

T3 4256

57

RESTATED MASTER DEED FOR HORIZONTAL PROPERTY REGIME
HOBBIT'S GLEN CONDOMINIUMS

CONTENTS

<u>ARTICLE</u>		<u>PAGE</u>
	Declaration	2
1	Definitions	2
11	Property Rights	6
111	By-Laws of Association	8
1V	Membership and Voting Rights	9
V	Limitation on Use of Units and Common Areas	9
VI	Easements and Appurtenances to Units	11
VII	Use and Architectural Control	15
VIII	Insurance	18
IX	Covenant for Maintenance Assessments	21
X	Restriction on Mortgaging of Condominium Units	25
XI	Management Agreements	25
XII	Mortgage Protection	26
XIII	Non-Waiver of Conditions, Covenants and Restrictions	30
XIV	Limitation of Liability	30
XV	Indemnification	31
XVI	Termination of Horizontal Property Regime	31
XVII	Condemnation	32
XVIII	Enforcement	33
XIX	Interpretation	33
XX	Amendment	33
XXI	Severability	34
XXII	Exhibits	34
EXHIBIT A	Final As Built Survey	1
EXHIBIT A	Boundary Survey	2
EXHIBIT A	Diagrammatic Floor Plans	3-8
EXHIBIT B	By-Laws for Administration	

T3 4256

RESTATED MASTER DEED FOR HORIZONTAL PROPERTY REGIME

HOBBIT'S GLEN CONDOMINIUMS

WHEREAS, a Master Deed Establishing a Horizontal Property Regime known as THE DOWNS CONDOMINIUMS, was recorded on September 26, 1973, in the Register's Office of Shelby County, Tennessee, at Register's No. J1 6358, establishing a Horizontal Property Regime on certain property located in the City of Germantown, County of Shelby, State of Tennessee, and more particularly described in said Master Deed as follows:

The Downs, Section A, as shown on plat of record in Plat Book 49, Page 2, in the Register's Office of Shelby County, Tennessee, which is all the property designated on said plat, except that part shown and designated as "Future Development, Phase II".

WHEREAS, said Master Deed was amended by an Amendment to Master Deed Establishing Horizontal Property Regime, recorded on November 8, 1973, in the Register's Office of Shelby County, Tennessee at Register No. J2 5157, and was further amended by a Second Amendment to Master Deed Establishing Horizontal Property Regime, recorded on July 21, 1975, in the Register's Office of Shelby County, Tennessee at Register No. K5 4024; which, inter alia, changed the name of the condominium project to HOBBIT'S GLEN CONDOMINIUMS and corrected and amended the bearings and distances shown on plat of record in Plat Book 49, Page 2, in the Register's Office of Shelby County, Tennessee, to read as follows:

Beginning at an iron pin in the East line of Kimbrough Road, said point being 0.8 feet Southwardly from the Eastward projection of the centerline of Greensprings Lane; thence Northwardly with the East line of Kimbrough Road on a curve to the right having a radius of 1,357.00 feet, a distance of 512.89 feet to a point of Tangent; thence N 04° 34' 00" W, along the East line of Kimbrough Road 556.58' to the Southwest Corner of Future Development, Phase II, (Hobbit's Glen Phase 2); thence N 86° 35' 35" E, 342.49 feet to an iron pin; thence N 44° 29' 25" E, 137.21 feet to an iron pin; thence S 60° 29' 23" E, 273.14 feet to an iron pin in the West line of Farmington Golf Course said point being the Southeast corner of Future Development, Phase II, (Hobbit's Glen Phase 2); thence S 29° 17' 00" W, 133.70 feet to an iron pin; thence continue along said West line S 01° 00' 00" E, 110.00 feet to an iron pin; thence S 42° 49' 00" W, 110.00 feet to an iron pin; thence S 08° 44' 00" W, 137.49 feet to an iron pin; thence S 20° 29' 00" E, 302.91 feet to an iron pin in the West line of Farmington Golf Course; thence S 28° 06' 00" W, 95.00 feet to an iron pin; thence S 58° 02' 00" W, 331.66 feet to an iron pin; thence S 69° 30' 00" W, 125.00 feet to the point of beginning, and containing 12.14 acres, and being all of the property subjected to the Horizontal Property

13 4256

Regime, herein; and

WHEREAS, a Restated Master Deed recorded on February 13, 1976 in the Register's Office of Shelby County, Tennessee, and an amendment thereto was recorded on May 4, 1977, in the Register's Office of Shelby County, Tennessee; and

WHEREAS, all references hereinafter to the land or real property submitted to the Horizontal Property Regime or to the land designated for Future Development Phase II shall be to the corrected and amended description hereinabove set forth.

NOW, THEREFORE, with the power granted the record owners under ARTICLE XVIII of the Master Deed at Register's No. J1 6358, in the Register's Office of Shelby County, Tennessee, the Master Deed Establishing Horizontal Property Regime hereinabove referred to is hereby amended to read as follows:

DECLARATION

The Unit Owners do hereby reconfirm and declare that the tract of property last above designated and described as "Hobbit's Glen Condominiums" is and shall continue to be a condominium project.

ARTICLE I

DEFINITIONS

Certain terms as used in this Master Deed shall be defined as follows, unless the context clearly indicates a different meaning therefor;

(a) "Master Deed" or "Restated Master Deed" means this instrument, by which Hobbit's Glen Condominiums is established and continued as a horizontal property regime as provided for by the Horizontal Property Act of the State of Tennessee;

(b) "Condominium", "Condominium Regime" or "Horizontal Property Regime" means that form of ownership of single units in a multiple unit structure or structures with common elements, as described in Title 64, Chapter 27 of the Tennessee Code Annotated;

T3 4256

(c) "Condominium Unit" or "Unit" means an enclosed space consisting of one or more rooms occupying all or part of one or more floors in buildings of one or more floors or stories, provided always that any such unit has direct exit to a thoroughfare or to a common element leading to a thoroughfare. The Boundary lines of each individual unit are:

(1) The upper and lower boundaries of the unit shall be the following boundaries extended to an intersection with the parametrical boundaries.

(i) Upper boundaries -- horizontal plane (or planes), the elevation of which coincides with the elevation of the exterior surface of the interior ceiling thereof to include the dry-wall.

(ii) Lower boundary -- plane of the lowest surfaces of the basement floor slab, if there be a basement, otherwise, lowest surface of unfinished subfloor.

(2) Parametrical boundaries -- the parametrical boundaries of the unit shall be the following boundaries extended to an intersection with the upper and lower boundaries:

Exterior building walls and party walls -- the intersecting vertical planes adjacent to and which shall include the exterior surfaces of the interior perimeter or main walls and party walls to include the dry wall and fixtures thereon. Where a fireplace is shown in the attached survey or plans as part of an individual unit, such fireplace shall be and constitute a part of the unit, whether enclosed without the perimeter walls or not.

Each unit includes the range, disposal, garbage compactor, dishwasher, water heater, heating and cooling unit, whether contained within or without the unit, and all other fixtures initially included therein. Each unit includes

13 4256

the interior surface of its exterior doors and the frames thereof and the glass within, the interior surface of all, and all glass and/or glazing compound contained within, the windows of such unit. Any structural, loadbearing column or main wall or any components or installations of central utilities or any part of the building rationally of common use or necessary to the existence, upkeep, and safety of the condominium building shall constitute a common element, though within the perimeter walls of a unit.

(d) "Project" or "Condominium Project" or "Property"

means the entire parcel of real property submitted to the condominium regime, including the land, the buildings, all improvements and structures thereon, and all easements, rights and appurtenances belonging thereto:

(e) "Common Areas" or "Common Elements" means the entire

Project excepting all units therein granted or reserved, and includes both "General Common Areas" and "Limited Common Areas";

(f) "General Common Elements" or "General Common Areas" means

the entire Project excepting all units therein granted or reserved and excepting Limited Common Areas; and also includes, but not by way of limitation, all of those applicable general common elements enumerated and defined in Section 64-2702 of the Tennessee Code Annotated, roofs, foundations, conduits, wires and other utility installations to the outlets, bearing walls, and perimeter walls; all installations of power, lights, gas, hot and cold water, heating and sewer existing for common use of for the use of more than one unit and all other parts of the property necessary or convenient to its existence, maintenance, and safety, and all other elements of the Project rationally of common use or necessary to its existence, upkeep and safety;

(g) "Limited Common Elements" or "Limited Common Areas" means

T3 4256

those portions of the Common Areas reserved for the use of a certain individual unit or units to the exclusion of other individual units, including, without limitation, attics, garages, individual ramps to garages and patios, and all electric power lines, gas lines, water lines and sewer lines connected to and servicing each individual unit and no other. The boundary lines of each garage are the interior surfaces of its perimeter walls, bearing walls, floors, top story ceilings, windows and window frames, doors and door frames, and includes both the portions of the building so described and the air space so encompassed.

(h) "Co-Owner" or "Owner" means any person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who owns a condominium unit or units within the Condominium Project;

(i) "Council of Co-Owners" means all of the Co-Owners as defined above;

(j) "Majority of Co-Owners" means more than fifty percent (50%) of the Co-Owners;

(k) "Association" means Hobbit's Glen Condominium Association, a non-profit corporation, the members of which shall be the Owners;

(l) "Member" means a member of the Association and the Owner of a condominium unit. When more than one person owns a condominium unit, all such persons shall be Members. A vote for each condominium unit shall be exercised as they among themselves determine but in no event shall more than one vote be cast with respect to any condominium unit. The cessation of ownership of a condominium unit shall terminate membership except that in the event of termination of the Condominium Regime by reason of destruction of the premises (as provided in Article XVI, paragraph 3 hereof) such membership shall continue until final distribution as provided in Article VIII hereof;

(m) "Manager" means the person or firm designated by the Association to manage the affairs of the Project;

T3 4256

- (n) "Mortgage" means a deed of trust as well as a mortgage;
- (o) "Mortgagee" means a beneficiary under or holder of a deed of trust as well as a mortgage;
- (p) "Tennessee Horizontal Property Act" means the Horizontal Property Act of the State of Tennessee, as found in Title 64, Chapter 27, of the Tennessee Code Annotated, as amended from time to time;
- (q) "Plan" or "Plat" means the plan consisting of (1) a description or survey map of the surface of the land included within the Project and (2) diagrammatic floor plans of the buildings built or to be built thereon identifying each unit, its relative location and approximate dimensions, recorded by the Developer and attached hereto as Exhibit "A";
- (r) All pronouns used herein include the male, female and neuter gender and include the singular or plural numbers, as the case may be.

