidelines as contemplated under Article VII. These Construction Requirements and guidelines shall be in addition to the following use restrictions. The ACC shall have all rights and responsibilities to enforce both the construction requirements and guidelines and the following use restrictions with the direction and/or approval of the board of the association.

Section 1. All lots in Mountain Vista Estates Subdivision shall be used for residential purposes only, and no commercial activity shall be conducted from or allowed on any lot in the subdivision.

Section 2. No single lot shall contain more than one dwelling. No dwelling which is constructed on any lot in the subdivision shall have less than One thousand eight hundred (1,800) square feet of heated living area, excluding porches, garages, breeze ways, patios and storage areas. Homes shall not exceed two and one-half (2 ½) stories above ground in height. No concrete blocks are to be exposed to view (except decorative blocks), if above ground level, and shall instead be faced with brick, stone or stucco. Roofs shall have at least six planes, with the main body roof line having a pitch of a minimum of 8/12. The exterior front walls of each dwelling shall have at least eighty percent (80%) stone, brick, stucco, manufactured stone or cementitious siding. All exterior walls of each dwelling shall contain at least some stone, brick, or stucco. If any dwelling, garage, or other detached structure includes a roof with asphalt shingles, said shingles shall be dimensional with a minimum 30 year warranty.

Section 3. No dwelling or other improvement or structure shall be erected, reconstructed, placed or suffered to remain upon said premises, nearer the front or street line, or lines, or nearer to any side line or rear line than as shown in the Notes as set-back requirements upon the recorded plat of said subdivision. This requirement shall apply to and include porches, verandas, and other similar projections of said dwelling. In addition, all set back lines, utility easements, general notes or other requirements or conditions found on the plat of Mountain Vista Estates Subdivision recorded with the Cumberland County Register of Deeds at Plat Book _____, Page _____, are hereby adopted as set out verbatim herein and must be adhered to or a violation of these covenants will occur.

Section 4. In addition to the dwelling, two (2) detached structures, garages and/or storage buildings may be constructed on each residential lot, provided, however, any such detached structure, garage and/or storage building shall be built of the same or substantially similar material as that of the dwelling and shall contain at least some stone, brick or stucco

matching the color of the dwelling and covering any exposed block foundation. The main entrance to any detached garage cannot face the road to which the dwelling structure faces. A detached garage or storage building may be built contemporaneously with or after construction of the dwelling house but not before. All detached structures, garages or outbuildings must be constructed onsite and with a concrete foundation. Gazebos, Picnic Tables, playground equipment and/or other preconstructed sitting structures are excluded from this requirement. In addition to the building set back requirements shown on the Plat of Mountain Vista Estates Subdivision, no detached garage or storage building shall be closer than Eighty (80) feet from the front and Twenty (20) feet from the side or rear lot lines. As stated in Paragraph 2 of this Document, all outbuildings or structures built must be approved by the Developer for five (5) years following the recording of this document.

Section 4(a). SPECIAL CONDITIONS REGARDING DETACHED STRUCTURES. It is intended by the Developer that the many beautiful mountain views available to the home sites in Mountain Vista Estates remain as unobstructed as possible. Because of their height and large size, detached garages, outbuildings or other structures intended to store recreational vehicles, campers or other large trailers or vehicles are discouraged. For a period of Five (5) Years, the Developer MUST review, not only the plan and design for outbuildings and garages, BUT MUST ALSO review the location upon which said detached structure is to be placed. If it is determined that the location combined with the design causes a significant obstruction of the views of any surrounding lot, the proposed detached structure will not be approved.

Section 5. All homes and detached structures must be constructed of new material and be of good quality workmanship. No trailers, modular homes, preconstructed homes, mobile homes or any other type of movable home or dwelling shall be allowed. All lots shall be used and occupied solely for private residential purposes by a single family. No lot shall be used for multifamily, condominium, townhouse, commercial/business or interval ownership usage.

Section 6. Driveways must have a metal culvert of sufficient size and in compliance with the requirements of the Cumberland County Road Superintendent and/or any other governing laws at the time said culvert is installed. Within six (6) months from the date of completion of construction of a dwelling on a residential lot in the subdivision, a driveway to said home must be paved with concrete, asphalt surface material, or any other type of hardtop surface. Headwalls must be installed on the ends of any culvert and are to be constructed of brick, stone, stucco, manufactured stone or cementitious siding. The garage entrance shall be to the side or rear of the dwelling structure as same relates to the road which the dwelling structure faces. Carports are not allowed, except in rear of home.

Section 7. With the exception of the right of the Declarant to subdivide lots, no lot shall be re-subdivided, provided however, nothing herein contained shall prevent the owner of two or more adjoining residential lots from considering the combined area of the two or more residential lots as one building lot, in which event, the set-back lines for building purposes and the easements reserved for utilities shall be construed and interpreted to apply to the outside lines

of the two or more combined residential lots and not the line which is common to both residential lots or the interior lines of the residential lots. If two or more residential lots are combined under the provisions of this paragraph, they may not in the future be re-subdivided.

Section 8. No lot shall be used to provide ingress or egress to or from another

lot in the subdivision or another property outside the subdivision, unless the lot owner has two or more adjoining lots that are being combined as one building lot pursuant to paragraph eight (8) above or unless the Developer gives express permission for same. The Declarant reserves the right to allow owners of property outside Mountain Vista Estates Subdivision to use the utility easements reserved herein by the Declarant to obtain utilities, which grant of easements by the Declarant shall be at the Declarant's sole discretion and under such terms and conditions as the Declarant deems appropriate. No lot shall be used to provide utility service to property outside of the subdivision without the express written consent of the Declarant.

Section 9. Unless trees must be removed for the installation of the dwelling's

driveway or the installation of utilities to the dwelling, no trees with diameter of ten (10) inches or greater may be cut or removed within twenty (20) feet of the side or rear lot lines, provided, however, that this limitation shall not apply to dead, dying or diseased trees.

Section 10. Mountain Vista Estates Subdivision encompasses many lots that

front Daddy's Creek and other Blue Line Streams. The Developer desires that lot owners preserve the aquatic life and water quality found in these areas. Therefore, a Green Zone is hereby created within 50 feet of the water's edge of Daddy's Creek and within 25 feet of the edge of any Defined Channel known as a Blue Line Stream located in or abutting any lots being a part of Mountain Vista Estates Subdivision. These Green Zones are to act as a natural buffer and filter for Storm Water Run Off and other impurities that could flow to Daddy's Creek and/or the other Defined Channels. Therefore, owners of property lying inside this Green Zone must adhere to the following restrictions:

A. The construction of Structures are not allowed inside this Green Zone. Gazebos, picnic tables, playground equipment or other sitting structures are allowed but care must be taken when locating said structures, not to disturb the natural vegetation or soil.

B. No live trees greater than ten (10) inches in diameter may be removed. Trees between five and ten (5-10) inches may be removed if similar trees are replanted.

C. No hard ground surface materials (such as concrete or asphalt) may be constructed instead of grass or other natural vegetation.

Section 11. No radio or television antennas or satellite "dishes" larger than 39

inches shall be erected, reconstructed, placed or suffered to remain on said premises.

Section 12. No motor home, camper, recreational trailer, basement,

foundation, unfinished dwelling, tent, garage, barn, or other outbuilding shall at any time be allowed as a temporary or permanent living quarters.

Section 13. All heating and air conditioning units, gas meters, solar devices or other utility related equipment shall be hidden from view of the street by screening and/or with landscaping.

Section 14. The exterior of any structure on the lot, whether it be a primary residence or otherwise, shall be completely finished within six (6) months from the date of clearing the lot in preparation for commencement of construction. The dwelling house shall be the first building constructed on any lot. The interior for any structure being constructed on any lot shall be completely finished within twelve (12) months following the commencement of construction. No dwelling shall be occupied until construction is substantially complete. Landscaping around the dwelling structure shall be completed within eighteen (18) months following commencement of construction.

Section 15. All service wires or lines to the home and outbuildings including, but not limited to, those for water, sewer, electrical, telephone, and cable service, if available, shall be placed underground from the main supply lines and in accordance with all applicable federal, state, and local laws and regulations.

Section 16. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except dogs, cats or other common domestic household pets, provided that they are not kept, bred or maintained for any commercial purposes, and provided further that they are kept in such a way as not to violate any state or local law or ordinance.

Section 17. The sewage system connected to the dwelling structure shall be designated, located and constructed in accordance with the requirements, standards and/or recommendations of the SCUD - South Cumberland Utility District. The Area containing 13.31 acres and/or designated for Sub-surface Waste Disposal is a restricted area and not to be traveled upon or trespassed upon by any person not authorized to do so. Traversing upon this area will be considered trespassing and a violation of these restrictions.

Section 18. No lot or parcel of land in the subdivision shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste, including but not limited to, junk automobiles of any sort and household waste which shall be kept in sanitary containers, all such containers or other similar equipment for the storage and disposal of garbage or waste materials shall be kept in a clean and sanitary condition and not visible from the street except on days before, on and after garbage pickup. No clotheslines, clothes, sheets, blankets, or other articles shall be hung out or exposed on any part of said premises.

Section 19. Swimming pools must be located in the backyard and shall be constructed below ground level. In the event the backyard is not fenced, the swimming pool must be fenced or covered. No fencing shall be allowed between the front of the home or any improvement and roadway to which the home is facing. Any fencing placed shall be constructed of wood, ornate metal, ornate vinyl or painted chain link and installed in a uniform and workmanlike manner. No chain link fencing silver in color or maintaining a natural steel or aluminum color or similar metal fencing shall be allowed.

Section 20. No boats, trailers, motor homes, recreational vehicles, motor coaches or trucks (except pickup trucks not exceeding one (1) ton, and window and panel vans not exceeding one (1) ton), shall be parked, stored or suffered to remain upon said premises or in the streets with the subdivision, unless parked or stored within a garage on said premises out of view, or parked in an area out of view from any public roadways. Any detached garage used to store any of the foregoing must conform with paragraphs 4, 4(a) and 6 above. Automobiles and other vehicles of guests and invitees shall be parked in the driveway of the lot owner and not parked in the street unless space does not permit and then such parking in the street will be done in a lawful manner and only for temporary period of visitation to the lot owner.

Section 21. Lot owners performing any construction are responsible to ensure no violations are made of the Tennessee Water Quality Control Act or any other law, regulation or ordinance regarding water quality or storm water runoff. Lot owners must obtain and adhere to any federal, state or local permits needed for excavation and/or construction and hereby hold the Developer harmless for failure to obtain permits or violations of any law, regulation or ordinance due to said lot owner's construction or improvement of said lot.

Section 22. These covenants and restrictions shall be considered as covenants running with the land and shall bind the purchaser of any lot in the subdivision, and their respective heirs, assigns and successors. If any owner or their respective heirs, assigns and successors, shall violate or attempt to violate the covenants and restrictions herein contained, it shall be lawful for the ACC or any person or persons owning any lots in the subdivision to prosecute any proceeding at law or in equity against the persons violating or attempting to violate any such covenant or restriction, and either to prevent such person or persons from committing an act of violation or to recover damages for such violation. If the ACC or any lot owner(s) prosecutes or initiates a proceeding to enforce these restrictions and covenants and is successful, the violator shall be responsible for all reasonable pre-litigation and litigation costs including but not limited to attorney fees. This provision shall not, however, be held or construed as creating any obligation on the part of the owners of the subdivision, their heirs, assigns or successors, to institute any such action or proceeding.

Section 23. Invalidation of any of the covenants or restrictions by judgment of a court of competent jurisdiction shall in no way affect the validity of any of the other covenants or restrictions, which remaining covenants and restrictions shall thereafter remain in full force and effect.

