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AMENDED BYLAWS OF WESTCLIFF HOMEOWNERS ASSOCIATION, INC.

These amendments are made and entered into on this the 11 day of May, 2026, by the Westcliff Homeowner's Association, Inc. ("HOA").

WHEREAS, Westcliff Homeowners Association, Inc. consists of a condominium regime governed and regulated by its Master Deed and Bylaws, and amendments thereto, all previously record in the Knox County Register's Office as follows:

Master Deed and Amendments: Warranty Book 1740, page 735;

Bylaws and Amendments: Exhibit B to the Master Deed at Warranty Book 1740, page 756;

WHEREAS, pursuant to the terms and conditions of the Master Deed and Bylaws, and amendments thereto, said governing documents may be amended by proper action of the HOA.

NOW WHEREFORE, pursuant to the terms and conditions of the Master Deed and Bylaws, and amendments thereto, said Bylaws are hereby amended as follows:

1. The Bylaws are hereby further amended to reflect the changes set forth on the following pages of this document.

2. Any provision of the Bylaws and previous amendments thereto not specifically changed or specifically adopted herein remain in full force and effect as if presently stated. In the event of any conflict between the original Bylaws and any prior amendments, these amended Bylaws shall control.

Section 1: Definitions

The following words and phrases as used in these Bylaws shall have the meanings hereinafter set forth unless a different meaning is specifically required by the context:

Section 1.1. "Horizontal Property Act" means the Horizontal Property Act of the State of Tennessee as set forth in Chapter 27 of Title 64. Tennessee Code Annotated, as the same may from time to time be amended.

Section 1.2. "Master Deed" means the Master Deed establishing Westcliff Condominium to which these Bylaws are attached and which establishes the horizontal property regime.

Section 1.3. "Land" shall mean the land described in Exhibit A attached to the Master Deed.

Section 1.4. "Building" means the 3-story multi-apartment building located on the land.

Section 1.5. "Condominium Project" means the Land, the Building, and other improvements located thereon and the easements and appurtenances related thereto, all of which have, by the recording of the Master Deed, been submitted to a horizontal property regime.

Section 1.6. "Apartment" means each of the 76 residential dwellings included within the Condominium Project as more particularly described in paragraphs 4 and 5 of the Master Deed.

Section 1.7. "Person" means one or more individuals, corporations, partnerships, HOAs, trusts or other legal entities capable of holding title to real property.

Section 1.8. "Owner" means the person as defined in Section 1.7 who is the record owner of an Apartment. The term "Owner" shall exclude any person having an interest in an Apartment merely as security for the performance of an obligation. An Owner is also a Member of the HOA.

Section 1.9. "HOA" shall mean Westcliff Homeowners HOA, Inc., a Tennessee corporation not established for profit, which shall constitute the Council of Owners as defined in the Horizontal Property Act.

Section 1.10. "Board of Directors" means the Board of Directors of the HOA.

Section 1.11. "Rules and Regulations" means the rules and regulations from time to time adopted by the Board of Directors of the HOA pursuant to these Bylaws.

Section 1.12. "Common Elements" means all parts of these Condominium Project, except the Apartments as herein defined.

Section 1.13. "Limited Common Elements" means those portions of the Common Elements which are reserved for use by a certain Apartment or Apartments to the exclusion of other Apartments as more particularly described in paragraph 7 of the Master Deed.

Section 1.14. "Common Expenses" shall mean and include (i) all sums lawfully assessed against the Owners by the HOA; (ii) all insurance premiums other than insurance obtained by a Owner; (iii) expenses of administration, maintenance, repair, and/or replacements of the Common

Elements and reasonable reserved relating thereto; and (iv) expenses declared to be Common Expenses by the Horizontal Property Act, by the Master Deed or by these Bylaws.

Section 1.15. "Plat" means the Plat attached to the Master Deed as Exhibit C containing ____ pages and consisting of the "as built" Plat of the Condominium Project and the floor plans and other information necessary for the proper identification of the apartments.

Section 1.16. "First Mortgagees" shall mean the owners and holders of the promissory notes secured by any first lien deed of trust or mortgage on an Apartment.

Section 2: Plan of Apartment Ownership

Section 2.1. Apartment Ownership. The Property which, by the recording and filling of the Master deed, the Apartment and Owner's deed have been submitted to a horizontal property regime known as "Westcliff Condominium."

Section 2.2. Applicability of Bylaws to the Condominium Project. The provision of these Bylaws are applicable to the Condominium Project and to the use and occupancy thereof.

Section 2.3. Applicability of Bylaws to Apartment Owners. All present and future Owners, mortgagees, lessees and occupants of Apartments and their employees and any other persons who may use the facilities of the Condominium Project in any manner are subject to the Master Deed, these Bylaws and the Rules and Regulations adopted pursuant hereto and any amendment to the same.

Section 3: Administration

Section 3: Administration of the Westcliff Condominium. The HOA shall be responsible for administrating, operating, and managing the Condominium Project and for enforcing the provisions of the Master Deed, Bylaws, and the Rules and Regulations adopted pursuant hereto, and as the same may from time to time be amended. The HOA shall not engage in any activities not in furtherance or as authorized by the Master Deed, Bylaws, and the Rules and Regulations adopted by the HOA.

Section 4: Offices - Seal - Fiscal Year.

Section 4.1. Principal Office and Registered Office. The principal office and registered office of the HOA shall be located at 5709 Lyons View Drive, Knoxville, Tennessee 37919. The HOA may change the principal office and/or the registered office as it deems necessary.

Section 4.2. Other Offices. The HOA may have other offices at such other places in the State of Tennessee as the Board of Directors my from time to time determine or as the affairs of the HOA my require.

Section 4.3. Seal. The seal of the HOA shall contain the name of the HOA, the word "seal", the year of incorporation and such other words and figures as may be desired by the Board of Directors. When obtained, such seal shall be impressed in the margin of this section of the Bylaws.

Section 4.4. Fiscal Year. The fiscal year of the HOA shall be the calendar year.

Section 5: Membership and Meetings.

Section 5.1. Qualification. Membership in the HOA shall be limited to the Owners, and every Owner shall automatically be a Member of the HOA. Membership in the HOA shall be required and become appurtenant to and may not be separated from apartment ownership.

Membership in the HOA shall inure automatically to Owners upon acquisition of a fee simple interest, whether encumbered or not, to any one or more Apartments. The date of recordation of the conveyance in the Office of Knox County Register of Deeds of an Apartment shall govern the date of ownership of each particular Apartment. However, in the case of death of an Owner, the transfer of ownership shall occur on the date of death in the case of intestacy or the date of probate of will in the event of testacy. Until a decedent's will is probated, the HOA may rely on the presumption that a deceased owner died intestate.

Section 5.2. Place of Meeting. All meetings of the Membership shall be held at the principal office of the HOA or such other place or places in the City of Knoxville, Tennessee, as the Board of Directors may from time to time determine. The Board of Directors shall have the discretion to hold any and all meetings electronically using Zoom, Microsoft Teams, or similar teleconferencing platform technology. Any Member wishing to attend any meeting via teleconferencing technology shall be required to register their phone number or email address with the Board of Directors at least twenty-four (24) hours prior to the meeting they wish to attend.