ARTICLE II

PROPERTY RIGHTS

1. The tract of land hereinabove designated and described as "Hobbit's Glen Condominiums" together with all buildings and improvements located thereon are and shall be constituted as a condominium project and a Horizontal Property Regime as defined by the Tennessee Horizontal Property Act, and shall continue as such forever unless terminated in the manner provided herein or in the Tennessee Horizontal Property Act.

2. Each unit shall be individually transferred, conveyed and encumbered and shall be the subject of ownership, possession, mortgage or sale and all other types of juridic acts or mortis causa, as if it were solely and entirely independent of the other units in the project of which they form a part, and the corresponding individual titles and interest shall be recordable. In any deed, mortgage, lease or other instrument of conveyance or encumbrance of or by which a lien is created upon any interest or estate in a unit or units within the condominium, it is sufficient to describe any

T3 4256

such unit or units by setting forth the name of the property, "Hobbit's Glen Condominiums", the number of the unit as it appears on the condominium plat, a reference to the number of the book and page of the records of the office of the Register of Shelby County, Tennessee, where said plat appears, and a reference to the number of the book and page of the records of the office of the Registrar of Shelby County, Tennessee, where this Restated Master Deed appears for the corrected and amended description of the land upon which the Condominium Project is located.

3. An owner of a unit shall have an exclusive ownership of his unit and shall have a common right to share with the other co-owners in the Common Elements of the property. Each owner may use the elements held in common in accordance with the purpose for which they are intended. Each conveyance, or encumbrance of a unit, whether by deed, mortgage, or otherwise, shall be deemed also to transfer, convey, or encumber the undivided interest of the owner in the common elements belonging to and pertaining to said unit, without specifically and particularly referring to the same. No unit owner, whether by deed, mortgage, deed of trust, last will and testament, inheritance, or otherwise, shall have any right to transfer, convey, lease, or mortgage his unit without also transferring conveying, leasing, or mortgaging as an incident thereto his undivided interest in the common elements; conversely, no unit owner shall have any right to transfer convey, lease, or mortgage any part of his undivided interest in such common elements without also transferring, conveying, leasing or mortgaging his unit to which his undivided interest in such common elements is an incident.

4. The common areas shall remain undivided and shall not be partitioned by judicial proceedings or otherwise. Likewise, no unit shall be partitioned by judicial proceedings or otherwise.

5. The limited common areas heretofore described are assigned to the exclusive care, use, and enjoyment of the individual unit owner to the unit of whom they are incident subject to the By-Laws and the rules and regulations of the Association.

T3 4256

6. (a) Each and all of the rights, privileges and benefits, and each and all of the duties, burdens, requirements and restrictions contained in the Tennessee Horizontal Property Act, resulting from the establishment of a condominium regime in accordance therewith, shall be applicable to the said land and condominium buildings and to each unit owner, both with respect to his unit and to his undivided interest in the common elements, except to the extent that an express contrary provision is validly made in this Master Deed, or in the By-Laws forming a part hereof, and to that end, the said Tennessee Horizontal Property Act, as amended, or as it may be subsequently amended, is incorporated herein by reference as fully and particularly as if set out verbatim herein.

(b) In the event the Tennessee Horizontal Property Act or any provision thereof is at any time declared or found to be unconstitutional or invalid, the provisions of this Master Deed, and the plan for owner to own his undivided interest in the common elements and in all other incidents thereto as set out herein shall nonetheless continue in full force and effect as authorized by the Rules of Property of the State of Tennessee as pronounced in *Townes v. Cox*, 162 Tenn. 624, 39 S.W. 2nd 749 (1931), and in other Tennessee decisions.

(c) Further, if any provision contained herein shall be in conflict with the Tennessee Horizontal Property Act, or any other valid act or law of the State of Tennessee, such provision shall be deemed amended to conform with such act or law, and the remaining provisions hereof shall not be affected thereby.

ARTICLE III

BY-LAWS OF ASSOCIATION

The Association shall administer the Condominium Project and shall have all powers and duties granted to it in this Master Deed and the By-Laws of the Association. The naming of the Association as the administrator of

T3 4256

the Condominium Project shall in no way restrict the power of the Board of Directors to delegate the management of the Project to third parties in order to facilitate the efficient operation of the Project, as provided in the By-Laws of the Association. The By-Laws regulating the conduct of the Association for the administration of the Project, are attached hereto and made a part hereof as Exhibit "B" to this Master Deed.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

1. All of the co-owners of units shall constitute the members of the Association, and membership shall be appurtenant to and may not be separated from ownership of a unit, except that in the event of termination of the Horizontal Property Regime by reason of destruction of the premises (as provided in Article XVI, paragraph 3 thereof) such membership shall continue until final distribution (as provided in Article VIII hereof).

2. Except as hereinafter provided, each member of the Association shall be entitled to one vote for each unit owned by him provided that all assessments against such unit then due have been paid.

(a) When title to a unit is held by more than one person, all such persons shall be members, but they shall be entitled to only one vote with respect to each unit so owned. The vote for each unit shall be exercised as the owners thereof among themselves determine. Where only one of two or more co-owners is present at a meeting of the members of the Association, he or she shall be entitled to cast the vote with respect to that unit.

ARTICLE V

LIMITATION ON USE OF UNITS AND COMMON AREAS

1. No owner shall occupy or use his unit, or permit the same

T3 4256

or any part thereof to be occupied or used for any purpose other than as a private residence or dwelling for the owner and the owner's family or the owner's lessees or guests.

2. There shall be no obstruction of the common area. Nothing shall be stored in the common area without the prior consent of the Association.

3. Nothing shall be done or kept in any unit or in the common area which will increase the rate of insurance on the common area, without the prior written consent of the Association. No owner shall permit anything to be done or kept in his unit or in the common area which will result in the cancellation of insurance on any unit or any part of the common area or which would be in violation of any law. No waste will be committed in the common area.

4. No sign of any kind shall be displayed to the public view on or from any unit or the common area, without the prior consent of the Association, and no commercial business activities of any kind whatever shall be conducted in any building or in any portion of said project. Such provision with respect to the conduct of business activities prevent the Association or a unit owner from conducting construction or maintenance permitted or required hereby.

5. No animals, livestock or poultry of any kind shall be raised, bred, or kept in any unit or in the common area, except dogs, cats or other household pets which may be kept in units, subject to rules and regulations adopted by the Association.

6. No noxious, illegal, or offensive activities shall be carried on in any unit or in the common area, nor shall anything be done therein which may be or become an annoyance or nuisance to the other owners.

7. No buildings, improvements, landscaping, or other items shall be altered or constructed in or removed from the common area by anyone except with written consent of the Association.

8. It is strictly prohibited to store or park any junk or inoperable motor vehicles on or about the common areas of the Condominium Project. The repairing of motor vehicles other than on an emergency

13 4256

basis shall be prohibited except in the garage provided for each unit. It is strictly prohibited to store or park a house trailer, camper, truck, pleasure or fishing boat or trailer in the parking area(ramp) designated as a Limited Common Element for the use of an individual unit, but the same shall be allowed to be parked inside of a garage or in other parking spaces designated by the Association.

9. None of the obligations of the Owners created herein shall be altered in any way by encroachments now existing or hereafter created due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to the willful conduct of said owner or owners.

ARTICLE VI

EASEMENTS AND APPURTENANCES TO UNITS

1. Every owner shall have a right and easement of enjoyment in and to the General Common Elements and the easement granted herein shall be appurtenant to and shall pass with the title to every unit, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the General Common Elements;
- (b) The right of the Association to suspend the voting rights and rights to sue of the recreational facilities by an owner for any period during which any assessment against his unit remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (c) The right of the Association to limit the number of guests of Owners;

13 4256

- (d) The right of the Association, in accordance with its By-Laws, to borrow money for the purpose of maintaining, improving or repairing the common areas and facilities;
- (e) The right of the Association to determine the time and manner of use of the recreation facilities by the Owner.

2. An owner may assign, in accordance with the By-Laws of the Association, his right of enjoyment of the General Common Elements and Limited Common Elements to the members of his family, his tenants, or contract purchasers who reside in the unit.

3. No condominium unit within the project shall be rented for transient or hotel purposes or in any event for any period less than six (6) months. No portion of any condominium unit other than the entire unit shall be leased for any period. Any lease or sublease of a unit shall provide that the maximum number of persons who may occupy a leased unit as a residence is twice the number of bedrooms in the unit. Provision in this subsection shall not apply to any mortgagee of any condominium unit who comes into possession of the unit as a result of a foreclosure sale or other judicial sale or as a result of any proceeding in lieu of foreclosure.

4. Each Condominium Unit shall include, without limitation as an appurtenance thereto, whether or not separately described, conveyed, or encumbered, the following rights, privileges and interests:

- (a) An undivided one ninety-third (1/93) interest in the common elements, such undivided interest to be equal to that of the other condominium units.
- (b) The exclusive right of use of the Limited Common Elements related to such unit, as defined in Article I, Paragraph (g).

13 4256

(c) Easements for the benefit of the Condominium Unit.

(d) The right of the owner(s) of the unit to membership in the Association as hereinbefore defined, subject to the provisions of this "Master Deed" and the Charter and By-Laws of said Association.

(e) A fractional interest in funds reserved and assets held by the Association for the benefit of the Condominium Unit Owners, such fractional interest to be as set out in Paragraph 4(a) above.

5. There shall exist the following easements from each unit owner to the Association for the benefit of the Association and each other unit owner (as the case may be):

(a) Easements through the common elements for ingress and egress for all persons making use of such common elements in accordance with the terms of this Master Deed.

(b) Easements through the units, common areas and elements for maintenance, repair, and replacement of the units and common elements. Use of these easements however, for access to the units shall be limited to reasonable hours, except that access may be had at any time in case of emergency.

(c) Every portion of a unit which contributes to the structural support of the condominium buildings shall be burdened with an easement of structural support for the benefit of the common elements.

(d) Easements through the units and through the common elements for all facilities for the furnishing of utility services within the building, which facilities shall include but not be limited to conduits, drainage, plumbing and wiring.