ARTICLE XI

DECLARANT'S RIGHTS

Section 1. Amendment of Declaration. For and during the Development Period defined in Article I, § 9, Declarant reserves the sole and absolute right to amend, change or modify any part of this Declaration so long as it does not affect the voting right granted to Members of the Association following the Development Period or extend the Development Period.

Section 2. Declarant's Use of Lots and Common Properties and Limited Common Properties for Development and Sales Purposes. Declarant reserves the following rights and uses as to all Lots owned by the Declarant, the Common Properties and Limited Common Properties:

- a. The right to complete improvements indicated on the Plat.
- b. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or the contractor of any Living Units to maintain during the period of construction and sale of said Living Units upon such portion of the premises as Declarant deems necessary, such facilities, as in the sole opinion of Declarant, may be reasonably required, convenient or incidental to the construction or sale of said Living Units, including, but without limitation, a business office, storage area, construction yard signs, model units and sales office.
- c. The right to perform repairs and construction work, and to store materials in secure areas, in Lots and in Common Areas, and the further right to control all such work and repairs, and the right to access thereto, until its completion. All work may be performed by the Declarant without the consent or approval of the Board. The Declarant has such an easement through the Common Areas as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising Declarant Rights. Such easement includes the right to convey utility and drainage easements to public utilities, municipalities, the State, riparian owners or upland owners to fulfill the plan of development for the Property.
- d. The right to post signs and displays in the Common Areas to promote sales of Lots and Living Units and to conduct general sales activities in a manner as will not unreasonably disturb the rights of Owners.
- e. The right to retain all personal property and equipment used in the sales, management, construction and maintenance of the premises that has not been represented as property of the Association. Declarant reserves the right to remove from the Property, any and all goods and improvements used in the Property, marketing and construction, whether or not they have become fixtures.

Section 3. Declarant's Control of the Association. During the Development Period, as that term is defined in Article I, § 9, Declarant shall control the

Association. Declarant or persons designated by Declarant may appoint or remove the officers and members of the Board, Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board before the end of the Development Period, but in that event the Declarant may require, for the duration of such period of Declarant control, that specified actions of the Association, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective. Upon the termination of any period of Declarant control, the Lot Owners shall elect a Board in accordance with the provisions of Article III.

Section 4. Waiver and Liability as to Declarant. In connection with all reviews, acceptances, inspections, permissions, consents or required approvals by or from the Declarant contemplated under this Declaration or the exercise of any rights of Declarant provided in this Declaration, Declarant shall not be liable to an Owner or to any other person on account of any claim, liability, damage or expense suffered or incurred by or threatened against the Association, an Owner or such other person and arising out of or in any way reacting to the subject matter of any such reviews, acceptances, inspections, permissions, consents or required approvals, whether given, granted or withheld, and any exercise of any right of Declarant provided herein.

Section 5. Additional Properties. Declarant shall have the unilateral right, privilege, and option, from time to time at any time until all the Additional Property has been subjected to this Declaration to subject all or any portion of the Additional Property to the provisions of this Declaration and jurisdiction of the Association. Such annexation shall be accomplished by filing a Supplemental Declaration to this Declaration annexing such Property in the public records of Cumberland County, Tennessee. Such Supplemental Declaration shall not require the consent of the Lot Owners or the Association. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration signed by the Declarant, unless otherwise provided therein. Declarant shall have the unilateral right to transfer to any other person the said right, privilege, and option to annex the Additional Property which is herein reserved to Declarant, provided that such transferee or assignee shall be the developer of the real property described in Exhibit A or Exhibit B and that such transfer is memorialized in a written, recorded instrument executed by the Declarant.

Section 6. Acquisition of Additional Common Area. Declarant may convey to the Association additional real estate, improved or unimproved, located within the properties shown on the plat of Mountain View Estates Subdivision in Exhibit A or Exhibit B which, upon conveyance or dedication to the Association, shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of all its Members.

Section 7. No Requirement to Add Additional Properties. No provision of this Declaration shall be construed to require the Declarant any real property to the scheme of this Declaration described in Exhibit B, to add from being subject to any separate declaration or scheme of Property. The subdivision contemplated by this Declaration including the real estate added hereto may include a wide diversity of housing types and styles.

Section 8. Declarant's Right to Abate or Remove Violations. Declarant reserves and is hereby granted the right in case of any violation or breach of any or the restriction, rights, reservations, limitations, agreements, covenants and conditions herein contained, to enter the property, upon or as to which such violation or breach exists and to summarily abate and remove, at the expense of the owner thereof, any erection, thing, or condition, that may be or exists thereon contrary to the intent and meaning of the provisions hereof as interpreted by Declarant and Declarant shall not, by reason thereof, be deemed guilty of any manner of trespass for such entry, abatement or removal. A failure or Declarant to enforce any of the restrictions, rights, reservations, limitations, agreements, covenants and conditions contained herein shall in no event be construed taken or held to be a waiver therefore or acquiescence in or consent to a continuing, further or succeeding breach or violation thereof, and Declarant shall at any and all times have the right to enforce the same.

Section 9. Interference with Declarant Rights. Neither the Association, the Board or any Lot Owner may take any action or adopt any Rule which will interfere with or diminish any of Declarant's rights or reservations provided in this Declaration without the prior consent of the Declarant. All of the provisions of this Declaration are specifically and expressly subject to the rights of Declarant, and in the event there is any conflict with any part of this Article with any other provisions of this Declaration, the provisions of this Article shall prevail. This Declaration shall be liberally construed to protect the rights of Declarant set out herein.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Amendment or Modification of Declaration. Subject to Declarant's right to amend this Declaration as set out in Article XI, §1, above, and following the expiration of the Development Period, the provisions of this Declaration may be amended if such amendment is adopted by a 2/3rds vote of the members of the Association, after thirty (30) day written notice has been sent to all such members. Any such amendment must be in writing and properly executed and recorded. The rights of Declarant set out in Article XI cannot be amended without the consent of Declarant.

In addition, the Declaration may be amended unilaterally at any time and from time to time by the Declarant and the Board of Directors of the Association without the consent of the Members (i) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith, (ii) if such amendment is necessary to enable any reputable title insurance company to issue a title insurance policy with respect to the Lots or Living Units subject to this Declaration, (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including for example the Federal National Mortgage Club or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots or Living Units subject to this Declaration, or (iv) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots or Living Units subject to this Declaration and (v) correcting any scrivener's errors otherwise found to exist within this Declaration provided such amendment shall not adversely affect Declarant's rights or the title to any Owner's Lot or Living

Unit or materially alter or change, any Owner's right to the use and enjoyment of the Common Areas as set forth herein unless Declarant and such Owner shall consent thereto in writing. Any such amendment shall be effected by written instrument executed by the Association and the Declarant and filed in the Office of the Register of Deeds for Cumberland County, Tennessee.

Section 2. Duration and Coverage. Subject to the provisions of Section 1 above, and Article XI, § 1, all provisions, covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant or the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless during the last year of any ten (10) year period, an instrument signed by two-thirds (2/3rds) of the members of the Association has been recorded, agreeing to change said covenants and restrictions in whole or in part. Provided, however, that no such agreement to change shall be effective unless written notice of the proposed agreement is sent to every Owner at least sixty (60) days in advance of any action taken.

Section 3. Enforcement.

a. Each Owner and each occupant of a Lot or Living Unit thereon and their respective families, tenants, guests, invitees and licensees shall comply strictly with this Declaration, the Bylaws, the Construction Requirements and Rules and Regulations of the Association as any of the Association as any of the same may be amended from time to time. Owners shall be responsible for the conduct of their families, tenants, guests, invitees and licensees, and in the event of a violation or breach, or threatened violation or breach, of any of the same, the Association or any Owners or Declarant, jointly and severally, shall have the right to proceed at law or in equity to compel compliance therewith or to prevent a threatened violation or breach thereof. The Association or Declarant shall have the right to immediately tow, without any additional notice or period in which to correct such violation, any improperly parked or prohibited vehicle as identified herein or within the Bylaws or Rules and Regulations promulgated by the Association or Declarant nor its agents, shall be deemed guilty or liable for any manner of trespass for such entry, abatement or removal.

b. All reasonable costs incurred by the Association to enforce this Declaration, the Bylaws, Construction Requirements or Rules and Regulations of the Association, including, without limitation, reasonable costs and attorney's fees, shall be paid by the violating Owner and shall be collectable by suit, judgment, lien and foreclosure as provided in Article V hereof. Inasmuch as the enforcement of the provisions of this Declaration, the Construction Requirements, the Bylaws and Rules and Regulations is essential for the effectuation of the general plan of development contemplated hereby and for the protection of present and future Owners, it is hereby declared that any breach thereof cannot be adequately compensated by recovery of damages, and that the Association, or any aggrieved Owner, in addition to all other remedies, may require and shall be entitled to remedy of injunction to restrain any such violation or breach or threatened violation or breach. Further, in the event of any failure to comply strictly with this Declaration, the Bylaws, the Construction Requirements

or the Rules and Regulations of the Association, then, in addition to the foregoing remedies, the Board of Directors of the Association may levy reasonable monetary fines against the Owner for such failure, the amount of such fines to be determined from time to time by the Board; provided that each day or time a violation is continued or repeated after written notice is given to the Owner to cease and desist, it shall be considered a separate and additional violation. All monetary fines shall be collectable by suit, judgment, lien and foreclosure, as provided in Article V hereof.

(c) No delay, failure or omission on the part of the Association or any aggrieved Owner in exercising any right, power or remedy thereafter shall, as to the same violation or breach, or as to a violation or breach occurring prior to subsequent thereto, bar or effect its exercise or enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone whomsoever against the Association or Declarant for on or account of any failure to bring any action on account of any violation or breach, of the provisions of this Declaration, the Bylaws, the Construction Requirements or such Rules and Regulations, however long continued, or for adopting provisions which may be deemed unenforceable.

Section 4. Indemnification. The Association shall, to the full extent permitted by Tennessee Code Annotated §48-58-501 et seq., as much may be amended from time to time, indemnify all persons whom it may indemnify pursuant thereto. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 5. Acceptance and Enforcement of this Declaration. Each grantee of Declarant, by the acceptance of a Deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, easements, and the jurisdiction, rights and powers of Declarant, created or reserved by this Declaration of Restrictions, or by Plat or Deed restrictions heretofore recorded, and all easements, rights, benefits and privileges of every character hereby granted, created, reserved or declared and all impositions and obligations hereby imposed, shall run with the land and bind every owner of any interest therein, and inure to the benefit of such owner, in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every Deed of conveyance.

The Annual POA Association fee for 2009 is \$75.00 per year.

IN WITNESS WHEREOF, the parties hereto for themselves and their respective successors and assigns, have executed this instrument by their respective duly authorized officer on this day and date above written.

Mountain Vista Estates **DEVELOPER**

By: Calvin L. Smart
Calvin L. Smart, Owner

By: Susan K. Smart
Susan K. Smart, Owner

THIS INSTRUMENT PREPARED

BY Bean, Smith + Burnett
300 Thurman Ave.
ADDRESS Crossville TN 38555

BK/PG: 1321/2078-2106

09009080

29 PGS : AL - RESTRICTIONS	
PHYLLIS BATCH: 29244	
07/09/2009 - 08:17:27 AM	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	145.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	147.00

STATE OF TENNESSEE, CUMBERLAND COUNTY
JUDY GRAHAM SWALLOWS
REGISTER OF DEEDS

State of Tennessee

County of Cumberland

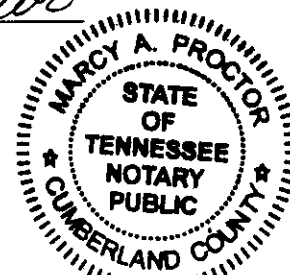
Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared **Calvin L. Smart** with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be **Owner of Mountain Vista Estates Developer**, and that he as such Owner, being authorized so to do executed the foregoing instrument for the purposes therein contained by signing the name of Mountain Vista Estates Developer by himself as such Owner.