Section 5.3. Annual Meetings. The Annual meeting of Members shall be held each February at a date and time to be determined by the Board of Directors. If the annual meeting cannot be held in February, then it shall be held at the first available opportunity in March at a date and time to be determined by the Board of Directors. At each such meeting, the Board of Directors shall be elected in accordance with the provisions of Section 6 of these Bylaws, and the Members shall transact such other business as may properly come before them. The year-end financial report for the prior year shall be available to Members at the Annual Meeting along with the Budget for the current year.

Section 5.4 Substitute Annual Meetings. If an annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of this Section. A meeting so called shall be designated and treated for all purposes as an annual meeting.

Section 5.5. Special Meetings. It shall be the duty of the President to call a special meeting of the Members if so directed by resolution of the Board of Directors or, after the first annual meeting of Members, upon a petition signed by Owners having not less than thirty-three and one third percent (33 1/3 %) of the total Membership votes as determined in Section 5.9 hereof. The notice of any special meeting shall state the time and place of such meeting and the purpose or purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5.6. Order of Business. As far as practical, the order of business at all annual or special meetings of the Membership or at all substitute annual meetings shall follow Robert's Rules of Order Newly Revised.

Section 5.7. Notice of Meetings - Waiver. The Secretary shall serve to each Member entitled to vote, notice of (a) each annual meeting not less than ten (10) nor more than fifty (50) days prior to such meeting and (b) each special meeting not less than seven (7) nor more than thirty (30) days prior to such meeting, by personal delivery, U.S. Mail postage prepaid, electronic notice to a Member if such email address has been provided.

If the notice is personally delivered, a receipt of the notice shall be signed by the receiving Member indicating the date on which such notice was received by him. If the notice is mailed, such notice shall be deemed to be properly given when deposited in the United States Mail, postage prepaid, and addressed to the Member at his post office address as it appears on the register of Owners of the HOA as of the date of the mailing such notice. If the notice is provided electronically the notice shall be deemed to be properly given upon the electronic notice provided to the Secretary being sent and not returned as undeliverable.

Notice given to any one tenant in common or any one tenant by entirety of an Apartment shall be deemed notice to the remaining record Owner of such Apartment. In the case of special meetings, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called; but, in the case of an annual meeting, the notice of meeting need not specifically state the business to be transacted thereat unless such statement is specifically required by the provisions of the laws of the State of Tennessee in accordance with T.C.A. § 66-27-408; this reference includes all future amendments, modifications, or successor legislation to said statute.

Any Member may waive necessity of formal notice of any Membership meeting by signing a written waiver either before or after the meeting; and upon execution of such waiver, the Member

shall not be entitled thereafter to object to the meeting being held or the matters being passed upon at the meeting because of lack of notice thereof.

Section 5.8. Quorum. Except as otherwise provided in these Bylaws or by the laws of the State of Tennessee governing corporations, the presence, in person or by proxy, of Members holding more than forty (40%) of the total vote of the Membership as determined by Section 5.9 hereof shall constitute a quorum at all meetings of the Members. If a quorum is not present or represented at any meeting, the Members entitled to vote at such meeting shall have the power to adjourn the meeting from time to time without notice other than an announcement at the meeting until a quorum is present or represented.

The Members at any meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum of Members present at the meeting unless a higher percentage of votes is required on any matter presented at the meeting.

Members who attend meetings virtually or electronically may be counted as present at the meeting so long as they can communicate with all others present at all times during the meeting. All Members attending the meeting virtually either by phone or by other electronic methods shall be counted as part of the quorum so long as they can communicate with all others present at all times during the meeting.

Section 5.9. Voting Rights. The total number of votes of all Owners shall be 100, and each Owner shall be entitled to cast the number of votes equal to the percentage interest in the Common Elements appurtenant to the Apartment or Apartments owned by such Owner. See Exhibit D for the percentage of undivided interest for each apartment.

If an Apartment is owned by two or more persons (whether individually or in a fiduciary capacity), the votes may be cast by any one of the persons so owning in person or by proxy. If more than one of the persons so owning vote, the unanimous vote of all voters owning said Apartment shall be necessary to effectively cast the vote allocated to that particular Apartment. Failure of Co-Owners to vote in agreement will result in a non-vote, which will not be tabulated among the total number of allowable votes.

The owners of life estates in the Apartments shall be entitled to cast the vote appurtenant to such Apartments.

If an Apartment is owned by an entity, the vote shall be cast by one person named in a certificate signed by the presiding officer of the entity owning the Apartment. Such certificate shall be filed

with the Secretary of the HOA prior to any meeting requiring a vote and shall be valid until revoked by a subsequent certificate.

Section 5.10. Proxies. Members may vote either in person or by agents duly authorized by written proxy executed by the Member or by his duly authorized attorney-in-fact. A proxy shall not be valid after the expiration of eleven (11) months from the date of its execution unless the proxy specifies the length of time which it is to continue in force or limits its use to a particular meeting. In order to be effective, all proxies must be filed with the Secretary prior to the meeting in question.

Section 5.11. Majority Vote. A majority of the votes represented at a meeting at which a quorum is present shall be required to adopt any measures voted upon at such meeting, except where a higher percentage vote is required by the Horizontal Property Act, the Master Deed and Bylaws including all amendments thereto, or the laws of the State of Tennessee governing nonprofit corporations.

Section 5.12 Actions Without Formal Meeting. Any action which may be taken at a meeting of the membership may be taken without a meeting if a consent or ratification, in writing, setting forth the actions so taken, or to be taken, shall be signed by all the members who would be entitled to vote upon such an action at a meeting and such consent is filed with the Secretary of the HOA and inserted in the minute book of the HOA.

Section 6: Board of Directors

Section 6.1. General Powers. The business and affairs of the HOA shall be managed by the Board of Directors or by such committees as the Board of Directors may establish pursuant to Section 7 of these Bylaws.

Section 6.2. Number, Term, and Qualification. All Directors shall be members of the Association. The Board of Directors shall consist of five (5) individuals. Board Members must be Directors before they can be nominated for the board. The term of office for Directors shall be 2 years. The Directors shall have staggered terms; three Directors shall be elected one year and two the following year. HOA At each annual Membership meeting, the Members shall elect a sufficient number of Directors to fill any vacancies created by the expiration of the term of office of any retiring Director. Each director is required to keep their current mailing address, contact phone number and email address on file with the Board Secretary at all times.

Section 6.3. Nominations. Nominations for election to the Board of Directors shall be made by a nominating committee consisting of a chairperson who shall be a Director and at least two (2) other Members of the HOA. The nominating committee will be appointed by the Board of Directors at a time sufficiently in advance of the annual meeting in order that it may make

nominations for election to the Board of Directors. The nominating committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Nominations may also be made from the floor at the annual meeting.

Section 6.4. Election of Directors. If a Member so demands, or if the presiding officer at the annual meeting so directs, the election of Directors shall be by ballot. Each Apartment shall be entitled to one vote per vacancy. Persons receiving the highest number of votes shall be elected to office.

Section 6.5. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of a quorum of the Members of the HOA established at a regular or special meeting of the Membership provided that the notice of the meeting must state that the question of such removal will be acted upon at the meeting If any Directors are so removed, their successors may be elected by the Membership at the same meeting to fill the unexpired terms of the Directors so removed.

Section 6.6 Vacancies. A Vacancy occurring in the Board of Directors may be filled by the Board of Directors. Such Member so appointed shall serve out the term remaining for the director whose position the appointed director has filled.

Section 6.7. Compensation. No Member of the Board of Directors shall receive any compensation from the HOA for acting as a Member of the Board of Directors. However, each Director shall be reimbursed for reasonable out-of-pocket expenses incurred and paid by him on behalf of the HOA.