6. Each condominium unit and the property included in the General

T3 4256

Common Areas and Limited Common Area shall be subject to an easement for encroachments, now existing or hereafter created by construction, settling and overhangs as designed or constructed by the Developer. A valid easement for said encroachments and for the maintenance of same so long as they stand shall and does exist. In the event that a condominium unit or units should be partially or totally destroyed and then rebuilt, the owners of the condominium units so affected agree that minor encroachments on parts of the adjacent units or general or limited common areas due to construction shall be permitted and that a valid easement for said encroachment and maintenance thereof shall exist.

7. There is hereby created a blanket easement upon, across, over and under all of said property for ingress, egress, installation, replacing, repairing and maintaining all utilities including but not limited to water, sewers, storm drainage, gas, telephones and electricity, and a master television antenna system or television systems. By virtue of this easement, it shall be expressly permissible for the public utility companies providing electrical and/or telephone services to the project, to erect and maintain the necessary poles and pipes and other necessary equipment on said property and to affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of said building, as well as underground. An easement is further granted to all Police, fireprotection, ambulance and all similar persons to enter upon the streets and General Common Area in the performance of their duties. Further, an easement is hereby granted to the Association, their respective officers, agents, employees and to any management company selected by the Association to enter in or to cross over the General Common Area provided for herein. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines or other utilities or television systems may be installed or re-located on said property except as approved by the Association's Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific

T3 4256

easement by separate recordable document, the Board of Directors of the Association shall have the right to grant such easement on said property without conflicting with the terms hereof. The easements provided for in this Article shall in no way affect any other recorded easement on said premises.

8. The Board of Directors of the Association may grant such easements as may be necessary to install and maintain underground electric and telephone service, water, sewer and gas service, and any such easements may be crossed by driveways and walkways. Such easements for underground service shall be kept clear of other improvements, including buildings and paving other than walkways or driveways, and the Association shall not be liable for any damage done by them or their assigns, agents, employees or servants to the shrubbery, trees, flowers or other improvements of the owners located on the land covered by said easement.

ARTICLE VII

USE AND ARCHITECTURAL CONTROL

1. No building, fence wall, antenna or other structure shall be commenced, erected or maintained upon the project, nor shall any exterior addition to or change or alteration be made by anyone until the plans and specifications showing the nature, kind, shape, height, materials and located of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Association or by an architectural committee composed of three or more representatives appointed by the Association. In the event said Association or its designated committee fails to approve or disapprove such design and location within sixty (60) days after said plans and specifications have been submitted to it, approval will not be required.

2. The above described property is hereby restricted to residential dwellings for residential use. No structures of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any portion of said project at any time as a residence

13 4256

or storage facility, either temporarily or permanently. During any period of repair or reconstruction, the Association may maintain upon the project such facilities as it may deem to be reasonably required, convenient or incidental to such repair or reconstruction.

3. All clotheslines, equipment, garbage cans, service yards, woodpiles, and storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring units and streets. All rubbish, trash, and garbage shall be regularly removed from the premises, and shall not be allowed to accumulate thereon. All clotheslines shall be confined to patio areas.

4. Except in the individual patio areas appurtenant to a unit, no planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon said project except as are installed in accordance with the initial construction of the units located thereon or as approved by the Association or its designated representative.

5. The individual unit owner shall be solely responsible for the maintenance, upkeep and repair of his unit and all portions thereof and, in addition, of the following limited common areas which are appurtenant to his unit: that portion of a garage which is inside the boundary lines of the garage (as defined Article I of this Master Deed), all attics, all patios (but excluding all fences or walls surrounding such patios) and all electric power lines, gas lines, water lines and sewer lines connected to and servicing each individual unit and no other. The Association shall in no way be responsible for the maintenance, upkeep and repair of the units or the limited common elements hereinabove described (except as provided in Article VIII of this Master Deed with respect to reconstruction or repair in event of casualty loss). The Association shall be solely responsible for the maintenance, upkeep and repair of all general common elements and of all limited common elements except those hereinabove described. The unit owner shall in no way be responsible for, nor have the right to undertake or contract for (except with the consent of the Association) the maintenance, upkeep and repair of the general common elements

T3 4256

or those limited common elements, the maintenance, upkeep and repair of which is delegated to the Association. An owner, shall have the exclusive right to paint, re-paint, tile, wax, paper or otherwise refinish and decorate the inner surface of the walls, floors, ceilings, windows and doors bounding his unit. An owner shall also have the right to alter or remove any interior non-load-bearing wall or portion thereof provided that such alteration or removal shall not impair the structural soundness of the building or unit or give rise to an increased hazard for insurance purposes, and provided further that such alteration or removal is in compliance with all building codes and regulations applicable thereto.

6. Except for those portions which the Association is required to maintain and repair hereunder, each owner shall at the owner's expense keep the interior of his unit and its equipment and appurtenances in good order, condition, and shall perform all re-decorating, painting, varnishing, and other repairs which may at any time be necessary to maintain the good appearance and condition of his unit. In addition to decorating and keeping the interior of the unit in good repair, the owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heaters, furnaces, lighting fixtures, refrigerators, air conditioning equipment, dishwashers, disposals, ranges, compactors, range vents, garage door openers and alarm systems that may be in, or connected with the unit. It is expressly understood that there may be, appurtenant to some units, air conditioners which are located in the patios appurtenant to the unit. An easement is hereby reserved in favor of each such unit for the purpose of maintenance, repair or replacement of the said air conditioners by the respective owners as required hereinabove.

The owner shall also, at the owner's own expense, keep the interior of the patio area, storage shed and garage in a clean and sanitary condition. The Association shall not be responsible to the owner for loss or damage by theft or otherwise of articles which may be stored by the owner in or on the patio area, storage shed, or in the unit, or in the garage related thereto.

13 4256

7. Without prior written approval and the authorization of the Association, no exterior television or radio antennae of any sort shall be placed, allowed or maintained upon any portion of the improvements located on the Project, nor upon any structure situated upon the Project other than an aerial for a master antenna system, should such master antenna system or systems be utilized and require any such exterior antenna.

ARTICLE VIII

INSURANCE

1. The Association, or its duly authorized agent, shall obtain insurance for all buildings, common elements, and limited common elements, and for all tangible personal property owned by the Association or jointly by the Co-owners, against loss or damage by fire or other casualty, with extended coverage in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from an insured hazard, subject to such deductible amount as the Association may determine. Said insurance shall include coverage against vandalism and malicious mischief. If obtainable at reasonable cost, the Association shall also obtain a broad form public liability policy, with a minimum single limit of Three Hundred Thousand Dollars (\$300,000.00), covering all common elements and limited common elements and all damage or injury caused by the negligence of the Association. Further, provided coverage is available at reasonable cost, the Association shall also obtain adequate fidelity coverage to protect against dishonest acts on the part of the officers, directors, trustees and employees of such Association and all others who handle or are responsible for handling funds of the Association or the Co-owners. Such fidelity bond shall name the Association as an obligee; shall be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating expenses of the condominium project, including reserves; shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and shall provide that the bond may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice

13 4256

to the holders of recorded first mortgages upon condominium property.

The Association may obtain such other policies of insurance, insuring against risks of similar or dissimilar nature, as it shall deem appropriate.

2. All such insurance coverage obtained by the Association shall be written in the name of an payable to the Association as Insurance Trustee for each of the unit owners, or if deemed desirable, to a national bank located in Memphis, Tennessee (which is authorized to act as such trustee) as Insurance Trustee. Premiums upon insurance policies obtained by the Association shall be paid by the Association from the maintenance fund. All policies purchased by the Association shall provide that, subject to the rights of mortgagees of units, adjustment of loss shall be made by the Association, acting through its Board of Directors. All such policies shall be written by a company or companies preferably holding a rating of AAA or better in Best's Insurance Reports, but in no event shall such rating be less than AA.

3. In addition to the aforesaid insurance required to be carried by the Association, any owner may, if he wishes, at his own expense, insure his own unit for his own benefit and carry any and all insurance he deems advisable. It shall be the individual responsibility of each owner at his own expense to provide, as he sees fit, homeowner's liability insurance, theft and other insurance covering his personal property against damage and loss.

4. To the extent (but only to the extent) permitted by the provision of the applicable insurance policy, there shall be no right of action by an owner, the Association, or the insurer against a co-owner or the Association for alleged liability for damages covered by the insurance provided herein, subrogation being hereby waived to the extent permitted by any such insurance policy; it being the intention of this provision that all insurance carried for the benefit of any unit owner or the Association shall inure to the benefit of every other unit owner and the Association.

5. In the event that two-thirds (2/3) or less, by area, of all improvements upon the Condominium Project shall be destroyed or rendered untenable by fire or other casualty, the Board of Directors shall contract

T3 4256

to repair or rebuild such damaged or destroyed portions of the buildings general common elements or limited common elements in a good and workmanlike manner. In the event that more than two-thirds (2/3) by area of all improvements upon the Condominium Project shall be destroyed or rendered untenable by fire or other casualty, then, subject to the provisions of Article XII hereof, such damaged or destroyed portions of the buildings, general common elements or limited common elements shall not be repaired or reconstructed unless at a meeting of the Members ninety-percent (90%) of the votes entitled to be cast by all Members shall be cast in favor of such repair or reconstruction.

6. If such damage is to be repaired or reconstructed, then upon the presentation of certificates by the Board of Directors requesting such disbursement (if the Insurance Trustee be other than the Association) and of the certificate of the supervising architect or engineer that reconstruction or repair has been performed in accordance with the approved plans or specifications, the Insurance Trustee shall disburse the proceeds of the insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that insurance proceeds are insufficient to pay all of the costs of reconstruction or repair, the excess costs of repair shall be paid by the Association and assessed to the unit owners as provided in Article IX hereof (but without the necessity of approval of such assessment by the unit owners) and shall become a lien upon the units of the unit owners in the same manner and shall be enforceable by the same means as provided in Article IX hereof.