November WITNESS my hand and seal of office this 11th day of
November, 2008.

Marcy A. Proctor
NOTARY PUBLIC

My commission expires: 9/12/2011

State of Tennessee
County of Cumberland

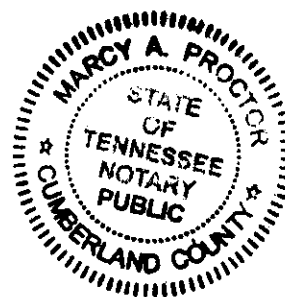


Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared **Susan K. Smart**, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be **Owner of Mountain Vista Estates**, and that she as such Owner, being authorized so to do executed the foregoing instrument for the purposes therein contained by signing the name of Mountain Vista Estates Developer by herself as such Owner.

November WITNESS my hand and signature on this 11th day of
November, 2008.

Marcy A. Proctor
NOTARY PUBLIC

My commission expires: 9/12/2011



**FIRST AMENDMENT AND RESTATEMENT OF THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
MOUNTAIN VISTA ESTATES SUBDIVISION**

WHEREAS, CALVIN L. SMART AND SUSAN K. SMART, (hereinafter "Declarant" or "Developer") are the owners and developers of **MOUNTAIN VISTA ESTATES SUBDIVISION**, a plat of which appears of record at Plat Book 11, page 197, Register's Office, Cumberland County, Tennessee; and,

1) **WHEREAS**, the Declarant imposed certain restrictive covenants, conditions, and restrictions on the lots in said subdivision for the benefit and protection of owners and to insure the future value and attractiveness of lots in the subdivision; and,

2) **WHEREAS**, these restrictive covenants, conditions and restrictions are a matter of public record of record in Book 1321, page 2078, Register's Office, Cumberland County, Tennessee, and the property in said subdivision shall be conveyed subject to said covenants, conditions, and restrictions.

3) **WHEREAS**, the referenced covenants, conditions, and restrictions allow the Declarant to amend and restate said covenants, conditions and restrictions. By this document, the Declarant hereby amends and restates the above-referenced covenants, conditions, and restrictions as set out below.

4) **WHEREAS**, Mountain Vista Estates Owners Association, Inc., a non-profit, non-stock, membership corporation organized and existing under and by virtue of the laws of the State of Tennessee with its principal office located in Crossville, Cumberland County, Tennessee, joins in this Declaration, intending to bind itself to perform certain functions as hereinafter set forth, and to exercise the powers and duties as provided herein.

NOW, THEREFORE, in consideration of the premises, the Declarant hereby amends and restates the covenants, conditions, and restrictions previously recorded and imposes upon Mountain Vista Estates Subdivision the following restrictions, conditions, and reservations, all of which shall be deemed covenants running with the land and binding upon all future owners, to wit:

Article I

Definitions

The following words when used in this Declaration shall have the following meanings:

Section 1. "Architectural Control Committee" (hereafter ACC) shall mean and refer to the Architectural Control Committee appointed by the Board of Directors of Mountain Vista Estates Owners Association, Inc., pursuant to Article VII, *infra*.

Section 2. "Assessments" or "Common Assessments" shall mean and refer to the actual and estimated expenses of operating the Association and the Properties, including any reasonable reserve and capital expenses, all as may be imposed hereunder or found to be necessary and appropriate by the Board pursuant to this Declaration, the Bylaws and Charter. The term "Assessments" is further defined and set out in Article V, *infra*.

Section 3. "Association" shall mean and refer to Mountain Vista Estates Owners Association, Inc., a nonprofit, membership corporation non-stock entity incorporated under the laws of the State of Tennessee, its successors and assigns.

Section 4. "Board of Directors" or "Board" shall mean and refer to the elected body of the Association having its normal meaning under the Tennessee Nonprofit Corporation Act and other governing law.

Section 5. "By-Laws" shall mean and refer to those By-Laws of the Association which govern the administration and operation of the Association, as the same may be amended from time to time.

Section 6. "Charter" shall mean and refer to the Charter of Mountain Vista Estates Owners Association, Inc., on file with the Secretary of State of the State of Tennessee, as same may be amended from time to time.

Section 7. "Common Area" shall mean all real property including the improvements thereon and the personalty thereon owned by the Declarant or others and conveyed to the Association to be devoted to the common use and enjoyment of the Members of the Association. A true and accurate description of said common area as of the date of these covenants, conditions, and restrictions is attached thereto as Exhibit A and made a part hereof by reference. The Developer reserves the absolute right at any time to convey to the Association other areas to be designated as common areas for the use and benefit of the members.

Section 8. "Declaration" shall mean this Declaration of Covenants, Conditions, and Restrictions, and any Supplementary Declaration filed hereto, as this Declaration may, from time to time, be amended in accordance with its terms.

Section 9. "Development Period" shall mean and refer to that period of time commencing on the date this declaration is recorded in the Register's Office of Cumberland County, Tennessee and extending through January 1, 2030. The Declarant reserves the right to unilaterally end this Development Period prior to January 1, 2030.

Section 10. "Family" shall mean an adult or married couple and their "dependents", if any, as defined under current federal income tax regulations.

Section 11. "Living Unit" and/or "Dwelling" shall mean and refer to any structure or portion thereof designed and intended for use and occupancy as a residence by a single Family.

Section 12. "Lot" shall mean and refer to the plots of land so designated on plats recorded or to be recorded in the Register's Office for Cumberland County, Tennessee. For all purposes hereunder, it shall be understood and agreed that Declarant shall be the owner of all said lots, save and except only those particular lots which Declarant conveys in fee by recordable deed from and after the date hereof, with the exception of the Mountain Vista Estates Owners Association, Inc., Common Area. "Lot" shall also include any areas committed to the construction and location of multifamily structures.

Section 13. "Member" or "Members" or "Membership" shall mean and refer to each and all of the members of the Association and includes, subject to the terms and conditions hereof, the Declarant.

Section 14. "Member in Good Standing" shall mean and refer to a Member who is not delinquent with respect to the payment of any assessments, fees or other charges owing to the Association and who is otherwise not in violation of any provision of this Declaration, the By-Laws or Rules and Regulations of the Association.

Section 15. "Mortgage" shall mean and refer to a mortgage, deed to secure debt, deed of trust, installment sales contract or contract for deed, and a "First Mortgage" shall mean and refer to any installment sales contract or contract for deed or to any first priority mortgage, deed to secure debt or deed of trust.

Section 16. "Mortgagee" shall mean and refer to a beneficiary, grantee or holder of a Mortgage. A "First Mortgagee" is the beneficiary, grantee or holder of a First Mortgage.

Section 17. "Mortgagor" shall mean and refer to the grantor of a Mortgage.

Section 18. "Owner" shall mean and refer to the record owner, whether one (1) or more persons, of any Lot or Living Unit or other tract or parcel of land located within the Properties made subject to this Declaration, or, in the case of a contract for deed or installment sales contract, the purchaser under such contract for deed or installment sales contract. The term "Owner" shall not include any person holding such interest solely as security for the payment or satisfaction of an obligation; provided, however, the purchaser at a foreclosure or other forced sale shall be deemed an Owner. The term "Owner" shall include the Declarant and Declarant is the initial Owner of the lots created by this Declaration.

Section 19. "Person" shall mean and refer to a natural person, a corporation, a partnership, a limited liability company, trustee, or any other legal entity.

Section 20. "Properties" shall mean and refer to the properties set out and described on Exhibit "A" attached hereto and to such additional property or other properties as are made subject to this Declaration in accordance with the terms hereof. Properties shall also include the Common Area.

Section 21. "Reserved Properties" shall mean and refer to those areas so designated now or in the future on any Subdivision Plat for the Properties.

Section 22. "Rules and Regulations" shall mean and refer to those Rules and Regulations as promulgated by the Board of Directors or the Membership of the Association pursuant to this Declaration and the Bylaws.

Section 23. "Single Family Detached Structure" shall mean and refer to any building intended for use as a Living Unit located on a separate parcel of land.

Section 24. "Subdivision Plat(s)" shall mean and refer to any Subdivision Plat or other plat of the Properties filed of record with the Office of the Register of Deeds for Cumberland County, Tennessee.

Section 25. "Supplemental Declaration" shall mean and refer to a declaration of covenants, conditions and restrictions which from and after the date of recording this Declaration, subjects designated additional property to this Declaration. Such Supplemental Declaration may contain supplemental covenants and restrictions to reflect the different character of an area, so long as such complementary additions and modifications shall be consistent with and comply with the covenants and restrictions set forth herein; provided, however, nothing herein shall prohibit a Supplemental Declaration from having additional, more or less restrictive covenants or restrictions which are unique to the properties then being subjected to the Supplemental Declaration.

Section 26. "Timesharing Prohibited". The concept of timesharing or interval ownership in Mountain Vista Estates is prohibited.

Article II

Property Subject to this Declaration

Section 1. "Description of Property". Declarant is developing this property in stages as a planned residential community. The plat (hereinafter called the "Plat") of Mountain Vista Estates Subdivision, Section I, was filed of record with the Register's Office, Cumberland County, Tennessee on May 15, 2008, in Plat Book 11, page 197. For the benefit and protection of

the Declarant and the persons who shall become owners of lots in Mountain Vista Estates, Section I, Declarant by these presents, and by the execution of this instrument, subjects the lots in Mountain Vista Estates, Section I, of record as set forth above, to these Declaration of Covenants and Restrictions. The lots in Mountain Vista Estates, Section I, shall also be subject to all matters shown on the plat of Mountain Vista Estates, Section I, including utility, drainage, pedestrian and road right-of-way easements and setback requirements.

Section 2. "Excluded Properties". Declarant owns additional property adjacent to and in the vicinity of the property encompassed in Mountain Vista Estates, Section I. This property is designated as Future Development on said plat. The Developer reserves the right to develop said additional property, either as single family residential or multifamily residential property at its sole option and discretion. Additional property may, at Declarant's sole option, be brought within the plan of this Declaration by a Supplemental Declaration, which may contain supplementary, and different covenants and restrictions applying to such property. Declarant shall not be obligated to bring any additional property within the plan of this Declaration, and no implied restrictions or implied negative reciprocal easements shall be created as to the Developer's additional property not encompassed within the plat of Mountain Vista Estates, Section I.

Section 3. "Additions Limited to Declarant." No one other than the Declarant, their heirs, assigns or assignees, shall have the right to subject any property to this Declaration, or to cause any property to be entitled to the benefits arising hereunder.

Section 4. "Severability as to each Property." Notwithstanding any provision contained herein, if any Lot or Lots or Parcel of Land hereafter made subject to this Declaration, shall for any reason fail to be validly bound by the terms of this Declaration, such failure as to such Lot, Lots or Parcel of Land shall in no way prevent or limit the effectiveness of this Declaration with respect to all other properties that are properly included hereunder.

Article III

Membership in Association

The following sections of this Article III shall apply to membership in the Association as that term is defined in Article I, Section 3, hereof.

Section 1. "Members". Every person, as defined, who is a record owner of any interest of any lot within Section I of Mountain Vista Estates shall be a member of the Association, as defined, provided however, that anyone who holds such interest solely as security for the performance of an obligation shall not be a member. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment within the property as defined herein. Ownership of such lot shall be the sole qualification for membership. Any member of Mountain Vista Estates Owners Association, Inc., must pay an annual assessment

at the discretion of the board, to be determined by the Board of Directors for the purpose of cash flowing the Association's operational and capital needs.

The Developer hereby retains and shall have ten (10) votes for each unsold lot held in inventory. For example, if developer has ten (10) lots they shall have a total of one hundred votes ($10 \times 10 = 100$).