Section 6.8. Loans to Directors and Officers. No loans shall be made by the HOA to its Directors or officers. Any Directors of the HOA who vote for or assent to the making of a loan to a Director or officer of the HOA and any officer or officers participating in the making of such loan shall be personally liable to the HOA for the loan and shall indemnify and hold the HOA harmless therefrom.

Section 6.9. Liability of Directors. Subject to the provisions of Tennessee Code Annotated Title 48, Chapter 58, Part 5, the HOA shall indemnify and hold harmless each Member of the Board of Directors with respect to any liability and expense of litigation arising out of his activities as a director. Any sums required to discharge the obligations of the HOA under this paragraph shall constitute a "Common Expense" which shall be assessed against each Owner. The Board of Directors shall be authorized to purchase insurance for the protection of the directors, officers, employees, or agents of the HOA.

Section 6.10. Meeting of Directors.

(a) Regular Meetings. Regular meetings of the Board of Directors shall be held at such intervals and at such times and places as may be determined from time to time when called by the President of the Board of Directors, or any two Members of the Board of Directors. At least three (3) days' written notice, including electronic notice, must be given unless all Members agree otherwise.

(b) Special Meetings. Special meetings of the Board of Directors shall be held without notice when agreed by the majority of the Board. All members of the Board of Directors shall be notified of every special meeting of the Board of Directors.

(c) Approved Meeting Place. All directors' meetings shall be held in Knoxville, Tennessee. The Board of Directors shall have the discretion to hold any and all meetings electronically using Zoom, Microsoft Teams, or similar teleconferencing platform technology. Any director who attends a meeting electronically shall be counted as present at the meeting so long as all directors can be seen and heard by each other throughout the meeting.

(d) Quorum. A majority of the Directors then holding office shall constitute a quorum for the transaction of business, and every act or decision done or made by a majority of the Directors present at a duly called and held meeting at which a quorum is present shall be regarded as the act or decision of the Board of Directors.

(e) Removal of Director. Any Director failing to attend three consecutive meetings shall be subject to removal from the Board of Directors upon majority vote of the remaining Directors.

Section 6.11. Consent Actions Taken Without Formal Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of the Directors, including electronically transmitted actions taken by a majority of the Directors. When a Consent Action is taken, all Board Members must be included in the electronic request and all Members must participate by responding to the electronic action whether or not they vote. Any action so approved shall have the same effect as though taken at a meeting of the Directors. The written approval, (or each email vote) shall be filed with the minutes of the proceedings of the Board after the action so taken.

Section 6.12. Presumption of Assent. A Director of the HOA who is present at a meeting of the Board of Directors at which action on any HOA matter is taken shall be presumed to have assented to the action so taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless such Director casts an abstention when the vote is called. In the

case of an abstention, that Member will not be counted as among the number needed to constitute a quorum for the purposes of that vote only. Directors may vote by proxy as set forth herein. A Director who is absent from a meeting of the Board or at any committee shall be presumed to have concurred in the action taken unless he shall deliver or send by registered mail his dissent to the Secretary of the HOA within a reasonable time after learning of such action.

Section 6.13. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Condominium Project except such powers and duties as by law, by the Master Deed or by these Bylaws may not be delegated by the Owners to the Board of Directors. Without in any way limiting the powers and responsibilities conferred upon the Board of Directors by these Bylaws, the Master Deed or by law, the Board of Directors shall have the power to and shall be responsible for the following:

(a) Providing for the operation, care, upkeep, replacement and maintenance of the General Common Elements.

(b) Determining the funds required for the operation, administration, maintenance, upkeep and other affairs of the Condominium Project and the assessment and collection of the Common Expenses from the Owners as provided in Section 13 of these Bylaws.

(c) Employing and dismissing personnel necessary for the efficient operation and maintenance of the Condominium Project and establishing and paying salaries and other compensation for such personnel.

(d) Adopting rules and regulations covering the details of the operation and use of the Condominium Project.

(e) Opening bank accounts on behalf of the HOA and designating the signatories required thereof.

(f) Purchasing, leasing or otherwise acquiring in the name of the HOA, or its designee, Apartments offered for sale or lease or surrendered by their Owners to the HOA.

(g) Purchasing Apartments at foreclosure or other judicial sales in the name of the HOA or its designee.

(h) In the event the HOA has purchased or otherwise acquired an Apartment, the HOA shall have the power to sell, lease, mortgage, vote the votes appurtenant (other than for the election of Directors) or otherwise deal with the Apartments acquired by the HOA or its designee.

(i)Granting licenses for vending machines.

(j) Purchasing personal property necessary to properly maintain the Condominium Project and to provide for its operation.

(k) Obtaining insurance for the Condominium Project pursuant to Section 10 of these Bylaws.

(l) Subject to the provisions of Sections 9.1 and 9.2 and 9.3, making repairs, additions and improvements to or alterations of the General Common Elements (including the Limited Comon Elements) and repairing and restoring the Condominium Project and establishing reserves therefor.

(m) Keeping detailed accurate records in chronological order or receipts and expenditures affecting the General Common Elements, specifying and identifying their maintenance and repair expenses of the General Common Elements and any other expenses incurred. All books and records shall be kept in accordance with generally accepted principles of accounting and shall be available for examination by all Owners or mortgagees or their duly authorized agents or attorneys at convenient hours on working days. An outside audit shall be made at least once a year.

(n) Keeping a complete record of the minutes of all meetings of the Board of Directors and Members in a minute book in which shall be inserted all records of actions taken by the Directors and/or Members whether such meeting is held pursuant to written consent or by formal meeting.

(o) Supervising all officers, agents and employees of the HOA and ensuring that their duties are properly performed.

(p) Enforcing the provisions of the Master Deed, these Bylaws and the Rules and Regulations and bringing or defending any legal actions that may be instituted on behalf of or against the HOA.

(q) To do such other things and acts not inconsistent with the Horizontal Property Act, the Master Deed and these Bylaws or which may be authorized by appropriate action of the Board of Directors and/or the HOA.

Section 6.14. Managing Agent. The Board of Directors may employ or enter into a management contract with any individual, firm or entity that it deems appropriate and in the best interest of the HOA concerning the routine management of the Condominium Project. The Board of Directors

shall delegate to such professional person or firm ("Managing Agent") such duties and responsibilities in the management of the Condominium Project as the Board of Directors deems appropriate provided the Board of Directors may not delegate to the Managing Agent the complete and total responsibilities and duties of the HOA in violation of the laws of the State of Tennessee. Contracts with Managing Agent shall not exceed one (1) year and shall provide for termination by either party without cause and without payment of a termination fee on ninety (90) days or less written notice. The Board of Directors shall have the authority to fix reasonable compensation for the Managing Agent. The Managing Agent shall at all times be answerable to the Board of Directors and subject to its direction.

Section 7: Committees

Section 7.1. Creation. The Board of Directors by resolution adopted by a majority of the number of Directors then holding office may create such committees as they deem necessary and appropriate in aiding the Board of Directors to carry out its duties and responsibilities with respect to the management and administration of the Condominium Project. Each committee so created shall have such authorities and responsibilities as the Directors deem appropriate and as set forth in the resolution creating such committee. The Directors shall elect the Members of each committee provided that at least one Member of the Board of Directors shall serve on each committee.

Section 7.2. Vacancy. Any vacancy occurring on a committee shall be filled by a majority of the number of Directors then holding office at a regular or special meeting of the Board of Directors.