7. If such damage is not to be repaired or reconstructed, then, subject to the provisions of Article XII hereof, each unit owner shall convey his entire interest in and to each of his Units and the common area or elements appurtenant thereto to the Association as Trustee for each of such unit owners. The Association shall then sell the entire property, real and personal, constituting the Project, together with all of the property of the Association, and the proceeds of such sale and all funds held by the Association (as Agent for the owners or otherwise) shall be paid to and held by

T3 4256

the Insurance Trustee in trust for the unit owners. Subject to the provisions of Article XII hereof, the Insurance Trustee shall then pay the entire proceeds from such sale and insurance among the unit owners in proportion to their respective interests in the Common Elements as set forth in this Master Deed. after first paying out of the share of each unit owner the amount of any unpaid assessments against him or liens upon his Unit (including tax liens, mortgages and liens for assessments), in the order of priority of such liens. In making distribution to the unit owners and their mortgagees, the Insurance Trustee may rely upon the certificate of the Board of Directors as to the names of the unit owners and their respective shares.

8. In the event any common element, building (exclusive of any party wall), or storage facility is damaged or destroyed through the negligent or culpable act of a co-owner or any of his guest, invitees, agents, employees, tenants or members of his family, such owner does hereby irrevocably appoint the Association as his attorney in fact, to repair said damaged element, building, or storage facility, and the Association shall so repair said damaged common element, building or storage facility. The owner shall then repay the Association in the amount actually expended for said repairs, less any insurance proceeds received.

Each condominium unit owner further agrees that these charges for repairs, or for special assessments as herein provided for shall become a lien upon said owner's unit and shall continue to be such lien until fully paid, all as provided for in Article IX hereof, the same as any other annual or special assessment.

ARTICLE IX

COVENANT FOR MAINTENANCE ASSESSMENTS

1. Each owner of a unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, payable monthly as hereinafter provided; and (2) special assessments for capital improvements, major repairs not covered by insurance, and for such other matters as the Association shall determine to be proper, such assessments

13 4256

to be established and collected as hereinafter provided.

2. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the owners of the units, and for the improvement, repair, and maintenance of the common elements and easements appurtenant thereto and for payment of insurance premiums and other common expenses. Additionally, within the annual assessments, there shall be included a sum necessary to establish an adequate reserve fund for the replacement of common elements and easements appurtenant thereto.

3. At least thirty (30) days prior to the beginning of each fiscal year, the Association through its Board of Directors or delegate, shall estimate (1) the net charges to be paid for common expenses for operating the Project and for ordinary repairs to the Project, during the ensuing fiscal year including a reasonable provision for contingencies but less any expected income and any surplus from the prior year's fund and (2) an amount thought to be sufficient, when taken together with assessments from other year, to establish a reserve fund adequate for the replacement and major repair of the common elements of the Project as such replacement or major repair becomes necessary. The amount so established (hereinafter "annual assessment" or "maintenance fund") shall be assessed equally to the owners of each unit. Each owner shall be obligated to pay assessments made pursuant to this paragraph to the Association in equal monthly installments on or before the first day of each month during such year, or in such other reasonable manner as the Association shall designate. If said annual assessment proves inadequate (or excessive) for any reason, including non-payment of any owner's assessment, the Association, through its Board of Directors, may at any time increase (or decrease) the amount of the annual assessment, and such increase shall be assessed to the owners in like proportions and payable at the same times as the annual assessment prior to such increase. The Association, through its Board of Directors, shall serve notice in writing on all Co-owners of any increase (or decrease) in the amount of the annual assessment, whether at the end or during the fiscal year, and any such increase (or decrease) shall become effective with the first monthly installment which is due more than ten (10) days after the delivery or mailing of such notice.

13 4256

4. The failure by the Board of Directors of the Association, or its delegate, before the expiration of any year, to fix the assessments hereunder for that or the next year or properly to serve notice thereof, shall not be deemed a waiver or modification in any respect of the provisions of this Master Deed, or a release of the owner from the obligation to pay the assessment, or any installment thereof for that or any subsequent year, but the unit owners shall continue to pay assessments at the then existing monthly rate until a new assessment is fixed and notice thereof becomes effective.

5. In any proceeding arising because of an alleged default by a unit owner, the Association bringing such suit shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be determined by the Court.

6. The Board of Directors of the Association or its delegate shall keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the common area, specifying and itemizing the maintenance and repair expenses of the common area and elements and any other expenses incurred. Records and vouchers authorizing the payments involved shall be available for examination by the owners at convenient hours of weekdays.

7. Special assessments may be levied for capital improvements upon the common elements and for such other matters as the Association shall determine, upon approval at a meeting of the Members of the Association by the vote of a majority of the total number of votes entitled to be cast by all Members. The Board of Directors may levy special assessments for the costs (which are not covered by insurance proceeds) of reconstructing and repairing damage to the buildings, general common elements or limited common elements, including fixtures and personal property relating thereto, without the approval of unit owners.

8. If a special assessment or a monthly installment of an annual assessment is not paid within fifteen (15) days after the due date, the installment or assessment, as the case may be, shall be delinquent and shall bear interest from the date of delinquency at the maximum lawful contract rate. Any delinquent special assessment or monthly installment of an annual assessment,

13 4256

together with interest, costs, and reasonable attorney's fees shall immediately and without further demand or notice, become a lien upon that unit, and all incidents and appurtenances thereto. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be a personal obligation of the person who is the owner of such unit at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to such owner's successors in title unless expressly assumed by them. The Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the condominium unit, and interest, costs, and reasonable attorney's fees shall be added to the amount of such assessment. Each such owner, by his acceptance of a deed to a unit, hereby expressly vests in the Association, or their agents, the right and power to bring all actions against such owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure in a like manner as a mortgage or deed of trust lien on said property and with full power of sale of said property as is hereinafter set out. Such owner hereby expressly grants the Association the power of sale in connection with said lien.

9. The lien provided for above shall be in favor of the Association and shall be for the benefit of all other unit owners. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Unit. Any such sale shall be made after first advertising the sale of said property by not less than four (4) weekly publications in some newspaper in Memphis, Tennessee, giving notice of the time and place of such sale of the unit owner's unit as provided in §55-501 of the Tennessee Code Annotated. Any sale of a unit to enforce a lien for delinquent and unpaid assessments shall be free from equity of redemption, homestead, and dower and all other exemptions, all of which are expressly waived by the unit owners, and any such sale of the lien enforced thereby shall take precedence over and have priority over any and all other liens of every nature against the unit, except real estate and ad valorem taxes assessed against the unit and any Recorded First Mortgage upon the unit. The proceeds of any such sale, whether under the power

T3 4256

of sale or by foreclosure suit, shall be applied first to the payment of the expenses of protecting the property and the expenses of litigation, foreclosure, attorney's fees, and sales commission, and second, to the payment of real estate and ad valorem taxes assessed against the unit, and third, to the payment of all amounts due the Association under the terms of the Master Deed and the By-Laws, and the balance, if any, to the unit owner whose unit is sold and his assigns. Upon default in the payment of any assessment, the Association shall have the right to all rents, issues, and profits from the unit in default and shall have the right to secure the payment through notice to those in possession of the unit or by entry into possession in the same manner as the mortgagee entering into possession following default.

10. The Association shall have the right and power to enforce against the unit owners, by judicial action or otherwise, all of the provisions of this Master Deed, the By-Laws, and the decisions, resolutions and regulations from time to time adopted by the Association. The unit owners shall have such remedies against other unit owners as they may otherwise have under the laws of the State of Tennessee.

11. The Association shall, upon demand of the owner of the unit or the holder of a Recorded First Mortgage upon a unit, and for a reasonable charge, furnish a certificate signed by an officer of the Association stating whether the assessments on that unit have been paid, and such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

ARTICLE X

RESTRICTION ON MORTGAGING OF CONDOMINIUM UNITS

A Condominium Unit owner may mortgage or otherwise encumber his unit without the approval of the Association.

ARTICLE XI

MANAGEMENT AGREEMENTS

Each owner of a unit hereby agrees to be bound by the terms and

713 4256

conditions of any and all management agreements entered into by the Association. A copy of all such agreements shall be available for examination by each owner. Any and all management agreements entered into by the Association shall provide that said management agreement shall be terminable upon ninety (90) days prior written notice, by an affirmative vote of the Directors of the Association. In no event shall such management agreement exceed a term of three (3) years, nor shall such management agreement be cancelled by the Association prior to the effecting by the Association or its Board of Directors of a new management agreement with a party or parties, which new management agreement shall become operative immediately upon the cancellation of the preceding management agreement. It shall be the duty of the Association or its Board of Directors to effect a new management agreement prior to the expiration of any prior management contract. At any called or regular meeting of the Co-owners, a majority of said Co-owners may vote in favor of self-management.

ARTICLE XII

MORTGAGE PROTECTION

Notwithstanding any provision herein to the contrary, it is expressly understood and agreed that:

1. For the purposes of this Article, a "Recorded First Mortgage" shall be deemed to mean a mortgage or deed of trust, properly recorded in the Office of the Register of Shelby County, Tennessee, or other public office designated by the statutes and laws of the State of Tennessee for the recording of mortgages in Shelby County, Tennessee, the lien of which is prior, paramount, and superior to the lien of all other mortgages and deeds of trust.
2. The liens for assessments created hereunder upon any condominium unit shall be subject and subordinate to the lien of any Recorded First Mortgage. The holder of any Recorded First Mortgage who comes into possession of any unit pursuant to the remedies provided in the mortgage (whether by way of foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure) shall take the property free of any claims for unpaid assessments or charges against the mortgaged unit which accrued prior to the time such holder comes into

13 4256

possession of the unit; provided that, after the foreclosure of any such mortgage, or after the granting of any deed or assignment in lieu of foreclosure there may be a lien created on the interest if such purchaser, grantee, or assignee to secure all subsequent assessments, whether regular or special, which may be assessed hereunder (after such foreclosure or sale in lieu thereof) to such purchaser, assignee, or grantee as an owner and that such subsequent assessment lien shall have the same effect and be enforced in the same manner as provided herein. Sale or transfer of any unit shall not affect the assessment lien; however, the sale or transfer of any unit pursuant to foreclosure of a Recorded First Mortgage or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such foreclosure sale or deed or assignment in lieu thereof; provided, however, the lien shall continue and attach to any proceeds from any foreclosure sale (or sale in lieu thereof) which might be due unto the mortgagor of the unit being foreclosed, or his successors in interest. No sale or other transfer of a unit (other than ones in lieu of foreclosure of a Recorded First Mortgage) shall relieve such unit from liability for any assessments or from the lien thereof, and no foreclosure (or transfer in lieu thereof) or any other deed of trust or mortgage shall relieve any unit owners from personal liability for assessments coming prior to such foreclosure or transfer in lieu thereof.