Section 2. "Rights and Responsibilities of Lot Owners in Future Sections of Mountain Vista Estates". The Declarant and/or the Declarant's heirs, assigns or assignees may at any future date develop properties into lots in the areas designated for future development on the plat to Mountain Vista Estates. Every person, as defined, who becomes a record owner of any interest of any lot within those future developments shall be a member of the association as defined. Said member shall have the same rights and responsibilities as set out by the declarant in this document for the members of Section I of Mountain Vista Estates.

Section 3. "Voting Rights of Members". The right to vote in the Association is determined by lots, with each lot entitled to one vote except for the Developer, whose voting percentage is set out herein. In no event shall more than one vote be cast with respect to any lot.

Section 4. "Voting". At every called meeting of the Members, where a quorum is present, the vote of the Members representing a majority of the total votes cast with respect to any question, in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which, by express provision of statute or this Declaration, a different vote is required, in which case such express provision shall govern and control. No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is not a member in good standing as defined in Article I, §15.

Section 5. "Proxies". A member may appoint any other member or the Declarant or any other person permitted by law or by the By-Laws as his proxy. In no case may any member (except the Declarant) cast more than one vote by proxy in addition to his vote. Any proxy must be in writing and must comply with all requirements imposed by law and the Association's By-Laws.

Section 6. "Quorum". The presence at the meeting of members entitled to cast, or of proxies entitled to cast, 1/10th of the votes of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the By-Laws or this Declaration. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote at said meeting, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting until the referenced quorum shall be present or be represented.

Section 7. "Lots Owned by Developer". The Developer shall be charged as yearly assessments by the Association Board of Directors, one (\$1.00) dollar per lot per year for all lots

owned by the Developer. The unsold lots owned by the Developer can not be assessed any special assessment and/or any assessment of any kind by the Association other than the one (\$1.00) dollar per lot per year dues.

Article IV

Mutual Rights of Member and Association

Section 1. "Member's Easements of Enjoyment". Subject to the provisions of Section 3 of this Article IV, every member shall have a right and easement of enjoyment in and to the common areas and such easement shall be appurtenant to and shall pass with the title to every lot.

Section 2. "Common Areas". In order to preserve and enhance the property values and amenities of Mountain Vista Estates, the common areas and all facilities built or installed thereon shall at all times be maintained in good repair and condition and shall be operated in accordance with high standards. In order to provide reasonable pedestrian and vehicular ingress and egress to the property, an easement is hereby declared on the common areas contained in any portion of the property, which upon recordation of this Declaration, shall be deemed to run with the land and shall permit vehicular and pedestrian traffic and ingress and egress for each owner in good standing, and each owner's heirs, successors, assigns, lessees and invitees.

Section 3. "Extent of Members' Easements". The rights and easements created hereby shall be subject to the following:

a) Reasonable Rules and Regulations, including Construction Requirements as set out in Article VII, imposed by the Association in accordance with its Articles and By-Laws.

b) the right of the Association to take such steps as are necessary to protect the common areas against foreclosure.

c) The right of the Association as provided in its Articles and By-Laws, to suspend the voting rights and right to use of recreational facilities for any member for any period during which any assessment remains unpaid, and for any period, not to exceed sixty days, for any infraction of its published Rules and Regulations.

d) The right of the Declarant and of the Association to grant and reserve easements and rights of way through, under over and across the common areas, for the common good as well as installation, maintenance and inspection of phones, electricity, sewer, water, master television antenna system, cable TV, storm drains, drainage ditches, gas or other utilities.

e) The right of the Association to limit the number of guests of members.

f) The right of the Association to dedicate or transfer all or any part of the common area to any public agency, authority or utility for such purposes. No such dedication or transfer shall be effective unless an instrument has been signed by 2/3rds of members eligible to vote at a meeting, agreeing to such dedication, sale or transfer.

g) The right of the Association to regulate parking on all lots and common areas, including roadways.

h) The right of the Association in accordance with its Articles and By-Laws to borrow money for the purpose of improving the common areas and facilities, and with the assent of 2/3rds of the member eligible to vote at said meeting, mortgage, pledge, deed in trust or hypothecate, any or all of its real or personal property as security for money borrowed or debts incurred.

I) The right of the Association to suspend the voting rights and right to use the common areas of a member who is not in good standing as defined in Article I, §15.

Section 4. "Delegation of Use". Any owner may delegate in accordance with the By-Laws, his right of enjoyment to common areas and facilities to the members of his immediate family or contract purchasers who reside on the property.

Section 5. "Use of Motor Vehicles". The use of all motor vehicles shall be limited to roadways and driveways, only.

Article V

Assessments and Liens

Section 1. "Creation of the Lien and Personal Obligation of Assessments". Each owner of any lot, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association:

- a) annual assessments or charges;
- b) special assessments for capital improvements; and,
- c) emergency assessments as provided in the By-Laws, such assessments to be fixed, established and collected from time to time as hereinafter provided.
- d) the annual, special and emergency assessments, together with such interest thereon and costs of collection thereof as are hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the lot against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall be the personal obligation of the person who was the owner of such lot at the time when the assessment fee was first due.

Section 2. "Annual Assessments and Carrying Charges of the Association". Each lot owner(s) shall pay to the Association an annual assessment equal to each lot's proportionate share of the sum required by the Association as determined and established by its Board of Directors, to meet its annual expenses. Each proportionate share is calculated by dividing the total annual expenses needed by the Association by the total number of lots sold by the Developer. The annual expenses include but are not limited to:

a) The cost of all operating expenses of the Mountain Vista Estates Owners Association, Inc., and services furnished, including charges by the Association for facilities and services furnished by it;

b) The cost of necessary management and administration, including fees paid to a Management Agency;

c) The amount of all taxes and assessments levied against the association or upon any property which it may own or which it is otherwise required to pay;

d) The cost of fire and extended liability insurance on the project and the cost of such other insurance as the Association may effect;

e) The cost of furnishing water, electricity, heat, gas, garbage and trash collection and/or other utilities, to the extent furnished by the Association;

f) The cost of funding all reserve established by the Association, including, when appropriate, a general operating reserve and/or a reserve for replacements, and the cost of replacements.

g) The estimated cost of repairs, maintenance and replacement of the common areas and the improvements located thereon.

h) The estimated cost of repair, maintenance and replacement of all roads and sidewalks in Mountain Vista Estates; and,

i) any other expenses and costs reasonably associated with the upkeep, maintenance and sustainability of the Association.

j) The cost of purchasing or replacing any and all furniture, appliances, tables, chairs, kitchenware, swimming pool equipment, exercise equipment and machines, as well as any other personal property used and belonging to the Association and located on the Common Areas.

Section 3. "Determination of Annual Assessment". The Board of Directors of the Association shall determine the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period, but may do so at more frequent intervals should circumstances so require as provided in the By-Laws. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates 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 assessment on a specified lot has been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 4. "Special Assessments". In addition to the regular assessments authorized by this Article, the Association may levy in any assessment year a special assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of capital improvements located upon the Common Areas including, but not limited to the necessary fixtures and personal property related thereto or for such other purposes as the Board of Directors may consider necessary, provided that any such assessment shall have the assent of the members representing 2/3rds of the total number of votes eligible to be cast at such meeting. A meeting of the appropriate members shall be duly called for this purpose, written notice of which shall be

sent to all members at least ten (10) days in advance of such meeting, which notice shall set forth the purpose of the meeting.

Section 5. "Emergency Assessments". In the event of any situation, condition or occurrence affecting the life, health, safety or welfare of members or property of members, the Board of Directors acting pursuant to this section, may declare an emergency assessment in such amount and payable at such time as Board of Directors, in its sole discretion, shall deem necessary. Such emergency assessment, except for the amount and time of payment, shall be governed by all other provisions of this Declaration. Such assessment shall be borne prorata by all members of the Association as set out in these covenants, conditions, and restrictions..

Section 6. "Declarant Shall Pay No Assessment During Development Period". Regardless of lots or common property owned, declarant shall pay no assessments to the Association during the Development Period except for the \$1.00 per lot unsold by Declarant.

Section 7. "Non-Payment of Assessment". Any assessment levied pursuant to the Declaration, or any installment thereof, which is not paid on the date when due, shall be delinquent and shall, together with interest thereon, and the cost of collection thereof, hereinafter provided, thereupon become a continuing lien upon the lot or lots belonging to the member against whom such assessment is levied and shall bind such lot or lots in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the member to pay such assessment shall, however, remain his personal obligation for the statutory period and a suit to recover a money judgment for non-payment of any assessment levied pursuant to the By-Laws, or any installment thereof, may be maintained without foreclosing or waiving the lien herein. Any assessment levied pursuant to this Declaration or any installment thereof, which is not paid within 90 days after it is due, shall bear interest at a rate not to exceed the highest lawful rate allowed in the State of Tennessee, and shall subject the member obligated to pay the same to the payment of such penalty or "late charge" as the said association may fix, and the Association may bring an action at law against the member personally obligated to pay the same, or foreclose the lien against the lot or lots then belonging to said member, in either of which events, the members shall be obligated to pay all interest, costs and reasonable attorney's fees. No owner may waive or otherwise escape liability for assessments provided for herein by nonuse of the common areas or abandonment of his lot. For the purpose of enforcing the lien of any unpaid and delinquent assessment each lot owner grants to the Board of Directors of the Association, irrevocably the power to sell his unit at public sale if and only if such sale is made subordinate to any bonafide recorded mortgage or deed of trust upon the lot. The Board of Directors is authorized to elect to enforce any lien by action in court where priority is asserted over a prior recorded mortgage or deed of trust or to enforce the lien by public sale where no priority is sought over the lien of a prior recorded mortgage or deed of trust. Any such sale shall be made after first advertising the same of said property for 30 days by 4 consecutive weekly publications in a newspaper in the County of Cumberland, City of Crossville, State of Tennessee, giving notice of the time and place of such sale, the owners of that lot, and all other information as required by T.C.A. §35-5-104 relating to non judicial foreclosures of deeds of trust. Any sale of a lot to

enforce a lien for delinquent and unpaid assessments shall be free from the equity and statutory right of redemption, marital, homestead and all other exceptions, all of which are expressly waived by the lot owner; and any such sale and the lien enforced thereby shall take precedence over and have priority over any and all other liens of every nature against the lot, except first mortgages, real estate and ad valorem taxes assessed against the lot. The proceeds of any such sale, whether under the power of sale or by foreclosure suit, shall be applied first to the payment of expenses of protecting the property and the expenses of litigation, attorneys fees and sales commission, and second to the payment of real estate and ad valorem taxes assessed against the lot and any prior recorded mortgages, and third to the payment of all amounts due the Association under the terms of the Declaration and By-Laws, and the balance, if any, to the owner whose lot is sold and his assigns. Upon any default in the payment of any assessments, the Board of Directors shall have the right to all rents, issues and profits from the lot in default and shall have the right to secure the payment through notice to those in possession of the lot or by entry into possession in the same manner as the mortgagee entering into possession following default. All rights, remedies and privileges granted to the Board of Directors, or a lot owner, pursuant to any terms, provisions and covenants or conditions of the Declaration and By-Laws shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such party by the Declaration and By-Laws or at law or in equity. The Association shall notify the holder of the first mortgage on any lot for which any assessment levied pursuant to this Declaration becomes delinquent for a period in excess of 90 days and in any other case where the owner of such lot is in default with respect to the performance of any other obligation hereunder for a period in excess of 90 days. Any other Association which may hereafter be established shall have the same rights to enforce payment of unpaid annual, special or emergency assessments as is granted to the Association, set out in this Section.