Section 7.3. Removal. Any committee Member missing three meetings may be removed from the committee by a majority vote of the Board.

Section 7.4. Duties. Each committee shall issue a progress report to the Board of Directors when requested. Each committee meeting, and/or action taken when authorized, shall be reported in writing to the Board, which may be submitted electronically.

Section 7.5. Responsibilities of Directors. The designation of committees and the delegation thereto of authority shall not operate to relieve the Board of Directors or any Member thereof of any responsibility or liability imposed upon it or by law.

Section 8: Officers

Section 8.1. President. The President shall be the chief executive officer of the HOA and shall preside at all meetings of the Members. The President shall also preside at all meetings of the Board of Directors. The President shall see that the orders and resolutions of the Board of Directors

are carried out; shall sign all written instruments regarding the General Common Elements and shall execute on behalf of the HOA all promissory notes of the HOA, if any. In addition, the president shall have all of the general powers and duties which are incident to the office of president of a corporation organized under the laws of the State of Tennessee in the management of the HOA in accordance with the Master Deed and these Bylaws.

Section 8.2. Vice Presidents. The Vice Presidents, in the order of their election, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of that office. In addition, they shall perform such other duties and have such other powers as the Board of Directors may prescribe.

Section 8.3. Secretary. The Secretary shall keep the minutes of all meetings of Members and of the Board of Directors, shall have charge of such books and papers as the Board of Directors may direct, shall attest promissory notes of the HOA and shall, in general, perform all duties incident to the office of secretary of a corporation organized under the laws of the State of Tennessee.

Section 8.4. Treasurer. The Treasurer shall have the responsibility for the HOA's funds and securities and shall be responsible for keeping full and accurate financial records and books of accounts showing all receipts and disbursements and for the preparation of all required financial statements. The Treasurer shall cause an annual audit of the HOA's books and records to be made by a certified public accountant at the completion of each fiscal year; shall prepare a proposed annual budget (to be approved by the Board of Directors) and a statement of income and expenditures to be presented to the Membership at its annual meeting and shall deliver a copy of each to the Members. Within thirty (30) days following the conclusion of each quarter of the fiscal year (as defined herein by Section 4.4), the Treasurer shall prepare and distribute to the Board of Directors and all HOA members a formal financial report. This report must consist of a Balance Sheet stating the HOA's assets, liabilities, and fund balances as of the final day of the preceding quarter, along with an Income Statement reflecting all revenues and expenditures for the period. To ensure accuracy, the Treasurer shall include a written certification that all HOA bank accounts have been reconciled against the most recent financial statements. All such quarterly reports, including the underlying bank reconciliations and general ledger entries, shall be maintained as part of the HOA's official records and remain available for inspection by any member upon written request during reasonable business hours. In addition, the Treasurer shall perform all duties incident to the office of treasurer of a corporation organized under the laws of the State of Tennessee.

Section 8.5. Loans to Officers. The HOA shall not make any loan, either directly or indirectly, to any officer of the HOA. Any officer or officers participating in the making of such loan shall be jointly and severally liable to the HOA for the amount of such loan until the repayment thereof.

Nothing herein is intended to otherwise limit the liability of a Director in connection with such loans.

Section 8.6. Indemnification. Subject to the provisions of Tennessee Code Annotated Sections 48-58-501 through and including 48-58-509 and as they may from time to time be amended or construed and subject to the laws of the State of Tennessee, the HOA shall indemnify and hold harmless each officer with respect to any liability and expense of litigation arising out of his activities as an officer. Any sums required to discharge the obligations of the HOA under this paragraph shall constitute a "Common Expense" which shall be assessed against each Owner. The Board of Directors shall be authorized to purchase insurance for the protection of the officers.

Section 9: Maintenance – Ordinary Repairs – Alterations to General Common Elements

Section 9.1. By the HOA. Except as otherwise specifically provided in the Master Deed or these Bylaws, the HOA shall maintain, repair, and replace, as a Common Expense, all parts of the General Common Elements and the Limited Common Elements. If any incidental damage is caused to any Apartment by virtue of any work which may be done or caused to be done by the HOA in the maintenance, repair, or replacement of any of the Common General Elements, the HOA shall repair such incidental damage at its expense.

Notwithstanding the foregoing, all damages to the General Common Elements which are intentionally or negligently caused by Owner, his family, guests, agents, servants, lessees, employees, or contractors shall be promptly repaired by the Owner or person causing said damage provided that if such damage is covered by any insurance maintained by the HOA, the proceeds of such insurance shall be used for the purpose of making such maintenance, repairs or replacements, and the Owner who is responsible for such damage (whether as a result of such Owner's intentional or negligent act or the intentional or negligent act of his family, guests, agents, servants, lessees, employees or contractors) shall be required to pay such portion of the cost of such maintenance, repair, and replacement as shall, by reason of the applicability of any deductibility provision of such insurance exceed the amount of the insurance proceeds available for such maintenance, repair, and replacement. If an Owner is responsible for any damage to the General Common Elements (either as a result of such Owner's negligent or intentional act or the negligent or intentional act of such Owner's family, guests, agents, servants, lessees, employees or contractors) and such loss or damage is not covered by any insurance maintained by the HOA, such Owner shall be responsible for making the maintenance, repairs, or replacements within thirty (30) days from the date written demand is made by the HOA; and upon failure of such Owner to make such repairs within thirty (30) days, the HOA shall make the necessary repairs and the cost of such repairs shall be assessed against the Apartment owned by the Owner.

The HOA shall have the irrevocable right, to be exercised by the Board of Directors or its agents, to have access to each Apartment from time to time during reasonable hours as may be necessary for the inspection, maintenance, repair or replacement of any of the General Common Elements located therein or accessible therefrom or for making emergency repairs therein which are necessary to prevent damage to the General Common Elements.

Section 9.2. By the Owners. Each Owner, his successor, lessee or assigns, shall be responsible, at his own expense, for maintaining and repairing his Apartment and all portions thereof. Each Owner shall also promptly perform all maintenance, repair and replacements within his Apartment, which, if omitted, would adversely affect the Condominium project or an adjoining Apartment.

Section 9.3. Restrictions on Owners. No Owner shall perform or cause to be performed any maintenance, repair or replacement work which disturbs the rights of other Owners, jeopardizes the soundness or the safety of the Condominium Project or reduces the value thereof. If, in the sole opinion of the Board of Directors, any work performed by an Owner on his Apartment violates this paragraph, such Owner shall immediately, upon receipt of written notice from the Board of Directors, refrain from recommencing or continuing any work until and unless the Board of Directors gives its written approval therefor. Such Owner shall not repair, alter, replace or move or remove any of the General Common Elements located within his Apartment without the prior written consent of the Board of Directors.

Section 9.4. Duty to Report. Each Owner shall promptly report to the Board of Directors or its agents any defect or need for repairs or replacements to the General Common Elements of which such Owner is aware.

Section 9.5. Alterations to Common Areas. The HOA is authorized, as a Common Expense, to make minor improvements to and alterations of the General Common Elements; provided, however, that the HOA shall not make any major or structural improvements or alterations to the General Common Elements without first obtaining the approval of at least two-thirds (2/3) of the total Membership votes as determined in accordance with the Section 5.9 hereof.

Section 9.6. Approval of Payment Vouchers. All vouchers for payment of expenses incurred by the HOA in the maintenance, repair, alteration and replacement of the General Common Elements shall be approved in writing jointly by the President and Treasurer. In the absence or disability of the President, the Vice-President may perform the duties of the President as set forth in Section 8.