3. No amendment to this Master Deed shall affect the rights of the holder of any Recorded First Mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

4. No mortgagee and no beneficiary or Trustee under a deed of trust shall become personally liable for or obligated for any unpaid maintenance fund assessment.

5. Any Recorded First Mortgage upon a condominium unit in the project may provide that any default by the mortgagor in the payment of any assessment levied pursuant to this Master Deed or By-Laws or any installment likewise be a default in such mortgage or the indebtedness secured thereby, but failure to include such provision in any mortgage shall not affect the validity or priority thereof nor diminish the protection extended to the holder of such mortgage or the indebtedness secured thereby.

13 4256

6. The holder of any Recorded First Mortgage shall be entitled to written notification from the Association of any default by the mortgagor of such unit in the performance of such mortgagor's obligations under the condominium documents which is not cured within thirty (30) days.

7. The holder of any Recorded First Mortgage shall be entitled to a prior written notification of any change of managing agent of the condominium project, which notification shall be furnished to such mortgage holders not less than thirty (30) days in advance of such change.

8. The holder of any Recorded First Mortgage shall be entitled to written notice of any proceeding for the condemnation of the condominium project or any part thereof promptly after the commencement of such proceeding.

9. The holder of any Recorded First Mortgage shall be entitled, upon demand, to examine the books and records of the Association, at the office of the Association and during regular business hours, and to require the submission to him of the annual reports of the Association and such other financial data as he may reasonably request.

10. Unless all of the holders of Recorded First Mortgages (based upon one vote for each mortgage owned) of condominium units have given their prior written approval, neither the Association nor the co-owners shall be entitled to:

(a) by act or omission seek to abandon or terminate the condominium regime, except that if such abandonment is allowed by statute or the condominium documents in the case of substantial loan to the units and common elements, the prior written approval of the holders of only seventy-five percent (75%) or more of the holders of Recorded First Mortgages shall be required;

(b) change the pro rata interest or obligations of any condominium unit for (i) purposes of levying assessments or charges or allocating distribution of hazard insurance proceeds or condemnation awards or (ii) determining the pro rata share of ownership by each unit of the common elements within the Project;

T3 4256

(c) partition or subdivide any condominium unit;
(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 clause.

11. Unless at least seventy-five percent (75%) of the holders of Recorded First Mortgages (based on one vote for each mortgage owned) of condominium units have given their prior written approval, neither the Association nor the co-owners shall be entitled to use hazard insurance proceeds paid for losses or damage to any condominium property (whether to units or to common elements) for other than the repair, replacement or reconstruction of such improvements, except as provided by S64-2718 of the Tennessee Code Annotated and in this Master Deed, relating to substantial loss to the units and/or common elements of the Condominium Project.

12. No condominium unit owner, or any other party, may obtain priority over any rights of the holders of Recorded First Mortgages of record of condominium units pursuant to their mortgages in the case of a distribution to unit owners of insurance proceeds or condemnation awards for losses to or taking of condominium units and/or common elements.

13. The Association shall be required to serve upon the holder (s) of any Recorded First Mortgage, notice in writing of any loss to, or taking of, the common elements of the condominium project if such loss or taking exceeds Ten Thousand Dollars (\$10,000.00). The Association shall also notify the holder of any Recorded First Mortgage upon a unit when such unit shall incur damages in excess of One Thousand Dollars (\$1,000.00).

14. The provisions of this Article XII shall not in any event apply to the holder of a purchase money mortgage executed in favor of an individual unit owner to secure payment of part or all of the purchase price.

15. Whenever the Association is required under the terms of this Master Deed to give notice to the holder of a Recorded First Mortgage, such

T3 4256

notice shall be deemed to be given when mailed to the person or organization (and at the address) which the holder of the Recorded First Mortgage has, in a writing delivered to the Association, designated to receive such notice; or, if the holder of the Recorded First Mortgage has made no such designation, such notice shall be deemed to be given when posted in the principal office of the Association.

ARTICLE XIII

NON-WAIVER OF CONDITIONS, COVENANTS AND RESTRICTIONS

1. The failure of the Association, or its delegate, to insist in any one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Master Deed, or to exercise any right or option herein contained, or to serve any notice or institute any action shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restrictions, all of which shall remain in full force and effect.

2. The receipt by the Association, or its delegate, of any assessment from an owner, with knowledge of the breach of any covenant hereof shall not be deemed as a waiver of such breach, and no waiver by the Association or its delegate of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Association's Board of Directors, or its delegate.

ARTICLE XIV

LIMITATION OF LIABILITY

1. Neither the Association, its Board of Directors, nor the individual membersthereof, shall be liable for any failure of water supply or other service to be obtained and paid for by the Association hereunder, or for injury or damage to person or property caused by the elements or by another owner or person in the project, or resulting from electricity, sewage, water, rain, dust or sand which may leak or flow from outside or from any part of the building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place.

T3 4256

2. No diminution or abatement of maintenance fund assessments or special assessments shall be claimed or allowed for inconveniences or discomfort, whether arising from the initial construction of the Project, from the making of repairs or improvements to the common area, from any action taken to comply with the law, ordinance or order of governmental authority, or otherwise.

3. The Directors of the Association shall not be personally liable for damages arising from failure to obtain required insurance coverage or failure to obtain adequate insurance coverage.

ARTICLE XV

INDEMNIFICATION

Each Director, officer, and employee of the Association shall be indemnified by the Association against all expenses and liabilities including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been the Director, officer, or employee of the Association, or any settlement thereof, whether or not he is a Director, officer or an employee of the Association at the time such expenses are incurred, except in such cases wherein the Director, officer or employee of the Association is adjudged guilty of a willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors of the Association approves such settlement and reimbursement as being for the best interests of the Association; provided further, however, the indemnification herein provided for shall in all events be limited to, and shall conform to the standards and limitations set forth in Sections 48-406 through 48-411, both inclusive, of the Tennessee Code Annotated.

ARTICLE XVI

TERMINATION OF HORIZONTAL PROPERTY REGIME

1. All of the co-owners constituted into the Horizontal Property Regime may by deed waive this regime and regroup or merge the records of the

T3 4256

filial estates with the principal property, provided that the filial estates are unencumbered or, if encumbered, that the creditors in whose behalf the encumbrances are recorded accept as security the undivided portions of the property owned by the debtors.

2. Alternatively, the Condominium Project herein created may be terminated at any time and in such manner and upon such terms as are mutually agreeable by the unanimous agreement, consent, and act, expressed in writing and duly acknowledged and recorded, of all Unit Owners, and of all mortgagees who have liens upon units.

3. In the event that more than two-thirds (2/3rds) by area of the improvements in the Condominium Regime have been destroyed or rendered untenable and it is determined as provided in Article VIII hereof that the damage is not to be repaired, then the condominium property shall be removed from the provisions of this Master Deed upon the sale and conveyance of the property by the Association as required in Article VIII; provided that the funds held by the Association and Insurance Trustee shall remain subject to the provisions of this Master Deed until distributed as provided in Article VIII.

4. The termination of the Horizontal Property Regime shall in no way bar the subsequent constitution of the property into another condominium project whenever so desired and upon observance of the provisions of the Tennessee Horizontal Property Act.

ARTICLE XVII

CONDEMNATION

The provisions of this Master Deed with regard to reconstruction in the event of casualty loss shall also apply to reconstruction in event of condemnation of all or any part of the condominium project. The provisions of this Master Deed with regard to distribution of insurance proceeds and proceeds of sale shall also apply in the event of distribution of proceeds of condemnation, subject to the provisions of Article XII hereof.

T3 4256

ARTICLE XVIII

ENFORCEMENT

Each owner shall comply strictly with the provisions of this Master Deed and with the administrative rules and regulations drafted pursuant thereto as the same may be lawfully amended from time to time and with decisions adopted pursuant to said Master Deed and Administrative rules and regulations, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Board of Directors of the Association, or its delegate, on behalf of the owners.

ARTICLE XIX

INTERPRETATION

The provisions of this Master Deed shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a condominium project. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provisions or any other provision hereof and the mandatory provisions of Title 64, Chapter 27, Tennessee Code Annotated, are adopted hereby by reference. In the event of any conflict between the provisions hereof and the provisions contained in the Charter or By-Laws of Hobbit's Glen Condominium Association, the provisions of this Master Deed shall control.

ARTICLE XX

AMENDMENT

The provisions of this Master Deed, Plat of Plans, By-Laws, Charter, or other documents executed in connection therewith may be amended by the affirmative vote of the record owners of seventy-five percent (75%) of the total condominium units, subject always to the provisions contained in Article XII hereof. Such amendment shall be effective upon recordation in the Office of the Register of Shelby County, Tennessee, of a written instrument signed and acknowledged by the President or Vice President of the Association.

T3 4256

Such written instrument shall contain the following certificate:

"The undersigned _____,
President (or Vice-President) of the Association does hereby
certify that the amendments to the Master Deed, Plat or Plans,
By-Laws, Charter or other documents contained herein were adopted
by the affirmative vote of the record owners of seventy-five per
cent (75%) of the total condominium units voting in person or by
proxy at a meeting of the Association held on _____,
in accordance with the By-Laws of
the Association."

ARTICLE XXI

SEVERABILITY

The provisions hereof shall be deemed independent and severable, and
the invalidity or partial invalidity or unenforceability of any one provision
or portion thereof shall not affect the validity or enforceability of any
other provision hereof.

ARTICLE XXII

EXHIBITS

Nothing in this instrument is to be construed as affecting,
disturbing or changing the following which are recorded under Register No. K9 6166,
Register's Office of Shelby County, Tennessee, as they then existed, except
By-Laws for Administration as shown herein.

EXHIBIT "A"	FINAL as Built Survey
EXHIBIT "A"	BOUNDARY Survey
EXHIBIT "A"	DIAGRAMMATIC Floor Plans
EXHIBIT "B"	BY-LAWS for Administration

ARTICLE XXIII

EFFECTIVE DATE

This Restated Master Deed shall take effect upon recordation.

T3 4256

IN WITNESS WHEREOF, the undersigned has caused this instrument to
be executed by its duly authorized officer this the 17th day of
May, 1982.