Section 8. "Acceleration of Installments". Upon default in the payment of any one or more annual installment of any assessment levied pursuant to this Declaration, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

Section 9. "Priority of Lien". The lien established by this Article shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

- a) General and special assessments for real estate taxes on the lot; and,
- b) the liens of any bona fide deed of trusts, mortgage instruments or encumbrances duly recorded on the lot prior to the assessment of the lien thereon or duly recorded on each lot after receipt of a written statement from the Board of Directors reflecting that payments on said lien were current as of the date of recordation of said Deed of Trust, mortgage instrument or encumbrance.

Section 10. "Subordination and Mortgage Protection". Notwithstanding any other provisions hereof to the contrary, the lien of any assessment levied pursuant to this Declaration upon any lot in the Mountain Vista Estates shall be subordinate to, and shall in no way affect the rights of the holder of any indebtedness secured by any recorded bona fide first mortgage (meaning a mortgage with priority over other mortgages) upon such interest made in good faith and for value received; provided however, that such subordination shall apply only to assessments which have become due and payable prior to the sale or transfer of such lot pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure, and shall not in such instance apply to claims for a share of such assessments or charges resulting from a reallocation of such assessments or charges to all lot owners, including the mortgaged lot. Such sale or transfer shall not relieve the purchaser at such sale of the lot from liability for any assessment thereafter becoming due, nor from the lien of any such subsequent assessment which said lien, if any, claims shall have the same effect and be enforced in the same manner as provided herein. No amendment to this Section shall affect the rights of the holder of any such mortgage for the indebtedness secured thereby recorded prior to recordation of such amendment unless the holder thereof for the indebtedness secured thereby shall join in the execution of such amendment.

Section 11. "Rights and Obligations of Forced-Sale or Foreclosure Purchases." Any person who acquires any ownership in a Lot or Living Unit, except through foreclosure of an institutional first mortgage of record, or by virtue of an institutional first mortgage accepting a deed to property in lieu of foreclosure, including without limitation, persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to the use or occupancy of the Lot or Living Unit or enjoyment of the Common Elements, until such time as all unpaid annual, special or emergency assessments, due and owing by the former Owner(s) have been paid. The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to Declarant, or to any other Association, or to any third party.

Section 12. "Additional Default". Any recorded first mortgage secured on a lot in the Residential Community shall provide that any default by the mortgagor in the payment of any assessment levied pursuant to this Declaration, or any installment thereof, shall likewise be a default in such mortgage for the indebtedness secured thereby but failure to include such a provision in any such mortgage shall not affect the validity or priority thereof and the protection extended to the holder of such mortgage or the indebtedness secured thereby by reason of Section 9 of this Article.

Section 13. "Exemptions". The following property shall be exempt from assessments, charges, and liens created by this Article:

- a) Common Areas.
- b) Utility easements and all other easements under this Declaration or under any Plat or other document relating to any part of the Properties.
- c) Utilities.

d) Water and sewer systems and the real and personal property associated therewith.

e) Reserved Properties or Future Development properties.

Section 14. "Regulation of Any Commercial Activities in the Common Area".

The Board may approve the installation of appropriate vending machines around the Club House and pool area, and such activities shall not be construed as violating the residential only restriction. Any profits from such activities shall belong solely to the Association.

There is also reserved unto the members the right to choose that a limited amount of sales of essential items such as are marketed at convenience stores may be operated on the Club House property. However, no advertising of any kind shall be allowed except a sign approved by the Board, no larger than two square feet.

Article VI

Association Power and Responsibilities

A. IN GENERAL.

Section 1. "Common Areas". The Association, subject to the rights, easements and privileges set forth in this Declaration, shall be responsible for the management and control of the Common Area and all improvements thereon and shall keep it in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions hereof. The Association shall maintain, operate, and preserve the Common Area for the good and benefit of the Properties and holders of easements herein provided for or contemplated.

Section 2. "General Powers". The Association shall have all powers conferred upon non-profit corporations by common law and the statutes of the State of Tennessee in effect from time to time. Such powers shall include, without limitation, all powers necessary or desirable to exercise the rights and privileges of the Association and to perform the duties and responsibilities of the Association as set forth in this Declaration, the Charter, the Bylaws, and as provided by law.

Section 3. "Rules and Regulations".

(a) The Association, through its Board, may establish reasonable Rules and Regulations concerning the use of the Common Area and improvements located thereon. Copies of all such Rules and Regulations and any amendments thereto shall be made available to all Owners upon request. Such Rules and Regulations shall be binding upon the Owners and users, their families, guests, invitees, licensees, and agents, until and unless such Rules or Regulations requirement is specifically overruled, canceled, or modified by the Board.

(b) Members subject to the Declaration shall be responsible for ensuring that the occupant, and their immediate family, guests, invitees, licensees, contractors, and agents of the Members or the occupants strictly comply with all provisions of the Declaration, Bylaws, promulgated by the Board.

Section 4. "Enforcement of Restrictions". The Association shall have the right and power to enforce each and every covenant, condition, provision and restriction herein contained, including those restrictions relating to architectural approval and construction, and shall have all those powers and privileges necessary or desirable to so act.

Section 5. "Power to Assess". The Association shall have the right and power, as more particularly set forth in this Declaration, to fix, levy, collect, and enforce payment by any lawful means, all charges and assessments pursuant to the terms of Declaration, conduct and affairs of the business of the Association.

Section 6. "Implied Rights". The Association may exercise any other right or privilege given to it expressly by this Declaration, the Bylaws, or its Charter and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Section 7. "Board Right to Act". To the extent not otherwise required by the provisions of the Tennessee Non Profit Corporation Act, this Declaration, the Bylaws, or the Charter, the powers granted to the Association by this Declaration or the Charter or Bylaws of the Association shall be exercised by the Board of Directors acting through the officers of the Association.

B. Insurance and Casualty or Liability Losses

Section 1. "Insurance". The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including sufficient to cover the full replacement costs of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall also obtain a public liability policy applicable to the Common Areas covering the Association, its officers, directors, members, agents and employees in amounts to be determined from time to time by the Board of Directors of the Association and such other insurance coverages as may be required by applicable law or determined by the Board to be in the best interests of the Association. Such coverages may include, without limitation, director's and officer's insurance providing liability insurance coverage to the Association's directors and officers. The cost of all such insurance coverage shall be a part of the Common Assessment of the Association. Each insurance policy may contain a deductible in such amounts as determined by the Board. It shall be the responsibility of each Owner at his own expense, to provide public liability, property damage, title, and other insurance with respect to his own Lot or Living Unit.

Section 2. "Disbursement of Proceeds". All proceeds of insurance policies shall be disbursed as determined by the Board of Directors, acting in its sole reasonable discretion.

Section 3. "Lot Owners' Responsibility". In the event that any Living Unit or other structure is totally destroyed or rendered uninhabitable or unusable and the Owner or Owners thereof determine not to rebuild or reconstruct, then that Owner or Owners shall clear that Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction.

Article VII

Architectural Controls

Section 1. "Preamble". The primary purpose of these covenants, conditions, and restrictions and the foremost consideration is the creation of a community which is aesthetically pleasing and functionally convenient. The establishment of objective standards relating to design, size and locations of structures is in the best interests of both lot owners and the Association. But it is impossible to predict what proper construction standards and materials will be proper in the future due to, for example, advances in construction and environmental values. For this reason such standards are not fully and completely established by these covenants. In order to implement the purposes of these covenants, Declarant and Association shall establish and amend from time to time Construction Requirements and guidelines which shall be in addition to these covenants and administered by the ACC.

Section 2. "Architectural Control Committee (hereafter ACC)".

a) The ACC shall consist of no less than three (3) nor more than seven (7) members, which members shall be appointed by the Board of Directors and serve at the pleasure of the Board.

b) The Board shall appoint a chairperson who shall preside at all meetings of the ACC. The ACC shall operate in accordance with policies and procedures established from time to time by the ACC and approved by the Board.

c) The ACC is authorized to retain, within budget limits established by the Board, services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the ACC in performing its functions set forth herein and all such expenses shall be at the expense of the Association.

d) Any member of the ACC appointed by the Board may be removed with or without cause by the Board at any time by written notice to such appointee and its successor or successors appointed to fill such vacancies shall serve at the pleasure of the Board.

e) The ACC is hereby authorized to promulgate, subject to approval by the Board, written architectural standards, regulations, policies, procedures and guidelines (hereafter referred to as the Construction Requirements) governing the construction, location, height, size, dimensions, material and design of improvements (including, without limitation, driveways), structures, landscaping, the contents of submitted plans and specifications, and other information as may be required in order to evidence compliance with and obtain approval pursuant to this Article VII. The ACC shall make its standards, regulations, policies, procedures and guidelines available to Owners who seek to engage in construction upon Owners' lot and shall conduct its operations in accordance therewith. Decisions of the ACC shall take into account and be founded upon the nature, kind, shape, color, size, material and location of any construction, improvements, buildings, structures or development and the quality of workmanship planned, and the harmony of external design in relation to surrounding structures, topography and elevation of such construction, improvements, buildings, structures and development. The architectural standards and Construction Requirements shall be binding upon and enforceable against all Owners.

f) The ACC may charge a reasonable fee as determined by the Board from time to time to cover the administrative expense of its review and comments, such fee to be payable by the applicant to the Association. Additionally, the ACC may require placement of a deposit or bond by an applicant to assure compliance with this Declaration and the Design Standards and to cover any expenses or damages caused by construction or improvement activities required to be approved by it.

Section 3. "General Rules for ACC".

a) No construction, improvements, buildings, structures, landscaping, or development of any kind whatsoever, shall be commenced, carried out, constructed, altered, added to or maintained on any Lot unless and until plans and specifications and related data required by the standards have been submitted to and approved in writing by the ACC.

b) The ACC shall have the sole discretion to determine whether the plans and specifications submitted for approval are acceptable to the ACC in connection with the approval rights. Any disapproval by the ACC may be based upon any ground whatsoever so long as such disapproval is consistent with the objectives and purposes of this Declaration, including, but not limited to, purely aesthetic considerations. Any denial of plans and specifications by the ACC may be appealed to the Board pursuant to such policies and procedures respecting appeals as may be adopted by the Board.

c) Any and all plans submitted for the construction of a Living Unit on a Lot shall depict thereon the proposed Living Unit in such detail as requested by the ACC. Any and all requests for alterations or additions to a Lot or Living Unit, including alterations or additions to existing structures or improvements or the addition of additional structures, items or improvements shall depict thereon the proposed addition or alteration in its proposed location with all height, material, location and other specifics as may be requested by the ACC.

d) Following approval of any plans and specifications by the ACC, representatives of the ACC shall have the right, without notice, during reasonable hours to enter upon and inspect any Lot, Living Unit or other improvements or structures with respect to which construction is underway to determine whether or not the plans and specifications thereof have been approved and are complied with. In the event that ACC shall determine that such plans and specifications have not been approved or are not being complied with the ACC, acting in the name and at the expense of the Association, shall be entitled to enjoin further construction and to require the removal or correction of any work, improvement or structure in place which does not comply with the approved plans and specifications.

e) Any contractor, builder, person or entity constructing a building upon the Properties shall, prior to the beginning of the construction of any such building, furnish to the ACC satisfactory proof that such contractor is licensed and has appropriate builders' risk insurance, including workers compensation insurance, if applicable, effective for the construction period.

f) Structures shall be completed according to plans and specifications both as to exterior and interior within such time as shall be fixed by the ACC when the plans and specifications for the particular structure are approved by the ACC.

g) The contractor, builder or Owner shall submit all structures to inspection by the ACC as required to determine compliance with completion dates as herein provided or as may be provided by the ACC. In the event of non-compliance with completion dates as herein provided, the Association shall have the right, but not the obligation, to hire a contractor and/or contractors to perform the work and furnish the materials necessary for compliance and the Association shall bill the Owner for the amount expended plus twelve percent (12%) for administration, plus the highest rate of interest allowable by law until paid. In the event the Owner does not pay the same, the Club shall have the legal right to file a lien against the property involved and proceed in law or equity to sell the property to obtain said charges or said charges and court costs and attorney's fees shall be paid over to the Owner.

h) No dwelling shall be erected, placed, or permitted to remain on any Lot unless it complies with the following general specifications:

1. The minimum square footage of heated and finished living area (basements excluded), shall be:

- a. One level with two (2) car garage - 1,800 square feet
- b. One and One-half story with two (2) car garage - 1,800 square feet with minimum first level of 1,500 square feet
- c. Two story with two (2) car garage - 1,800 square feet with minimum first level of 1,500 square feet

Section 3. "Approval of Structures other than Living Unit". No other detached structure shall be erected, reconstructed, placed or permitted to remain upon any lot, unless such structure is made an integral part of the Living Unit or Lot, nor unless and until the size, location, type, style of architecture, use, the materials of construction thereof, the color scheme therefore, the grade elevation thereof, and the plans, specifications and details of said structure have been first approved in writing by the ACC. Such detached structure shall be subject to all of the covenants, rights, terms, reservations, limitations, agreements and restrictions at any point herein made applicable to the Living Unit. No detached sheds or barns, or similar types of detached structures whatsoever, shall be erected, reconstructed, placed or permitted to remain upon any Lot or Living Unit.