Notwithstanding the foregoing, the Board of Directors may authorize any officer, Member, committee or the Managing Agent to approve or disapprove all vouchers for payment of routine expenses incident to the maintenance, repair, alteration and/or replacement of the General Common Elements so long as the resolution granting such authority specifically limits the

maximum amount which may be authorized by such officer, Member, committee or Managing Manager on each occasion and so long as such resolution describes the items of expense payment of which are so authorized. Further, the Members shall be notified of the adoption of such a resolution by the Board of Directors when the same shall be adopted.

Section 10: Insurance and Repair of Casualty Damage

Section 10.1. Authority to Purchase. The Board of Directors is authorized to and shall use its best efforts to maintain insurance coverage on the Condominium Project containing the provisions covering the risks, and in the amounts, hereinafter set forth.

Section 10.2. General Requirements. Each insurance policy purchased by the HOA shall, to the extent possible and/or applicable, comply with the following provisions:

(a) The named insured under such policy shall be the HOA, the Owners and the mortgagees as their respective interests may appear. The Managing Agent shall be named as an additional insured as its interest may appear with respect to the public liability insurance and fidelity insurance hereinafter set forth.

(b) Each policy shall contain a provision whereby the insurer waives subrogation against the Developer, the HOA, the Managing Agent (if any) and the Owners and their respective agents, employees, guests, and with respect to the Owners, the Members of their household.

(c) Each policy shall contain a provision whereby the insurer waives any defense based on co-insurance or upon any invalidity arising from the acts of the insured.

(d) Each policy shall contain a provision providing that the policy may not be cancelled or substantially modified (including cancellation for nonpayment) without at least ten (10) days prior written notice to the HOA, the Owners and their mortgagees.

(e) Any "no other insurance" clause contained in any policy shall specifically exclude policies obtained by Owners.

Section 10.3. Coverage. The Board of Directors of the HOA shall, to the extent possible, obtain insurance covering the following risks and in the following amounts and shall provide a copy of HOA insurance policy to owners and mortgagees, upon request:

(a) Casualty Insurance. The Board of Directors of the HOA shall procure and maintain a blanket, all risk policy ("Blanket Policy") of fire and extended coverage insurance insuring the entire Condominium Project (but excluding the personal property of the Owners) in an amount not

less than 100% of the insurable value of the Condominium Project less land value and value of furnishings located on the General Common Elements based on the then current replacement cost for such Property without reduction for depreciation. The Blanket Policy shall also contain coverage for such risks (including, but not limited to, vandalism and malicious mischief) as any First Mortgagee may require or as the Board of Directors may from time to time determine to be customarily covered with respect to buildings similar in construction, location and use as the Condominium Project.

The Board of Directors shall review the coverage afforded by the Blanket Policy at least annually and shall make adjustments to such coverage as the Board of Directors deems advisable.

The Blanket Policy shall also provide that the insurer will issue (a) to each Owner, a certificate specifying the amount of coverage under the Blanket Policy allocated to such Owner's Apartment and the percentage undivided interest in the General Common Elements appurtenant thereto and (b) to each mortgagee of an Apartment, a certificate of mortgagee endorsement in such form as the mortgagee may reasonably require. The original of the Blanket Policy and the endorsements thereto shall be delivered to the Board of Directors of the HOA, as insurance Trustees.

(b) Fidelity Coverage. The Board of Directors shall procure and maintain adequate fidelity coverage either in the form of an insurance policy or a fidelity bond insuring and/or protecting the HOA against dishonest acts on the part of officers, directors, trustees, volunteers, agents and/or employees who handle or are responsible for the handling of funds of the HOA including persons who serve the HOA without compensation. Such insurance or fidelity bonds shall be in such amounts as the Board of Directors may from time to time determine, but not less than one and one-half (1 1/2) times the estimated annual operating expenses and reserves of the HOA.

(c) Workmen's Compensation. The Board of Directors of the HOA shall procure and maintain the workmen's compensation insurance if and to the extent necessary to meet the requirements of law.

(d) Other Insurance. The Board of Directors of the HOA shall procure and maintain such other or additional insurance as the Board of Directors may from time to time determine.

(e) Owner's Insurance. The Owners shall be entitled to obtain insurance coverage, at their own expense, upon their own personal property and for personal living expenses. Each Owner shall, at his own expense, keep in force comprehensive personal liability insurance in such amounts as the Board of Directors of the HOA may from time to time determine provided that such insurance shall not jeopardize the effectiveness or insurability of the Condominium Project insurance above described.

Section 10.4. Premiums. The premiums for any insurance policies purchased by the HOA shall be paid by the HOA as a Common Expense.

Section 10.5. HOA as Agent. The HOA is hereby irrevocably appointed Agent for each Owner and for each mortgagee of an Apartment to adjust all claims arising under insurance policies purchased by the HOA and to execute and deliver releases upon the payment of claims.

Section 10.6. Insurance Trustees. All physical damage insurance policies purchased by the Board of Directors shall be for the benefit of the HOA, the Owners and their mortgagees as their respective interest may appear and shall provide that all proceeds of such insurance shall be paid to the Board of Directors of the HOA as Insurance Trustees. The Board of Directors of the HOA, as Insurance Trustees, shall receive such proceeds as are paid and shall hold the same in trust for the purposes hereinafter set forth and for the benefit of the Owners and their mortgagees in the following shares:

(a) General Common Elements. An undivided share of the insurance proceeds received by the Board of Directors of the HOA, as Insurance Trustees, on the account of damage to the General Common Elements shall be held for each Owner in proportion to his undivided percentage interest in the General Common Elements.

(b) Apartments. Any proceeds received by the Board of Directors of the HOA, as Insurance Trustees, on account of damage to Apartments shall be held in the following shares: (i) when the Building is to be restored, the proceeds shall be held for the Owners of the damaged Apartments in proportion to the cost of repairing the damage suffered by each Owner, which cost shall be determined by the Board of Directors of the HOA, as Insurance Trustees; (ii) when the Building in which an Apartment is located is not to be restored, an undivided share of the proceeds shall be held for each Owner, such share being the same as such Owner's percentage interest in the General Common Elements.

(c) Mortgagees. In the event a mortgagee endorsement has been issued as to an Apartment, the share of the Owner shall be held in trust for the mortgagee and the Owner as their respective interest may appear.

Section 11: Repair and Reconstruction After Fire or Other Casualty

Section 11.1. Duty to Repair. Subject to the provisions of Section 12 hereof, in the event of damage to or destruction of the Building as a result of fire or other casualty, the Board of Directors of the HOA shall arrange for the prompt repair and restoration of the Building (including any damaged Apartments, but not including any wall, ceiling or floor decoration or coverings or other

furniture, furnishings, fixtures or equipment in the Apartment installed by the Owner or his predecessor unless such insurance covers a portion or all of such loss to the Apartment, in which event the HOA shall repair and replace such damage).

Section 11.2. Cost Estimates. As soon as possible following any damage or destruction, the Board of Directors shall secure not less than three (3) independent written bids of the costs of making repairs and restorations of the Condominium Project from three (3) reputable building contractors.

Section 11.3. Assessments for Uninsured Costs. If the proceeds of the insurance maintained by the HOA are not sufficient to defray the cost of restoration and repair, the Board of Directors shall assess as a Common Expense such amounts as may be sufficient to provide payment of such costs, and such assessments shall be in proportion to the percentage interest of each Owner in the General Common Elements.