HOBBIT'S GLEN CONDOMINIUM ASSOCIATION

By: M. J. Ragdale

STATE OF TENNESSEE

COUNTY OF SHELBY

Before me, a Notary Public in and for said State and County duly
commissioned and qualified, personally appeared M. J. Ragdale,
with whom I am personally acquainted, and who,
upon oath, acknowledged himself to be _____ President of HOBBIT'S GLEN
CONDOMINIUM ASSOCIATION, the within named bargainor, a corporation, and that
he as such _____ President being authorized so to do, executed the foregoing
instrument for the purposes therein contained, by signing the name of the
corporation by himself as such _____ President.

WITNESS my hand and Seal at office in Tennessee
this 17th day of May, 1982.

Audrey W. Puckett
Notary Public

My commission expires: 7-10-83

T3 4256

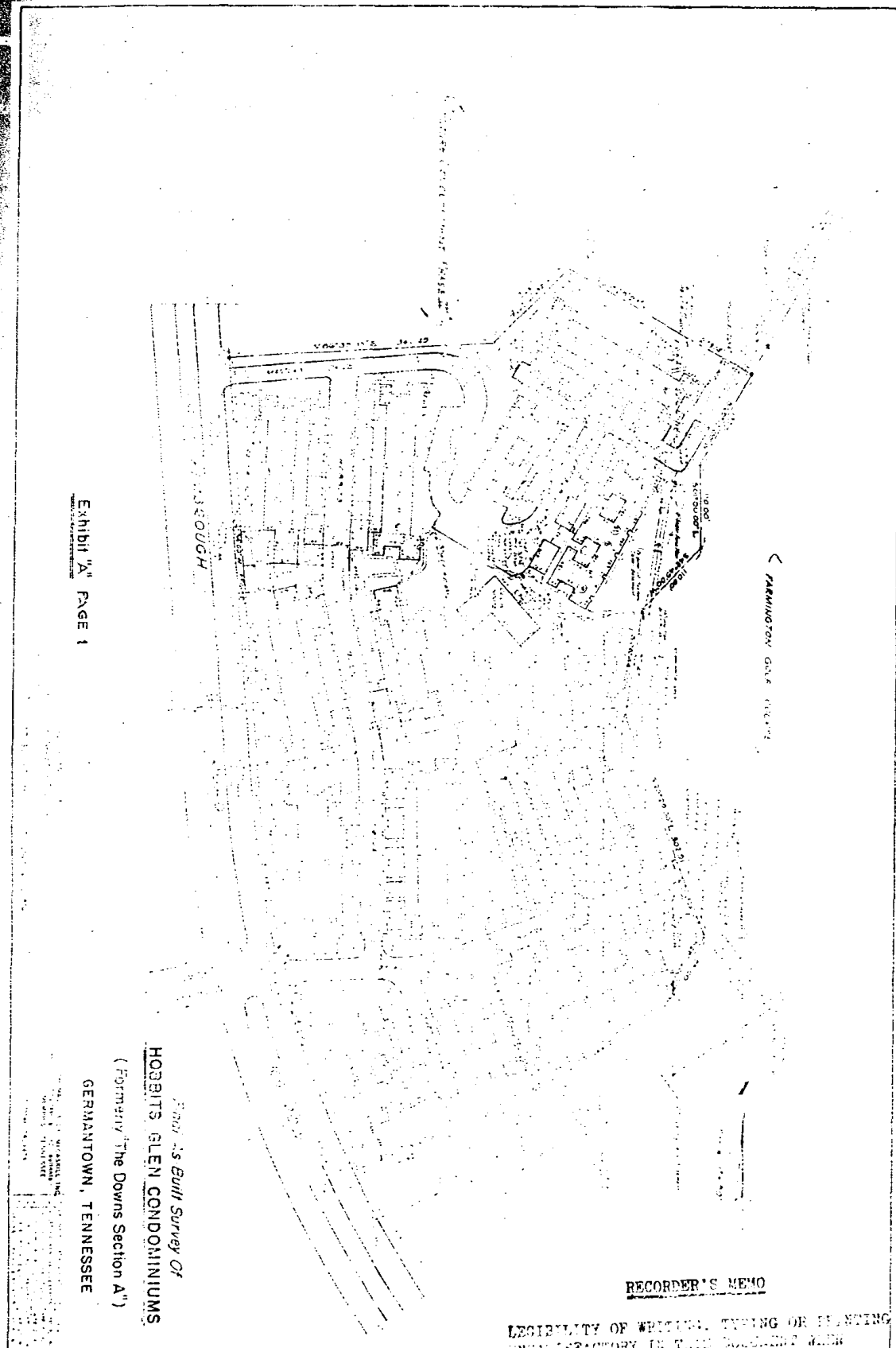


Exhibit "A" PAGE 1

From As Built Survey of
HOBBITS GLEN CONDOMINIUMS
 (Formerly "The Downs Section A")
 GERMANTOWN, TENNESSEE

RECORDER'S MEMO

LEGIBILITY OF WRITING, TYPING OR PRINTING
 UNSATISFACTORY IN THIS DOCUMENT WHEN
 RECEIVED.

Greg B. Bales
 REGISTER

ACROBATES GLEN CANDIDORINUMALS

FUTURE DEVELOPMENT PHASE II

BOUNDARY SURVEY
HOBBITS GLEN CONDOMINIUMS
(FORMERLY THE DOWNS SECTION A")
GERMANTOWN, TENNESSEE

10-000000-0-974
10-000000-0-1000, 10-0000, 10-0000

REMARKS: 3.41. BUREAU'S DELIVERIES

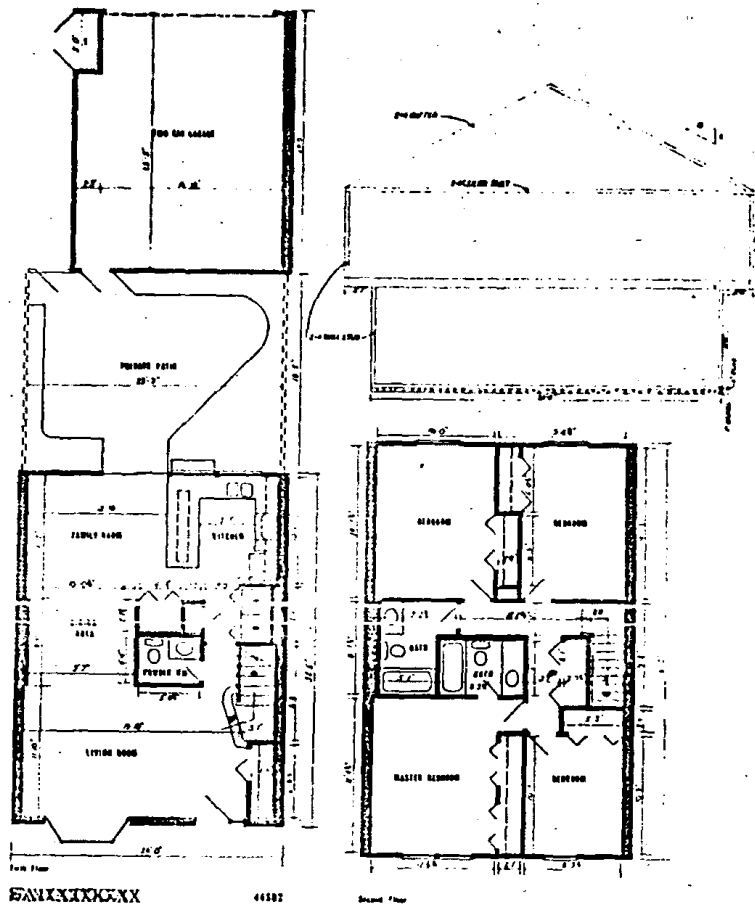
EXHIBIT "A" PAGE 2

RECORDER'S MEMO

LEGIBILITY OF WRITING, TYPING OR PRINTING
UNSATISFACTORY IN THIS DOCUMENT WHEN
RECEIVED.

Greg R. Bates
REGISTER

T3 4256



DOVER

Units # 10
18
26
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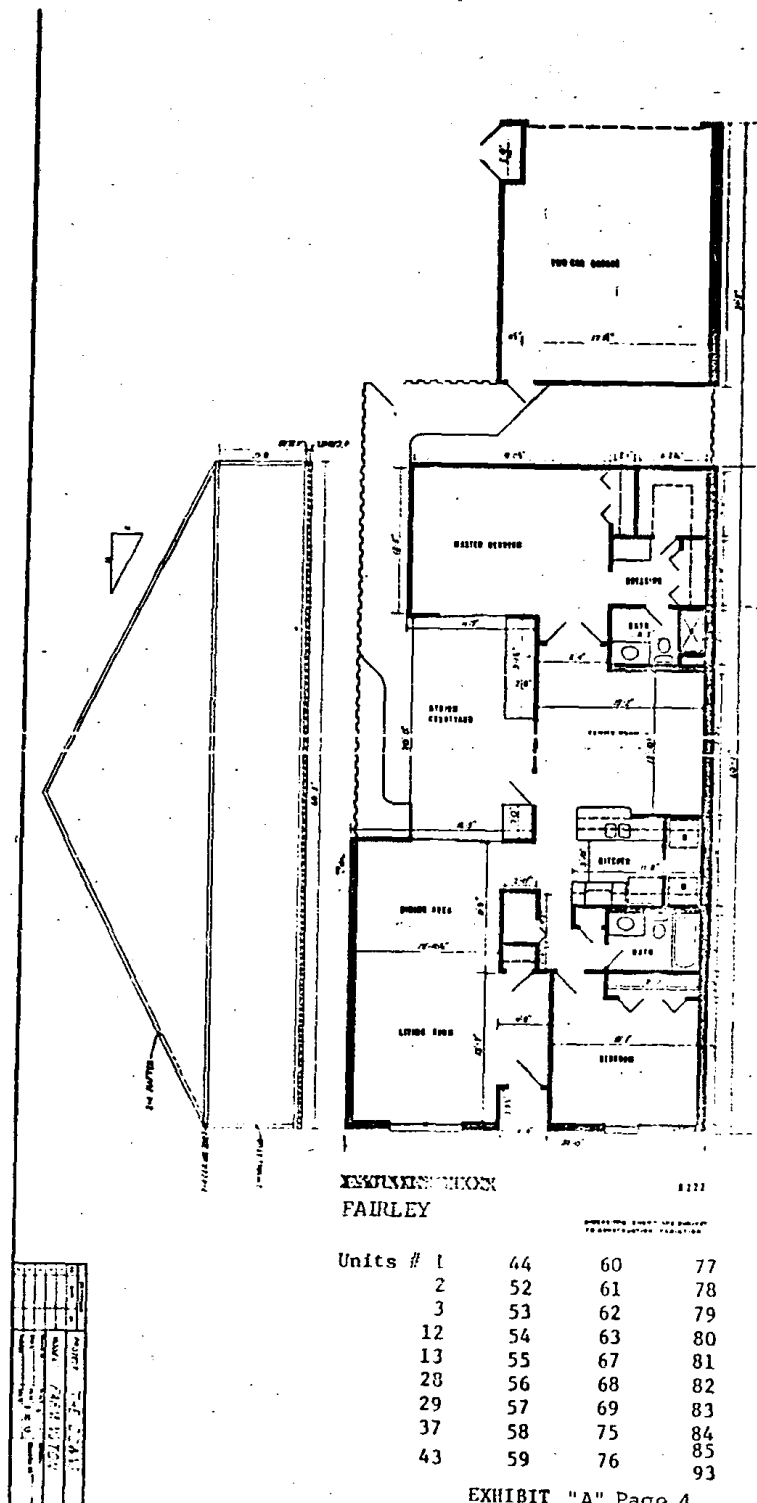
EXHIBIT "A" Page 3