Section 4. "Disclaimer of Approval of Plans". No approval of plans and specifications and no publication of Construction Requirements pursuant to the terms of this Declaration by the ACC shall be construed as representing or implying that such plans, specifications or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any Living Unit or other improvement built in accordance therewith will be built in a good workmanlike manner. Declarant, the Association and the ACC shall not be responsible or liable for (i) any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Declaration, (ii) any loss or damages to any person rising out of the approval or disapproval of any plans or specifications, (iii) any loss or damage arising from the non-compliance of such plans and specifications as with any governmental ordinances and regulations, nor (iv) any defects in construction undertaken pursuant to such plans and specifications.

Section 5. "Site Location of Structures". In cooperation with the ACC and in order to assure that location of buildings and other structures will be located with regard to the topography of each property, as well as, aesthetic and environmental considerations, the Association reserves unto itself, its successors and assigns the right to decide the approximate site and location of any building or structure or structures on any property in Mountain Vista Estates for reasons which may in the sole and uncontrolled discretion and judgment of the Association seem sufficient. Such location shall be determined only after reasonable opportunity is afforded the property owner to recommend a specific site.

Section 6. "Construction Criteria and Requirement of Compliance With Law". All Living Units and other structures and improvements shall be constructed, modified, altered or added to in compliance with any and all then applicable state, county and municipal zoning and building restrictions and any applicable regulations and restrictions as might apply to the real estate. All grading, clearing, construction of impervious surfaces, building and other construction activity performed on Lots or Living Units that are subject to the rules, regulations, guidelines and restriction of any regulatory authority shall be performed in accordance with such rules, regulations, guidelines and restrictions as are then applicable. Notwithstanding anything in this Article or elsewhere to the contrary, this section shall be applicable to all construction,

modifications, additions or alterations in or upon all Single Family Lots, Multi Family Lots, and other property located within the Properties.

Section 7. "Unapproved Variances Prohibited". In all instances where plans and specifications are required to be submitted to and are approved by Declarant or the ACC, if subsequent thereto, there shall be any variance in the actual construction and location of any alteration or addition, fence, wall, hedge or roadway, any such variance shall be deemed a violation of these restrictions, unless resubmitted and approved.

Section 8. "Sewage Disposal". No privately-owned sewage disposal system shall be permitted upon any Lot or parcel of land within the Properties.

Section 9. "Water Supply". No privately-owned water system shall be permitted upon any Lot or parcel of land within the Properties.

Article VIII

Utility Easements

With respect to all existing utilities and utilities installation in Mountain Vista Estates, Declarant and assigns hereby reserves and gives a perpetual, alienable, and releasable easement, privilege and right on, over and under the grounds where such utilities are presently located. Such easement shall permit Declarant to erect, maintain and use electric and telephone wires, cables, conduits, natural gas lines, water mains, sewer lines, drainage lines and drainage ditches, or drainage structures, sewers, whether gravity, low pressure or otherwise, and other suitable equipment and structures for drainage and sewerage collection and disposal purposes or for the installation, maintenance, transmission and use of electricity, telephone, natural gas, lighting, heating, water, drainage, sewerage, cable TV, and other conveniences or utilities on, in over, and under all the areas presently served, and on, in, over, and under all the areas presently served, and on, in, over, and under all of the easements, including but not limited to, roadways shown on any plat or plan of Mountain Vista Estates (whether such easements are shown on said plans or plats to be for drainage, utilities or other purposes). Declarant also reserves and is given the same perpetual, alienable, and releasable easement with respect to all future utilities established in Mountain Vista Estates. Declarant shall have the unrestricted and sole right and power of alienating and releasing the privileges, easements, and rights reserved and referred to in this Section or any such privileges, easements and/or rights reserved on any plat or plan of Mountain Vista Estates. The owners, other than the Declarant, of the Lot or Living Units, subject to the privileges, rights, and easements referred to herein shall acquire no right, title, or interest in or to any wires, cables, conduits, pipes, mains, lines or other equipment or facilities placed on, over, or under the property which is subject to said privileges, rights, and easements, All such easements, including those designated on any plat or plat of the Properties, shall at the appropriate time, be transferred and given to the appropriate utility entity or public group responsible for the upkeep and maintenance of said utilities.

Article IX

Construction and Maintenance of Common Properties

Section 1. "Recreational Facilities". It is contemplated a club house, an entry sign and possibly other recreation facilities will be, but are not required to be, built and conveyed to the Association for the benefit of all Owners and Members. The cost of maintenance, operation, taxes, and other expenses incident to such Common Properties shall be the obligation of the Association and shall be paid from assessments, and also from fees for the use of the Common Properties, if any.

Article X

Use Restrictions

The real property described in Article II and located being known as Mountain Vista Estates Subdivision a plat of which appears at Plat Book 11, page 197, Register's Office, Cumberland County, Tennessee shall be held, transferred, sold, conveyed, given, donated, leased, possessed, and used subject to the following declaration and/or use restrictions. The ACC may from time to time enact a set of CONSTRUCTION REQUIREMENTS and guidelines as contemplated under Article VII. These Construction Requirements and guidelines shall be in addition to the following use restrictions. The ACC shall have all rights and responsibilities to enforce both the construction requirements and guidelines and the following use restrictions with the direction and/or approval of the board of the association.

Section 1. All lots in Mountain Vista Estates Subdivision shall be used for single family residential purposes only. No commercial activity shall be conducted from or allowed on any lot in the subdivision.

Section 2. No single lot shall contain more than one dwelling. No dwelling which is constructed on any lot in the subdivision shall have less than One Thousand Eight Hundred (1,800) square feet of heated living area, excluding porches, garages, breezeways, patios and storage areas. Homes shall not exceed two and one-half (2-1/2) stories above ground in height. No concrete blocks are to be exposed to view (except decorative blocks), if above ground level, and shall instead be faced with brick, stone or stucco. Roofs shall have at least six planes, with the main body roof line having a pitch of a minimum of 8/12. The exterior front walls of each dwelling shall have a least eighty percent (80%) stone, brick, stucco, manufactured stone or cementitious siding. All exterior walls of each dwelling shall contain at least some stone, brick, or stucco. If any dwelling, garage, or other detached structure includes a roof with asphalt shingles, said shingles shall be dimensional with a minimum thirty (30) year warranty.

Section 3. No dwelling or other improvement or structure shall be erected, reconstructed, placed or suffered to remain upon said premises, nearer the front or street line, or

lines, or nearer to any side line or rear line than as shown in the Notes as set-back requirements upon the recorded plat of said subdivision. This requirement shall apply to and include porches, verandas, and other similar projections of said dwelling. In addition, all set back lines, utility easements, general notes or other requirements or conditions found on the plat of Mountain Vista Estates Subdivision recorded with the Cumberland County Register of Deeds at Plat Book 11, page 197, are hereby adopted by reference as though set out verbatim herein and must be adhered to or a violation of these covenants will occur.

Section 4. In addition to the dwelling, two (2) detached structures, garages and/or storage buildings may be constructed on each residential lot, provided, however, any such detached structure, garage and/or storage building shall be built of the same or substantially similar material as that of the dwelling and shall contain at least some stone, brick or stucco matching the color of the dwelling and covering any exposed block foundation. The main entrance to any detached garage cannot face the road to which the dwelling structure faces. A detached garage or storage building may be built contemporaneously with or after construction of the dwelling house but not before. All detached structures, garages or outbuildings must be constructed onsite and with a concrete foundation. Gazebos, picnic tables, playground equipment and/or other preconstructed sitting structures are excluded from this requirement. In addition to the building set back requirements shown on the Plat of Mountain Vista Estates Subdivision, no detached garage or storage building shall be closer than Eight (80) feet from the front and Twenty (20) feet from the side or rear lot lines.

Section 4(a). "Special Conditions Regarding Detached Structures". It is intended by the Developer that the many beautiful mountain views available to the home sites in Mountain Vista Estates remain as unobstructed as possible. Because of their height and large size, detached garages, outbuildings or other structures intended to store recreational vehicles, campers or other large trailers or vehicles are discouraged. During the Development Period, the Developer MUST review, not only the plan and design for outbuilding and garages, BUT MUST ALSO review the location upon which said detached structure is to be placed. If it is determined that the location combined with the design causes an obstruction of the views of any surrounding lot, the proposed detached structure will not be approved.

Section 5. All homes and detached structures must be constructed of new material and be of good quality workmanship. No trailers, modular homes, preconstructed homes, mobile homes or any other type of movable home or dwellings shall be allowed. All lots shall be used and occupied solely for private residential purposes by a single family. No lot shall be used for multifamily, condominium, townhouse, commercial/business or interval ownership usage.

Section 6. Driveways must have a metal culvert of sufficient size and in compliance with the requirements of the Cumberland County Road Superintendent and/or any other governing laws at the time said culvert is installed. Within Six (6) months from the date of completion of construction of a dwelling on a residential lot in the subdivision, a driveway to said

home must be paved with concrete, asphalt surface material, or any other type of hardtop surface. Headwalls must be installed on the ends of any culvert and are to be constructed of brick, stone, stucco, manufactured stone or cementitious siding. The garage entrance shall be to the side or rear of the dwelling structure as same relates to the road which the dwelling structure faces. Carports are not allowed, except in the rear of the home.

Section 7. With the exception of the right of the Declarant to subdivide lots, no lot shall be re-subdivided, provided however, nothing herein contained shall prevent the owner of two or more adjoining residential lots from considering the combined area of the two or more residential lots as one building lot, in which event, the set-back lines for building purposes and the easements reserved for utilities shall be construed and interpreted to apply to the outside lines of the two or more combined residential lots and not the line which is common to both residential lots or the interior lines of the residential lots. If two or more residential lots are combined under the provisions of this paragraph, they may not in the future be re-subdivided. All fees, assessments and dues shall continue to be paid on the individual lots, as though they were not combined.

Section 8. No lot shall be used to provide ingress or egress to or from another lot in the subdivision or another property outside the subdivision, unless the lot owner has two or more adjoining lots that are being combined as one building lot pursuant to paragraph eight (8) above or unless the Developer gives express permission for same. The Declarant reserves the right to allow owners of property outside Mountain Vista Estates Subdivision to use the utility easements reserved herein by the Declarant to obtain utilities, which grant of easements by the Declarant shall be at the Declarant's sole discretion and under such terms and conditions as the Declarant deems appropriate. No lot shall be used to provide utility service to property outside of the subdivision without the express written consent of the Declarant.