Section 11.4. Plans and Specifications. Any reconstruction or repair of the Condominium Project shall be substantially in accordance with the Plans subject to the requirements of applicable law at the time of reconstruction to repair.

Section 11.5. Disbursement of Insurance Proceeds. The Board of Directors of the HOA, as Insurance Trustees, shall disburse the net proceeds of the insurance collected on the account of casualty and the sums received by the Board of Directors from the collection of assessments against Owners on account of such casualty to the contractors engaged in such repair and restoration in appropriate progress payments.

Section 11.6. Surplus. If the net proceeds of insurance collected on account of casualty exceed the cost of restoration and repair, the Board of Directors of the HOA, as Insurance Trustees, shall distribute such remaining funds jointly to the Owners and their respective mortgagees in proportion to the percentage undivided interest of each Apartment in the General Common Elements.

Section 12: When Reconstruction is Not Required

If any part of the Condominium Project shall be damaged by fire or other casualty, such part of the Condominium Project shall be repaired and restored in accordance with the provisions of Section 11 hereof; provided, however, repair and restoration shall not be required where the whole or more than two-thirds (2/3) of the Building is destroyed by fire or other casualty. The percentage of destruction shall be determined by the vote by two-thirds (2/3) of all Owners entitled to vote that such destruction encompasses two-thirds (2/3) or more of the Building.

In such case and unless otherwise unanimously agreed upon by the Owners, the insurance proceeds shall be delivered to the Owners or their mortgagees, as their interests may appear, in

proportion to the percentage interest of each Owner in the Common Elements and the Board of Directors, as soon as reasonably possible, shall sell the Condominium Project in its then condition free from the effect of the Master Deed, which shall terminate on such sale, on terms satisfactory to the Board of Directors. The net proceeds from any such sale, and the net proceeds of all insurance policies, shall thereupon be distributed to the Owners or there mortgagees as their interests may appear in proportion to the percentage interest of each Owner in the Common Elements. If the Board of Directors fails to consummate a sale pursuant to this paragraph within twenty-four (24) months after the destruction or damage occurs, then the Board of Directors shall, or if they fail to do so, any Owner of First Mortgagee may, record a sworn declaration setting forth such decision and reciting that under the provisions of the Master Deed, the prohibition against judicial partition provided for in the Master Deed has terminated and that judicial partition of the Condominium Project may be obtained pursuant to the laws of the State of Tennessee. Upon final judgment of a court of competent jurisdiction decreeing such partition, the Master Deed shall terminate and the Property shall be removed from the provisions of the Horizontal Property Act and the horizontal property regime.

Section 13: Assessments

Section 13.1. Initial Assessment – Annual Assessment. No later than December 15 of each year, the Board of Directors shall give written notice to the Owners of the annual assessment fixed against each Apartment for the next succeeding calendar year. In fixing the annual assessment for each calendar year, the Board of Directors shall adopt a budget for the operation, administration, and maintenance of the Condominium Project for that year, which budget shall include an estimate of the Common Expenses for such year and an estimate of the cash required to meet such Common Expenses. In adopting the annual budget, the Board of Directors shall include reasonable reserves for contingencies, working capital, and repairs and replacements of the Common Elements including, but not limited to, painting, roof and elevators. The annual assessment against each Apartment shall be an amount equal to the total estimated cash requirement for the Condominium Project as set forth in the budget multiplied by the percentage interest in the General Common Elements which is appurtenant to each Apartment. The failure of the Board to comply with the written notice hereinabove set forth shall not alter or invalidate any obligation of a Owner, any right of the HOA against such Owner or any lien against an Apartment provided for in this Section.

Section 13.2. Monthly Installments. The annual assessment shall be paid to the HOA in equal monthly installments on or before the first day of each month during any assessment period.

Section 13.3. Special Assessments. If for any reason the annual assessments prove inadequate to pay the Common Expenses, the Board may levy special assessments at any time. The special assessments shall be fixed against the Apartments according to their percentage interest in the

General Common Elements and the period of the assessment and manner of payment shall be determined by the Board of Directors, whether in one lump sum or payable over a period of time.

Special Assessments may also include, but are not limited to, penalty fees for violation(s) of the Master Deed, these Bylaws, and any and all Rules or Regulations currently in effect. In the event of a penalty fee, written notice shall be given specifying the violation(s) and the time allowed to cure said violation(s). If the violation(s) are not cured within the time stated in the written notice, or other measures approved by the Board, then the owner of that Apartment shall be charged a penalty fee in accord with the Schedule of Fees adopted by the Board. Each violation is subject to a separate penalty fee and each day a violation continues after the expiration of the cure period constitutes a separate violation.

Any and all remedies as permitted by law shall be also accessible to the Board of Directors including the option to file a lien against an Apartment for any and all unpaid assessments and/or penalty fees, costs, interest, and attorney's fees incurred for enforcement of and filing the lien. The Owner shall also be responsible for any and all fees and costs including all attorney's fees associated with enforcing this provision whether through litigation or other enforcement.

Section 13.4. Purpose of Assessments – Common Expenses. The annual and special assessments fixed and collected pursuant to this Section shall be used to pay the Common Expenses of the Condominium Project including, but not limited to, all expenses, costs and charges incurred by the HOA in connection with the administration, operation and management of the Condominium Project; the cost of maintenance, repair, replacement and restoration (including reasonable reserved therefor) of the General Common Elements and Limited Common Elements, or any part thereof, including appurtenant easements; the cost of all insurance obtained by the Board of Directors pursuant to these Bylaws; all charges for utilities and other services to the Condominium Project which are not separately metered to the individual Apartments including, but not limited to, electricity, sewer, water, and master TV antenna charges; and any and all other expenses, costs or charges agreed upon as Common Expenses by the HOA or declared Common Expenses by the provisions of the Horizontal Property Act, the Master Deed or these Bylaws. All funds collected by the HOA shall be treated as separate property of the HOA, and such funds may be applied by the HOA to the payment of any expense of operating and managing the Condominium Project, or the proper undertaking of all acts and duties imposed upon it by these Bylaws, the Articles of Incorporation and the Master Deed. Although all funds and common surplus, including other assets of the HOA and any increments thereto or profits derived therefrom or from the leasing or use of General Common Elements, shall be held for the benefit of the Members of the HOA, no Member of the HOA shall have the right to assign, pledge, or in any manner transfer its Membership interest therein except as an appurtenance to his Apartment.

Section 13.5. Lien. Each Owner shall be personally liable for any assessment coming due and payable against his Apartment while he is an Owner of such Apartment. In the event an Owner refuses to pay an assessment, the HOA may proceed to take full legal action to obtain remedy, either by filing a lawsuit or filing a lien against the Owner's apartment.

Each assessment provided for herein, together with interest and collection costs, including attorneys' fees, shall be a charge on and continuing lien upon the Apartment against which the assessment is made, and such lien may be enforced and foreclosed in a manner provided by law; provided, however, that no lawsuit shall be filed and no proceedings to enforce or foreclose such lien shall be commenced until the sums assessed remain unpaid for a period of thirty (30) days after the same shall become due.

Prior to the filing of any lien or lawsuit against an Owner, the HOA shall forward a notice to the Owner advising of the HOA's intention to pursue legal remedy, giving the Owner thirty (30) days in which to pay all past due debts.

Any grantee of an Apartment shall be entitled to a statement from the Board of Directors setting forth the amount of the unpaid assessments against the Apartment being conveyed to said grantee.