RECORDER'S MEMO

LEGIBILITY OF WRITING, TYPING OR PRINTING
UNSATISFACTORY IN THIS DOCUMENT WHEN
RECEIVED.

Greg B. Bates
REGISTER

T3 4256

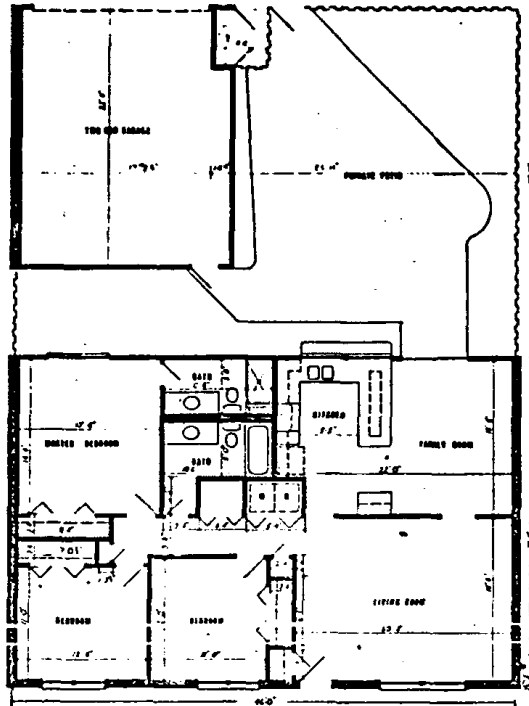


RECORDER'S MEMO

LEGIBILITY OF WRITING, TYPING OR PRINTING
UNSATISFACTORY IN THIS DOCUMENT WHEN
RECEIVED.

Gregory R. Bates
REGISTER

T3 4256



AMBERLY

E-102

Units # 4

5
20
21
38
74

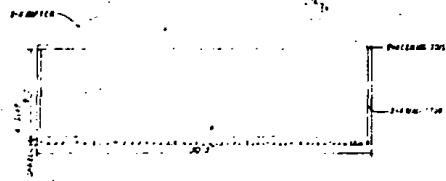


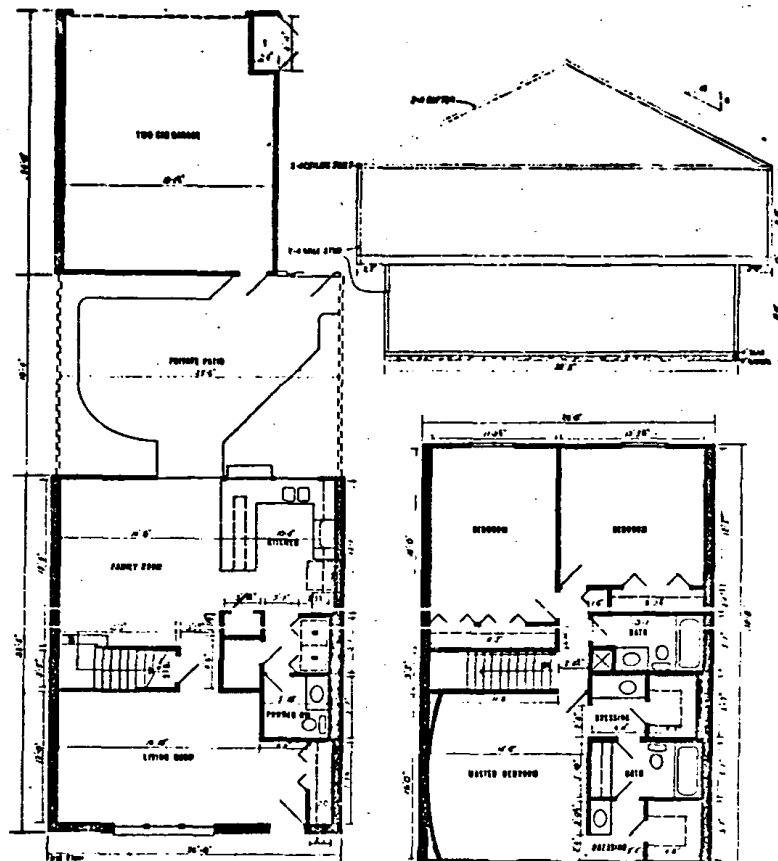
EXHIBIT "A" Page 5

RECORDER'S MEMO

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RECEIVED.

Greg R. Baker
REGISTER

T3 4256



ENGLESIDE

Second Floor

Units # 6
8
15
23
32
35
42
45
47
50
65
70
87

6	8	15	23	32	35	42	45	47	50	65	70	87
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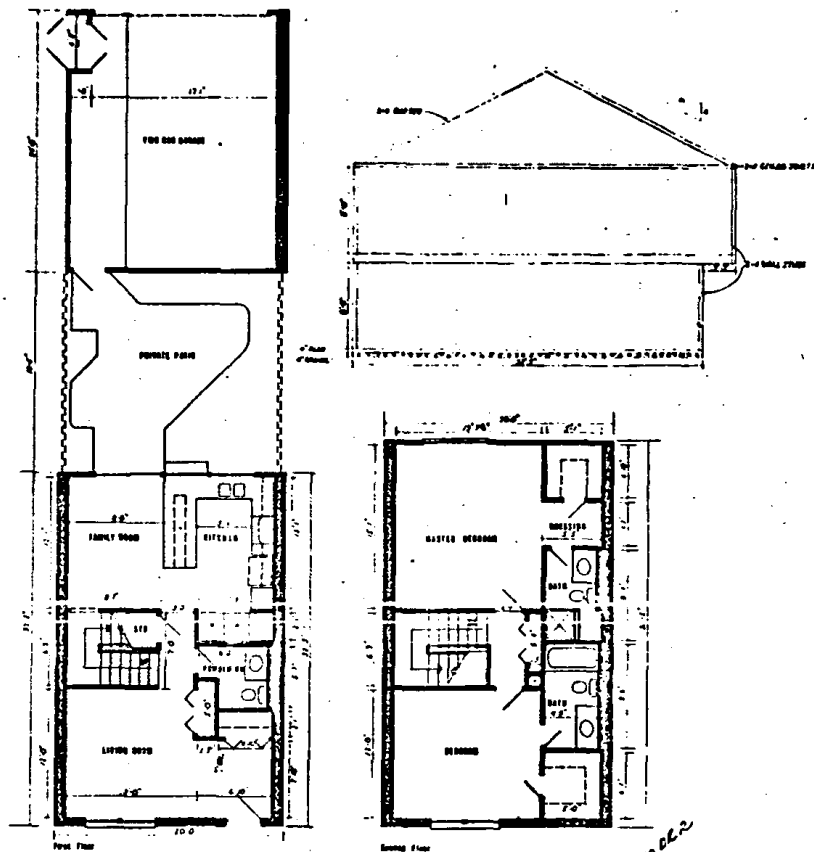
EXHIBIT "A" Page 6

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Guy B. Bales
REGISTER

T3 4256



BRINWOOD

71002

Units # 17

24
34
39
49
73
88
92

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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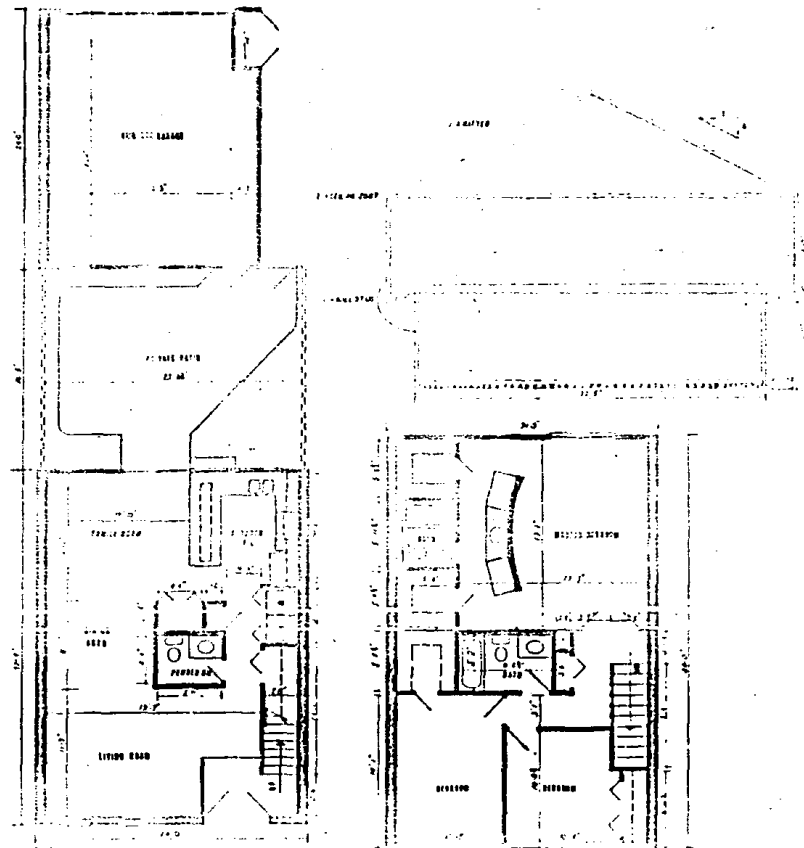
EXHIBIT "A" Page 7

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Shirley B. Bates
REGISTER

T3 4256



CALTON

31222

Units	#	25	4
	1	27	5
	11	30	6
	1	31	7
	1	32	8
	1	33	9
	1	34	10
	1	35	11
	1	36	12

T3 4256

EXHIBIT "B"

BY-LAWS

OF

HOBBIT'S GLEN CONDOMINIUM ASSOCIATION

FOR THE ADMINISTRATION OF HOBBIT'S GLEN CONDOMINIUMS

ARTICLE I

NAME AND LOCATION

The name of the corporation is Hobbit's Glen Condominium Association, hereinafter referred to as the "Association". The principal office of the corporation shall be located at 165 Madison Avenue, Suite 1103, Memphis, Tennessee, 38103.