Section 9. Unless trees must be removed for the installation of the dwelling's driveway or the installation of the utilities to the dwelling, no trees with a diameter of ten (10) inches or greater may be cut or removed within twenty (20) feet of the side or rear lot lines, without the express approval of the ACC, provided, however, that this limitation shall not apply to dead, dying or diseased trees.

Section 10. Mountain Vista Estates Subdivision encompasses many lots that front Daddy's Creek and other Blue Line Streams. The Developer desires that lot owners preserve the aquatic life and water quality found in these areas. Therefore, a Green Zone is hereby created within 50 feet of the water's edge of Daddy's Creek and within 25 feet of the edge of any Defined Channel known as a Blue Line Stream located in or abutting any lots being a part of Mountain Vista Estates Subdivision. These Green Zones are to act as a natural buffer and filter for Storm Water Run Off and other impurities that could flow to Daddy's Creek and/or the other Defined Channels. Therefore, owners of property lying inside this Green Zone must adhere to the following additional restrictions as set out in this paragraph:

a) Permanent structures are not allowed inside this Green Zone. Gazebos, picnic tables, playground equipment or other sitting structures are allowed but care must be taken when locating said structures, not to disturb the natural vegetation or soil.

b) No live trees greater than ten (10) inches in diameter may be removed. Trees between five and ten (5-10) inches may be removed if similar trees are replanted.

c) No hard ground surface materials (such as concrete or asphalt) may be constructed or placed in said area.

Section 11. No radio or television antennas or satellite "dishes" larger than 39 inches shall be erected, reconstructed, placed or suffered to remain on said premises.

Section 12. No motor home, camper, recreational trailer, basement, foundation, unfinished dwelling, tent, garage, barn, or other outbuilding shall at any time be allowed as a temporary or permanent living quarters.

Section 13. All heating and air conditioning units, gas meters, solar devices or other utility related equipment shall be hidden from view of the street by screening and/or with landscaping.

Section 14. The exterior of any structure on the lot, whether it be a primary residence or otherwise, shall be completely finished within six (6) months from the date of clearing the lot in preparation for commencement of construction. The dwelling house shall be the first building constructed on any lot. The interior for any structure being constructed on any lot shall be completed finished within twelve (12) months following the commencement of construction. No dwelling shall be occupied until construction is substantially complete. Landscaping around the dwelling structure shall be completed within eighteen (18) months following commencement of construction.

Section 15. All service wires or lines to the home and outbuildings including, but not limited to, those for water, sewer, electrical, telephone, and cable service, if available, shall be placed underground from the main supply lines and in accordance with all applicable federal, state, and local laws and regulations.

Section 16. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except dogs, cats or other common domestic household pets, provided that they are not kept, bred or maintained for any commercial purposes, and provided further that they are kept in such a way as not to violate any state or local law or ordinance.

Section 17. The sewage system connected to the dwelling structure shall be designated, located and constructed in accordance with the requirements, standards and/or recommendations of the SCUD - South Cumberland Utility District. The Area containing 13.31 acres and/or designated for Sub-surface Waste Disposal is a restricted area and not to be traveled

upon or trespassed upon by any person not authorized to do so. Traversing upon this area will be considered trespassing and a violation of these restrictions.

Section 18. No lot or parcel of land in the subdivision shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste, including but not limited to, junk automobiles or any sort and household waste which shall be kept in sanitary containers, all such containers or other similar equipment for the storage and disposal of garbage or waste materials shall be kept in a clean and sanitary condition and not visible from the street except on the day before, on and after garbage pickup. No clotheslines, clothes, sheets, blankets, or other articles shall be hung out or exposed on any part of said premises.

Section 19. Swimming pools must be located in the backyard and shall be constructed below ground level. In the event the backyard is not fenced, the swimming pool must be fenced or covered. No fencing shall be allowed between the front of the home or any improvement and roadway to which the home is facing. Any fencing placed shall be constructed of wood, ornate metal, ornate vinyl or painted chain link and installed in a uniform and workmanlike manner. No chain link fencing silver in color or maintaining a natural steel or aluminum color or similar metal fencing shall be allowed.

Section 20. No boats, trailers, motor homes, recreational vehicles, motor coaches or trucks (except pickup trucks not exceeding one (1) ton, and window and panel vans not exceeding one (1) ton, shall be parked, stored or suffered to remain upon said premises or in the street within the subdivision, unless parked or stored within a garage on said premises out of view, or parked in an area out of view from any public roadways. Any detached garage used to store any of the foregoing must conform with paragraphs 4, 4(a) and 6 above. Automobiles and other vehicles of guests and invitees shall be parked in the driveway of the lot owner and not parked in the street unless space does not permit and then such parking in the street will be done in a lawful manner and only for temporary period of visitation to the lot owner.

Section 21. Lot owners performing any construction are responsible to ensure no violations are made of the Tennessee Water Quality Control Act or any other law, regulation or ordinance including but without limitation, water quality or storm water runoff. Lot owners must obtain and adhere to any federal, state or local permits needed for excavation and/or construction and hereby hold the Developer harmless for failure to obtain permits or violations of any law, regulation, or ordinance due to said lot owner's construction or improvement of said lot. Specifically, before any construction is commenced, Lot Owners must fill out and file with the Tennessee Department of Environment a Building Site Erosion Plan which is attached hereto as Attachment C and made a part hereof by reference.

Section 22. These covenants, conditions, and restrictions shall be considered as covenants running with the land and shall bind the purchaser of any lot in the subdivision, their respective heirs, assigns and successors. If any owner or their respective heirs, assigns and successors, shall violate or attempt to violate the covenants and restrictions herein contained, it

shall be lawful for the ACC or any person or persons owning any lots in the subdivision to prosecute any proceeding at law or in equity against the persons violating or attempting to violate any such covenant or restriction, and either to prevent such person or persons from committing an act of violation or to recover damages for such violation. If the ACC or any lot owner(s) prosecutes or initiates a proceeding to enforce these covenants, conditions, and restrictions and is successful, the violator shall be responsible for all reasonable pre-litigation and litigation costs including but not limited to attorney fees. This provision shall not, however, be held or construed as creating any obligation on the part of the owners of the subdivision, their heirs, assigns or successors, to institute any such action or proceeding.

Section 23. Invalidation of any of the covenants or restrictions by the judgment of a court of competent jurisdiction shall in no way affect the validity of any of the other covenants or restrictions, which remaining covenants and restrictions shall thereafter remain in full force and effect.

Article XI

Declarant's Rights

Section 1. "Amendment of Declaration". For and during the Development Period defined in Article I, §9, Declarant reserves the sole and absolute right to amend, change or modify any part of this Declaration.

Section 2. "Declarant's Use of Lots and Common Properties and Limited Common Properties for Development and Sales Purposes". Declarant reserves the following rights and uses as to all Lots owned by the Declarant, the Common Properties and Limited Common Properties:

- a. The right to complete improvements indicated on the Plat.
- b. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or the contractor of any Living Units to maintain during the period of construction and sale of said Living Units upon such portion of the premises as Declarant deems necessary, such facilities, as in the sole opinion of Declarant, may be reasonably required, convenient or incidental to the construction or sale of said Living Units, including, but without limitation, a business office, storage area, construction yard signs, model units and sales office.
- c) The Developer shall have the right to perform repairs and construction work, and to store materials in secure areas, in Lots and in Common Areas, and further the right to control all such work and repairs, and the right to access thereto, until its completion. All work may be performed by the Declarant without the consent or approval of the Board. The Declarant has such an easement through the Common Areas as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising Declarant Rights. Such easement includes

the right to convey utility and drainage easements to public utilities, municipalities, the State, riparian owners or upland owners to fulfill the plan of development for the Property.

d) The right to post signs and displays in the Common Areas to promote sales of Lots and Living Units and to conduct general sales activities in a manner as will not unreasonably disturb the rights of Owners.

e) The right to retain all personal property and equipment used in the sales, management, construction and maintenance of the premises that has not been represented as property of the Association. Declarant reserves the right to remove from the Property, any and all goods and improvements used in the Property, marketing and construction, whether or not they have become fixtures.

Section 3. "Declarant's Control of the Association". During the Development Period, Declarant shall control the Association. Declarant or persons designated by Declarant may appoint or remove the officers and members of the Board, Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board before the end of the Development Period, but in that event the Declarant may require, for the duration of such period of Declarant control, that specified actions of the Association, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective. Upon the termination of any period of Declarant control, the Lot Owners shall elect a Board in accordance with the provisions of Article III.

Section 4. "Waiver and Liability as to Declarant". In connection with all reviews, acceptances, inspections, permissions, consents or required approvals by or from the Declarant contemplated under this Declaration or the exercise of any rights of Declarant provided in this Declaration, Declarant shall not be liable to an Owner or to any other person on account of any claim, liability, damage or expense suffered or incurred by or threatened against the Association, an Owner or such other person and arising out of or in any way reacting to the subject matter of any such reviews, acceptances, inspections, permissions, consents or required approvals, whether given, granted or withheld, and any exercise of any right of Declarant provided herein.

Section 5. "Additional Properties". Declarant shall have the unilateral right, privilege, and option, from time to time at any time until all the Additional Property has been subjected to this Declaration to subject all or any portion of the Additional Property to the provisions of this Declaration and jurisdiction of the Association. Such annexation shall be accomplished by filing a Supplemental Declaration to this Declaration annexing such property in the public records of Cumberland County, Tennessee. Such Supplemental Declaration shall not require the consent of the Lot Owners or the Association. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration signed by the Declarant, unless otherwise provided therein. Declarant shall have the unilateral right to transfer to any other person all Declarant's rights, privileges, and options to annex the Additional Property which is herein reserved to Declarant, provided that such transferee or assignee shall be the developer of the real property described in Exhibit A or Exhibit B and that such transfer is memorialized in a written, recorded instrument executed by the Declarant.

Section 6. "Acquisition of Additional Common Area". Declarant may convey to the Association additional real estate, improved or unimproved, located within the properties shown on the plat of Mountain View Estates Subdivision which, upon conveyance or dedication to the Association, shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of all its Members.

Section 7. "No Requirement to Add Additional Properties". No provision of this Declaration shall be construed to require the Declarant to add any real property to the scheme of this Declaration. The subdivision contemplated by this Declaration including the real estate now encumbered or any added hereto may include a wide diversity of housing types and styles.

Section 8. "Declarant's Right to Abate or Remove Violations". Declarant reserves and is hereby granted the right in case of any violation or breach of any of the restrictions, rights, reservations, limitations, agreements, covenants and conditions herein contained, to enter the property, upon or as to which such violation or breach exists and to summarily abate and remove, at the expense of the owner thereof, any erection, thing, or condition, that may be or exists thereon contrary to the intent and meaning of the provisions hereof as interpreted by Declarant and Declarant shall not, by reason thereof, be deemed guilty of any manner of trespass for such entry, abatement or removal. A failure of Declarant to enforce any of the restrictions, rights, reservations, limitations, agreements, covenants and conditions contained herein shall in no event be construed, taken or held to be a waiver therefore or acquiescence in or consent to a continuing, further or succeeding breach or violation thereof, and Declarant shall at any and all times have the right to enforce the same.

Section 9. "Interference with Declarant Rights". Neither the Association, the Board or any Lot Owner may take any action or adopt any Rule which will interfere with or diminish any of Declarant's rights or reservations provided in this Declaration without the prior consent of the Declarant. All of the provisions of this Declaration are specifically and expressly subject to the rights of Declarant, and in the event there is any conflict with any part of this Article with any other provisions of this Declaration, the provisions of this Article shall prevail. This Declaration shall be liberally construed to protect the rights of Declarant, its heirs and assigns as set out herein.