Section 13.6. Joint Liability. In any voluntary conveyance of an apartment, the grantee thereof shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor made prior to the time of such voluntary conveyance without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefore.

Section 13.7. No Waiver of Remedies. Institution of a lawsuit to attempt to collect the payment of any delinquent assessment shall not preclude the HOA from thereafter seeking by foreclosure action the enforcement or collection of any sums remaining owing to it nor shall proceeding by foreclosure to attempt such collection preclude the institution of a suit at law to collect any sum remaining owing to the HOA.

Section 13.8. Effect of Nonpayment of Assessments – Remedies of the HOA. Any assessments which are not paid when due shall be delinquent. If the assessments are not paid within thirty (30) days after the due date, the assessments shall bear interest from the delinquency date at the highest rate allowed by law, and the HOA may bring an action at law against the Owner to perfect its lien against the Apartment and to foreclose the same upon the Apartment against which the delinquent assessments were charged, in which event, interest, costs, and attorneys' fees shall be added to the amount of such assessment as may then be due. The HOA, with the written consent of all the remaining Owners, shall have the power to bid in at any foreclosure sale of an Apartment and to acquire, hold, lease, mortgage and convey the same. No Owner may waive or otherwise escape

lien liability for the assessments provided for herein by nonuse of the Common Areas or abandonment of the Apartment.

Section 13.9. Priority of Assessment Lien. The lien for assessments provided for in this Section shall be prior and superior to all other liens except (a) ad valorem taxes and (b) all sums unpaid on deeds of trust and mortgages secured by an Apartment. The sale or transfer of any Apartment shall not affect the assessment lien against such Apartment. Provided, however, the sale of an Apartment pursuant to the foreclosure sale, execution sale or deed in lieu thereof by a superior lienholder shall extinguish the inferior assessment lien against an Apartment to the extent that such superior lienholder will not be liable for the Apartment's unpaid assessments which accrue prior to the foreclosure, deed in lieu thereof or execution sale, but no such sale or transfer shall relieve an Apartment from liability for assessments thereafter becoming due or for any future lien in connection therewith. The HOA shall share in the excess, if any, realized by the sale of any Apartment pursuant to a foreclosure or action instituted by a superior lienholder.

Section 13.10. Register of Owners and Mortgagees. The HOA shall maintain a register setting forth the names of the Owners. In the event of the transfer of any Apartment to a third party, the transferee shall notify the HOA in writing of the transferee's interest in such Apartment, together with recording information necessary to identify the instrument by which the transferee has acquired his interest. Each Owner shall also notify the HOA of the parties holding any mortgage on any Apartment, the amount of such mortgage and the recording information necessary to identify the mortgage. The holder of any mortgage upon any Apartment may notify the HOA of the existence of any mortgage, and the HOA shall register in its records all pertinent information relating thereto.

Section 14: Condemnation

Section 14.1. HOA to Receive Condemnation Awards. In the event all or any part of the Condominium Project shall be taken in condemnation or by eminent domain, the award of any such taking shall be payable to the HOA and shall by disbursed by the HOA as hereinafter provided in this Section.

Section 14.2. Condemnation of General Common Elements. If the taking is of General Common Elements and does not consist of taking any part of the Building, the Board of Directors shall arrange for restoration of the remaining General Common Elements and the HOA shall disburse the proceeds of the condemnation award in the same manner as they are required to disburse insurance proceeds where damage or destruction to the General Common Elements is to be repaired and reconstructed as provided in Section 11 hereof.

Section 14.3. Taking of Apartments. If the taking includes part of the Building, whether or not there is included in the taking any part of the General Common Elements, and such taking shall make it impossible or impractical to reconstruct within the General Common Elements any Apartment, all or part of which has been taken, then the Owner of any such Apartment shall receive that compensation awarded to him for his Apartment in any condemnation proceeding. Also, if the overall award includes a payment to the HOA for the taking of a portion of the General Common Elements and no separate General Common Elements award has been made to a particular Owner, then that Owner shall be paid his fractional interest in the General Common Elements award and shall thereupon execute such Owner's undivided interest from the Condominium Project and shall reallocate the undivided interest to all remaining Owners. By accepting a deed for an Apartment, each Owner agrees to execute the amendment to the Master Deed and any required amendment to any of the other condominium documents to confirm the effect of this paragraph. Furthermore, in consideration of any condemnation award paid, the Owner of any Apartment so taken agrees to execute a quitclaim deed conveying his remaining interest in any Condominium Project for which he has been paid to the remaining Owners. Any required amendments and the quitclaim deed shall be prepared at the direction and expense of the HOA.

Section 14.4. Mortgagees. If the award to a Owner is not sufficient to pay in full the balance of any mortgage on such Apartment, then any General Common Elements payment by the HOA to the Owner shall be payable jointly to the Owner and his mortgagees.

Section 15: First Mortgagees

The following provisions are intended for the benefit of and may be enforced by the First Mortgagees and no amendment to this Section shall be effective unless approved in writing by at least seventy-five percent (75%) of the first Mortgagees (based on one (1) vote for each first mortgage owned.)

Section 15.1. Notice of Default. The Board of Directors, whenever so requested in writing by a First Mortgagee, shall give written notice to such First Mortgagee of any default by an Owner in the performance of his obligations under the Master Deed, these Bylaws or the Rules and Regulations which is not cured within thirty (30) days.

Section 15.2. Notice of Damage. The Board of Directors of the HOA shall promptly notify any First Mortgagee of a damaged Apartment when such damage exceeds $1,000.00, and the Board of Directors shall promptly notify any First Mortgagee of any damage to the General Common Elements when such damage exceeds $10,000.00 and any condemnation for similar proceedings which may affect a First Mortgagee.

Section 15.3. Notice of Amendments. The Board of Directors of the HOA shall give notice to all First Mortgagees on record with the HOA at least seven (7) days prior to the date on which the Owners, in accordance with the provisions of these bylaws, will vote to amend the Master Deed or Bylaws.

Section 15.4. Membership Meetings. The First Mortgagees or their agents and representatives shall be entitled to attend Membership meetings of the HOA and shall have the right to speak thereat.

Section 15.5. Books and Examination of Books and Records. Each First Mortgagee shall have the right to examine the books and records of the HOA and to receive copies of the annual budgets, audits and other financial reports.

Section 16: First Mortgagee and Owner Approval

Except as provided by statute or in case of or substantial loss to the Condominium Project, unless at least seventy-five percent (75%) of the First Mortgagees (based upon on (1) vote for each mortgage owned) and Owners (other than the Developer) have given their proper written approval, the HOA shall not be entitled to (a) by act or omission, seek to abandon or terminate the Condominium Project, (b) change the prorate interest or obligations of any Apartment for the purpose of: (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards or (ii) determining the prorate share of ownership of each Condominium Apartment in the Common Elements or (c) partition or subdivide any Apartment, (d) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common elements (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium Project shall not be deemed a transfer within the meaning of this loss), or (e) use hazard insurance proceeds for losses to any Condominium Project (whether to Apartments or General Common Elements) for other than the repair, replacement or reconstruction of such Condominium Project.

The foregoing provisions shall not be deemed in any way to limit the rights a particular Owner and his or her First Mortgagee may have with respect to matters affecting such Apartment.