ARTICLE II

PURPOSE

The purpose of the Association is to administer a condominium project known as Hobbit's Glen Condominiums (herein sometimes called the "Property") and to do and perform any and all other things, matters or acts required by or permitted to the co-owners of units in Hobbit's Glen Condominiums under the Horizontal Property Act of the State of Tennessee.

ARTICLE III

DEFINITIONS

The definitions set out in the Master Deed to which these By-Laws are attached as an Exhibit are hereby incorporated herein by reference as if conied verbatim.

T3 4256

ARTICLE IV

MEMBERS, MEETINGS AND VOTING RIGHTS OF MEMBERS

Section 1. All of the co-owners of units within Hobbit's Glen Condominiums shall constitute the members of the Association.

Section 2. Annual Meetings. The annual meeting of the Association shall be 1st Monday of March of each year at the hour of 7:30 P.M., or upon such other day as shall be selected by a majority of the members. If the day for the annual meeting is a legal holiday, the meeting will be held on the first day following which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the members may be called at any time by the President, or by the Board of Directors, or upon written request of members entitled to cast one-third (1/3) of the number of votes entitled to be cast by all members.

Section 4. Notice of Meetings. Written notice of meetings stating the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called and the person or persons calling the meeting shall be delivered, either personally or by mail, to each member at his address as it appears on the books of the Association. If mailed, such notice shall be delivered not less than ten (10), nor more than thirty (30) days before the date of the meeting, and shall be deemed to be delivered when deposited in the U.S. Mail and addressed to the member at his said address, with postage thereon prepaid. If delivered personally, such notice shall be delivered not less than ten (10) nor more than thirty (30) days before the date of the meeting and shall be deemed delivered when actually received by the member. A waiver of notice in writing signed by the person entitled to such notice, whether before or after the time of the meeting, shall be deemed equivalent to such notice.

T3 4256

Section 5. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, at least a majority of the total number of votes entitled to be cast shall constitute a quorum for any actions, except as otherwise provided in the Charter, the Master Deed, or these By-Laws. 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 shall be present or be represented. When a meeting is adjourned to another time and/or place such adjournment shall not exceed thirty (30) days.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Each proxy shall be revocable and shall automatically cease upon conveyance by the member of his condominium unit.

Section 7. Voting Rights. Except as hereinafter provided, each member shall be entitled to one vote for each condominium unit owned by him provided that all assessments against such unit which are then due have been paid.

(a) When title to a condominium unit is owned by more than one person, all such persons shall be members but they shall be entitled to only one (1) vote with respect to each unit so owned. The vote for such condominium unit shall be exercised as the owners of such unit among themselves determine. Where only one of two or more co-owners is present at a meeting of the members of the Association, he or she shall be entitled to cast the vote with respect to that unit.

ARTICLE V

BOARD OF DIRECTORS - SELECTION - TERM OF OFFICE

Section 1. The affairs of this Association shall be managed by a Board of not less than three (3) nor more than nine (9) Directors, each of whom shall be either the owner of a unit or of an interest therein, or in the event of ownership of a unit by a partnership, trustee, corporation, or other entity,

13 4256

a partner, trustee, officer, or other designated representative. The number of Directors shall be fixed at the first meeting of the Association, and may be changed at any subsequent special or annual meeting of the Association; provided, however, that any Director may complete his term of office despite any decrease in the number of Directors, unless removed from office, as herein provided.

Section 2. Term of Office. At the first meeting, the members shall elect one-third (1/3) of the Directors for a term of one (1) year, one-third (1/3) of the Directors for a term of two (2) years, and the remaining Director (s) for a term of three (3) years to replace the outgoing Director or Directors.

Section 3. Removal or Resignation. Any Director may be removed from the Board with or without cause by vote of a majority of the total number of votes entitled to be cast by all members of the Association. If any Director shall cease to be the owner of a unit or of an interest therein or shall cease to be a partner, trustee, officer or other designated representative of a partnership, trustee, corporation or other entity owning a unit, he shall immediately resign as such Director. In the event of death or resignation or removal of a Director, his successor shall be selected by the remaining members of the Board (although less than a quorum exists) or by the vote of members entitled to cast a majority of the votes entitled to be cast by all members, and shall serve for the unexpired term of his predecessor.

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

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

T3 4256

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

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

Section 2. Election. Election to the Board of Directors shall be by ballot. At such elections, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to cast under the provisions hereof and of the Master Deed and Charter. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

Section 3. At the first meeting of the Board of Directors the Board shall elect a Chairman to serve and preside for a period of one year unless removed by a majority of the Board or resigns.

ARTICLE VII

MEETINGS OF DIRECTORS

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

T3 4256

Section 2. Special Meetings. Special meeting of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than five (5) days' notice to each Director. A waiver of notice in writing signed by the person entitled to such notice, whether before or after the time of the meeting, shall be deemed equivalent to such notice.

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

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the right of co-owners to use of the recreational facilities during any period in which he shall be in default in the payment of any assessment levied by the Association. Such right may also be suspended after notice and hearing before the Board, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provision of these By-Laws, the Charter, or the Master Deed;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

T3 4256

(e) authorize the officers to enter into one or more management agreements with third parties in order to facilitate efficient operation of the Property. It shall be the primary purpose of such management agreements to provide for the administration, management, repair and maintenance of the Property, all improvements included therein and designated as common areas and elements, and the receipt and disbursement of funds as may be authorized by the Board of Directors. The terms of said management agreements shall be as determined by the Board of Directors to be in the best interests of the members, and shall be subject in all respects to the Charter of the Association, these By-Laws and the Master Deed.

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

(a) cause to be kept a complete record of all its acts and corporate affairs, deliver a statement quarterly to the members and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by members entitled to cast one-third (1/3) of the number of votes entitled to be cast by all members.

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Master Deed to:

- (1) fix the amount of the annual assessment against each unit at least thirty (30) days in advance of each annual assessment period;
- (2) send written notice of each assessment to every owner subject thereto at least ten (10) days in advance of each annual assessment period; and
- (3) foreclose the lien against any unit for which assessments are not paid within the time fixed

T3 4256

by the Board of Directors or to bring an action at law against the owner personally obligated to pay the same;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate insurance all as set out more fully in the Master Deed; provided that failure to maintain insurance or failure to maintain adequate insurance shall not render the Directors personally liable for the amount of any loss resulting therefrom;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as provided for in the Master Deed;

(g) cause the Common Elements and Areas to be maintained.

ARTICLE IX

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The Officers of the Association shall be a President and Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create. All officers shall at all times be a resident member and entitled to cast a vote.

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

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

T3 4256

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

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

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

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

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

President

(a) The President shall upon request of the Board of Directors attend meetings of the Board of Directors. The President shall preside at all meetings of the members; shall see that orders and resolutions of the Board and of the members are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and

T3 4256

discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

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

ARTICLE X

COMMITTEES

Section 1. The Association shall appoint an Architectural Control Committee as provided in the Master Deed, a Nomination Committee as provided in these By-Laws and a Budget Committee of not less than three (3) nor more than seven (7) members who shall present the annual budget to the Board of Directors not less than sixty (60) days prior to the annual meeting. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purposes, such as:

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

T3 4256

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

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

(4) An Audit Committee which shall supervise the annual audit of the Association's books, and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting. The Treasurer shall be an Ex-officio member of the Committee.

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

ARTICLE XI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member and any holder of a Recorded First Mortgage. The Master Deed, Charter and the By-Laws of the Association as well as the Management Agreements shall be available for inspection by any member at the office of the Association where such records are kept, where copies may be purchased at reasonable cost.

T3 4256

ARTICLE XII

ASSESSMENTS

As more fully provided in the Master Deed, each member is obligated to pay to the Association annual and specific assessments, which shall become a lien upon each unit at such time as such assessments shall become delinquent. Any assessments which are not paid within fifteen (15) days after the due date shall be delinquent and shall bear interest from the date of delinquency at the maximum lawful contract rate permitted by applicable law; and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the unit of the delinquent owner, and interests, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise avoid liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Unit.

ARTICLE XIII

INDEMNIFICATION

Each Director, officer, and employee of the Association shall be indemnified by the Association against expenses and liabilities (including attorney's fees) as provided in Article XV of the Master Deed.

ARTICLE XIV

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by the affirmative vote of two-thirds (2/3) of the number of votes entitled to be cast by the members.

Section 2. In the case of any conflict between the Charter and these By-Laws, the Charter shall control; and in the case of any conflict between the Master Deed and these By-Laws, the Master Deed shall control.

T3 4256

IN WITNESS WHEREOF, the undersigned duly authorized officer of
 HOBBIT'S GLEN CONDOMINIUM ASSOCIATION has adopted these By-Laws this

17th day of May, 1982.

HOBBIT'S GLEN CONDOMINIUM ASSOCIATION

By: *My Legado*

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STATE TAX _____
 REGISTERED FILE _____
 REGISTERED FILE 12/00

MAY 26 1 03 PM '82

STATE OF TENNESSEE
 COUNTY OF SHELBY
Glenda Hill

Return to:
 ElKinston & Keltner
 P.O. Box 171285
 Memphis, TN 38117
 attn: Glenda Hill

57