Article XII

General Provisions

Section 1. "Amendment or Modification of Declaration". Subject to Declarant's right to amend this Declaration as set out in Article XI, §1, above, and following the expiration of the Development Period, the provisions of this Declaration may be amended if such amendment is adopted by a 2/3rds vote of the members of the Association, after thirty (30) day written notice has been sent to all such members. Any such amendment must be in writing and properly

executed and recorded. The rights of Declarant set out in Article XI cannot be amended without the consent of Declarant.

In addition, the Declaration may be amended unilaterally at any time and from time to time by the Declarant and the Board of Directors of the Association without the consent of the Members (i) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith, (ii) if such amendment is necessary to enable any reputable title insurance company to issue a title insurance policy with respect to the Lots or Living Units subject to this Declaration, (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including for example the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots or Living Units subject to this Declaration, or (iv) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots or Living Units subject to this Declaration and (v) correcting any scrivener's errors otherwise found to exist within this Declaration provided such amendment shall not adversely affect Declarant's rights or the title to any Owner's Lot or Living Unit or materially alter or change, any Owner's right to the use and enjoyment of the Common Areas as set forth herein unless Declarant and such Owner shall consent thereto in writing. Any such amendment shall be effected by written instrument executed by the Association and the Declarant and filed in the Office of the Register of Deeds for Cumberland County, Tennessee.

Section 2. "Duration and Coverage". Subject to the provisions of Section 1 above, and Article XI, §1, all provisions, covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant or the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns.

Section 3. "Enforcement".

a. Each Owner and each occupant of a Lot or Living Unit thereon and their respective families, guests, invitees and licensees shall comply strictly with this Declaration, the Bylaws, the Construction Requirements and Rules and Regulations of the Association as any of the Association as any of the same may be amended from time to time. Owners shall be responsible for the conduct of their families, guests, invitees and licensees, and in the event of a violation or breach, or threatened violation or breach, of any of the same, the Association or any Owners or Declarant, jointly and severally, shall have the right to proceed at law or in equity to compel compliance therewith or to prevent a threatened violation or breach thereof. The Association or Declarant shall have the right to immediately tow, without any additional notice or period in which to correct such violation, any improperly parked or prohibited vehicle as identified herein or within the Bylaws or Rules and Regulations promulgated by the Association or Declarant, neither the Association, nor through its agents, shall be deemed guilty or liable for any manner of trespass for such entry, tow, abatement or removal.

b. All reasonable costs incurred by the Association to enforce this Declaration, the Bylaws, Construction Requirements or Rules and Regulations of the Association, including, without limitation, reasonable costs and attorney's fees, shall be paid by the violating Owner and shall be collectable by suit, judgment lien and foreclosure as provided in Article V hereof. Insomuch as the enforcement of the provisions of this Declaration, the Construction Requirements, the Bylaws and Rules and Regulations is essential for the effectuation of the general plan of development contemplated hereby and for the protection of present and future Owners, it is hereby declared that any breach thereof cannot be adequately compensated by recovery of damages, and that the Association, or any aggrieved Owner, in addition to all other remedies, may require and shall be entitled to the remedy of injunction to restrain any such violation or breach or threatened violation or breach. Further in the event of any failure to comply strictly with this Declaration, the Bylaws, the Construction Requirements or the Rules and Regulations of the Association, then, in addition to the foregoing remedies, the Board of Directors of the Association may levy reasonable monetary fines against the Owner for such failure, the amount of such fines to be determined from time to time by the Board; provided that each day or time a violation is continued or repeated for twenty-four (24) hours after written notice is given to the Owner to cease and desist, it shall be considered a separate and additional violation. All monetary fines shall be collectable by suit, judgment, lien and foreclosure, as provided in Article V hereof.

c. No delay, failure or omission on the part of the Association, the Declarant, or any aggrieved Owner in exercising any right, power or remedy thereafter shall, as to the same violation or breach, or as to a violation or breach occurring prior to subsequent thereto, bar or effect its exercise or enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone whomsoever against the Association or Declarant for on or account of any failure to bring any action on account of any violation or breach, of the provisions of this Declaration, the Bylaws, the Construction Requirements or such Rules and Regulations, however long continued, or for adopting provisions which may be deemed unenforceable.

Section 4. "Indemnification". The Association shall, to the full extent permitted by Tennessee Statutory and Case Law indemnify the Declarant and all Board Members and Officers for exercising the rights and duties set out herein. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 5. "Acceptance and Enforcement of this Declaration". Each grantee of Declarant, by the acceptance of a Deed of Conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, easements, and the jurisdiction, rights and powers of Declarant, created or reserved by this Declaration of Restrictions, or by Plat or Deed restrictions heretofore recorded, and all easements, rights, benefits and privileges of every character hereby granted, created, reserved or declared and all impositions and obligations hereby imposed, shall run with the land and bind every owner of any interest therein, and inure to the benefit of such

owner, in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every Deed of Conveyance.

Section 6. "Venue of any Dispute." The venue of any dispute or controversy of any and all kinds shall lie only in the Chancery Court in and for Cumberland County, Tennessee. In addition, Tennessee law shall be applied to determine the outcome of any such dispute.

The Annual POA Association fee for 2014 is \$100.00 per year.

In Witness Whereof, the parties hereto for themselves and their respective successors and assigns, have executed this instrument by their respective duly authorized officer on this day and date above written.

Mountain Vista Estates, Developer

By: Calvin L. Smart
Calvin L. Smart, Owner

By: Susan K. Smart
Susan K. Smart, Owner

Mountain Vista Estates Property Owner's Association. Inc.

By: Calvin L. Smart President
Calvin L. Smart

Its: _____
President

STATE OF TENNESSEE
COUNTY OF CUMBERLAND

Before me, the undersigned authority, a Notary Public, in and for said State and County, personally appeared **Calvin L. Smart**, with whom I am personally acquainted (or, proved to me on the basis of satisfactory evidence) and who upon oath, acknowledged himself to be **Owner** of **Mountain Vista Estates**, and that he as such Owner, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the Office by himself as **Owner**.

Witness my hand and official seal of office on this the 5 day of August, 2014.

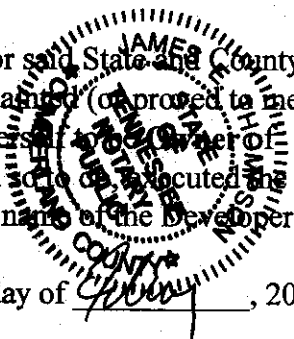
My commission expires: 8/8/17

James E. [Signature]
Notary Public

STATE OF TENNESSEE
COUNTY OF CUMBERLAND

Before me, the undersigned authority, a Notary Public, in and for said State and County, personally appeared **Susan K. Smart**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who upon oath, acknowledged herself as **Owner** of **Mountain Vista Estates**, and that she as such Owner, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the Developer by herself as **Owner**.

Witness my hand and official seal of office on this the 5 day of April, 2014.

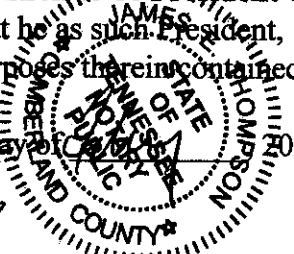

James E. Ely
Notary Public

My commission expires: 8/8/17

STATE OF TENNESSEE
COUNTY OF CUMBERLAND

Before me, the undersigned authority, a Notary Public, in and for said State and County, personally appeared **Calvin L. Smart**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who upon oath, acknowledged himself to be **President** of **Mountain Vista Estates Property Owner's Association, Inc.**, 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 bargainor by himself as **President**.

Witness my hand and official seal of office on this the 5 day of April, 2014.


James E. Ely
Notary Public

My commission expires: 8/8/17

BK/PG: 1424/2390-2420

14001570

31 PGS:AL-RESTRICTIONS	
BATCH: 77893	
02/10/2014 - 11:18:39 AM	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	155.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	157.00

STATE OF TENNESSEE, CUMBERLAND COUNTY
JUDY GRAHAM SWALLOWS
REGISTER OF DEEDS

**PREPARED BY LYNN OMOHUNDRO, ATTORNEY
P.O. BOX 540, SPARTA, TN 38583
931-836-2226**

**SECOND AMENDMENT OF THE DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS
FOR MOUNTAIN VISTA ESTATES SUBDIVISION**

This declaration made this 23 day of April, 2025, by, RLA EQUITY GROUP, LLC a Florida Limited Liability Company, hereinafter called the "Declarant;"

WITNESSETH:

THAT WHEREAS, the Declarant is the developer of Mountain Vista Estates Subdivision as supported by the Assignment of Declarant's Rights record in Book 1717, Page 1293, in the Register's Office for Cumberland County, Tennessee.

THAT WHEREAS, in paragraph I.9 of the First Amendment and Restatement of the Declaration of Covenants, Conditions and Restrictions for Mountain Vista Estates Subdivision (hereinafter "Covenants"), which appear of record in Book 1424, Page 2390, the Declarant reserved the right to unilaterally amend the Covenants until December 31, 2030;

THAT WHEREAS, the Declarant desires to amend the Covenants regarding same;

NOW, THEREFORE, the Declarant hereby declares that:

1. New owners who purchase property after the date of this Amendment shall pay a \$300.00 Assessment per year; however, an owner who purchases up to three lots, shall pay only one Assessment.

2. Article I.3 shall be deleted and replaced as follows: "Association shall refer to Mountain Vista POA, Tennessee a non-profit corporation."

3. Article III.7 is deleted.

4. Article X.4 is amended to allow only one (1) detached structure, and the remainder of the paragraph is not revised.

5. Article X.5 shall be deleted and replaced as follows: "All homes and detached structures must be constructed of new material and be of good quality workmanship. No trailers, modular homes, preconstructed homes, or mobile homes shall be allowed. Owners may offer their property as an Airbnb, providing the minimum stay is 48 hours and a maximum of seven days."

Trey Kerley, Register Cumberland County Tennessee	
Rec #: 212513	Instrument #: 25033912
Rec'd: 10.00	Recorded
State: 0.00	5/1/2025 at 8:00 AM
Clerk: 0.00	in RB
Other: 2.00	1722
Total: 12.00	PGS 42-43

6. Article X.6 shall be amended to replace the last sentence of the paragraph as follows: "Carports are not allowed."

7. Article X.10 is deleted.

8. Article X.12 shall be deleted and replaced as follows: "Camping shall be allowed in campers or RVs only, and for a maximum of seven days per month, after which time camping equipment shall be removed from the property."

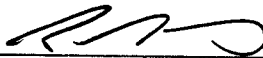
9. Article X.16 shall be deleted and replaced as follows: "No animals or livestock shall be raised, bred or kept on any lot, other than common domestic pets and chickens, provided that they are not bred for commercial purposes."

10. Article X.24 shall be added as follows: "Mailboxes shall be constructed with bricks or stone."

11. The remaining provisions of the Covenants shall remain in full force and effect.

Witness my hand, this 23 day of April 2025.

RLA EQUITY GROUP, LLC

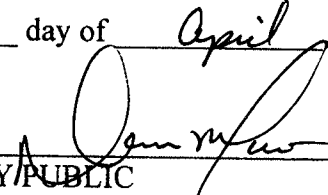


BY: Richard Applegate- Member

STATE OF FLORIDA)
)
COUNTY OF Broward)

Personally appeared before, the undersigned, a Notary Public, in and for said County and State, the within named RICHARD APPLGATE, with whom I am personally acquainted, acquainted or proved to me upon the basis of satisfactory evidence, and who, upon oath, acknowledged himself to be the Member of Member of RLA EQUITY GROUP, LLC, and that acting in such capacity and authorized to do so, executed the foregoing instrument on behalf of the LLC for the purposes therein contained.

Witness my hand and official seal this 23 day of April 2025.


NOTARY PUBLIC

My Commission Expires: 12-3-28