Section 17: Rules and Regulations

The Board of Directors shall have the right to make and amend rules and regulations governing the use of the Condominium Project which shall be binding on the Owners from the time of their adoption. Such rules and regulations may limit the use of the Common Elements to Owners and their agents as well as provide for the exclusive use of a part of the Common Areas by an Owner or his guest for special occasions, which exclusive use may be conditioned upon a

fee to the HOA. A copy of the rules and regulations shall be provided to all Owners. Any rule or regulation may be amended from time to time by the Board of Directors provided that such amendment must be approved by two-thirds (2/3) vote of the Owners present at a meeting noticed for the purpose of amending the rules and regulations, either at a special or annual meeting, after establishment of a quorum. Such rules and regulations shall be enforceable as hereinafter provided, but nothing herein shall be construed as permitting the Directors to make or amend rules and regulations contrary to the property rights of the Owners of the HOA or contrary to the provisions of the Master Deed or these Bylaws or the law of the State of Tennessee.

Any violation of the rules and regulations shall be enforceable by a penalty fee which will be assessed as an annual assessment but payable within thirty (30) days of the written notice of the assessment. The Board of Directors will adopt a schedule of fees for violation of the various rules and regulations. Such fees will also include the cost of the administration and enforcement of said violation. Collection of any late fees or assessments shall be enforceable as a lien against the Apartment and notice of such shall be recorded with the Knox County Register of Deeds the same as any other assessment lien set forth herein.

Section 18: Remedies

The failure of any Owner to comply with any of the terms of the Master Deed, Bylaws or the rules and regulations as the same may from time to time be amended shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the HOA on behalf of the Owners or, in a proper case, by an aggrieved Owner.

Section 19: Amendments

These Bylaws may be amended at any time by an instrument in writing signed and acknowledged by the Owners holding sixty-six and two-thirds percent (66 2/3%) of the vote in the HOA as determined in accordance with Section 5.9 hereof, which instrument shall be effective upon recordation in the Office of Knox County Register of Deeds; provided, however, that where a larger vote in the HOA is required for the HOA to take or refrain from taking a specific action as set forth in these Bylaws no amendment of these Bylaws shall be made unless and until the Owners holding such larger percentage of the vote in the HOA as determined in accordance with Section 5.8 hereof execute such amendment and the same is duly recorded in the Register of Deeds of Knox County, Tennessee.

Notwithstanding the foregoing, these Bylaws and the Master Deed contain provisions concerning rights, remedies, and interests of First Mortgagees. Such provisions in these Bylaws and the Master Deed are to be construed as covenants for the protection of the First Mortgagees on which such First Mortgagees may rely in making loans secured by deeds of trust on the

Apartments. Accordingly, no amendment or modification of these Bylaws or the Master Deed impairing or affecting their rights, remedies or interests of a First Mortgagee hereunder shall be adopted without the prior written consent of Seventy-five (75%) the First Mortgagees (based on one (1) vote for each mortgage owned.)

Section 20: Miscellaneous

Section 20.1. Ad Valorem Taxes. Each Apartment shall be deemed to be a separate parcel and shall be separately assessed and taxed. Each Owner shall be liable solely for the amount of tax assessed against his Apartment and shall not be affected by the consequences resulting from the tax delinquency of other Owners. All tangible personal property owned by the HOA in connection with the maintenance, upkeep and repair of the General Common Elements shall be listed for tax purposes in the name of and paid by the HOA.

Section 20.2. Partial Invalidity. Invalidation of any covenant, conditions, restriction or other provision of the Master Deed or these Bylaws shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

Section 20.3. Binding Effect. The provisions of these Bylaws shall be binding upon and inure to the benefit of the Owners, their heirs, successors and assigns.

Section 20.4. Gender, Singular, Plural. Whenever the context so permits, the use of the singular or plural shall be interchangeable in meaning, and the use of any gender shall be deemed to include all genders.

Section 20.5. Governing Law. The provisions of the Master Deed and these Bylaws shall be governed by and construed in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF the Westcliff Homeowner's Association, Inc. has caused these Bylaws to be duly executed, this the 11 day of May, 2026.

WESTCLIFF HOMEOWNER'S ASSOCIATION, INC.

BY: _____
President

By: _____
President

Attest: _____
Secretary

STATE OF TENNESSEE
COUNTY OF KNOX

Personally appeared before me, the undersigned Notary Public for said State and County, Jeffrey Bell **and** Kelly Brown with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence, to me known to be the person described in and who executed the foregoing instrument) and acknowledged that they executed the same for the purposes therein contained, and that the foregoing is true and correct to the best of her knowledge and belief.

This the 11th day of May, 2026.

_____
NOTARY PUBLIC
My Commission Expires: 09/24/2029

BREIANA L. O'DONNELL
STATE OF TENNESSEE NOTARY PUBLIC
BLOUNT COUNTY

EXHIBIT D

PERCENTAGE UNDIVIDED INTEREST OF EACH APARTMENT INTEREST IN COMMON ELEMENTS

The following represents the percentage of undivided interest each apartment has in the Common Elements of Westcliff Condominium:

Apartment #	Type of Apartment	Approximate Square Footage	Percentage Interest in Common Elements
1120	H	1,818	1.85
1121	H	1,818	1.85
1201	H	1,818	1.85
1205	H	1,818	1.85
1219	H	1,818	1.85
1223	H	1,818	1.85
1301	H	1,818	1.85
1305	H	1,818	1.85
1319	H	1,818	1.85
1323	H	1,818	1.85
1101	F	1,232	1.265
1102	F	1,232	1.265
1103	F	1,232	1.265
1104	F	1,232	1.265
1105	F	1,232	1.265
1106	F	1,232	1.265
1107	F	1,232	1.265
1108	F	1,232	1.265
1109	F	1,232	1.265
1110	F	1,232	1.265
1111	F	1,232	1.265
1112	F	1,232	1.265
1113	F	1,232	1.265
1114	F	1,232	1.265
1115	F	1,232	1.265
1116	F	1,232	1.265
1117	F	1,232	1.265
1118	F	1,232	1.265
1119	F	1,232	1.265
1122	F	1,232	1.265
1123	F	1,232	1.265

1124	F	1.232	1.265
1202	F	1.232	1.265
1203	F	1.232	1.265
1206	F	1.232	1.265
1207	F	1.232	1.265
1208	F	1.232	1.265
1210	F	1.232	1.265
1211	F	1.232	1.265
1212	F	1.232	1.265
1213	F	1.232	1.265
1214	F	1.232	1.265
1215	F	1.232	1.265
1216	F	1.232	1.265
1217	F	1.232	1.265
1220	F	1.232	1.265
1221	F	1.232	1.265
1224	F	1.232	1.265
1225	F	1.232	1.265
1226	F	1.232	1.265
1302	F	1.232	1.265
1303	F	1.232	1.265
1306	F	1.232	1.265
1307	F	1.232	1.265
1308	F	1.232	1.265
1310	F	1.232	1.265
1311	F	1.232	1.265
1312	F	1.232	1.265
1313	F	1.232	1.265
1314	F	1.232	1.265
1315	F	1.232	1.265
1316	F	1.232	1.265
1317	F	1.232	1.265
1320	F	1.232	1.265
1321	F	1.232	1.265
1324	F	1.232	1.265
1325	F	1.232	1.265
1326	F	1.232	1.265
1204	G	1.432	1.48
1218	G	1.432	1.48
1304	G	1.432	1.48
1318	G	1.432	1.48

1209	A	533	.55
1222	A	533	.55
1309	A	533	.55
1322	A	533	.55