

**CHARTER OF THE ARCHITECTURAL COMMITTEE OF
THE COMMUNITIES OF HIGHLAND RIDGE HOMEOWNERS ASSOCIATION, INC.
(Rev 1) 10-17-2021**

The Communities of Highland Ridge Homeowners Association, Inc. (the “Association”) is comprised of several different Subsections as defined in Section 1.05(N) of the First Amended and Restated By-Laws of the Gates of Highland Ridge Homeowners Association, Inc. (the “By-Laws”) and are more commonly known as the “Gates”, the “Crescent”, the “Falls”, the “Villas”, the “Reserve”, the “Glen”, the “Grove”, and the “Sanctuary” (collectively the “Subsections”). Section 5.16 of the By-Laws authorizes the Association’s Board of Directors to commission various committees, which includes, but is not limited to, an Architectural Committee.

Section 1.0 (Requirements and Preferences for Committee Members)

The Association’s Board of Directors shall designate one of its Directors to either serve as chairperson of the Architectural Committee or as a non-chairperson liaison of such committee to the Board. Other than the Director that the Board designates to either serve as a chairperson of the Architectural Committee or as a non-chairperson liaison to the Board, the remaining members of the committee need not be on the Association’s Board of Directors. The Architectural Committee shall consist of at least three (3) but no more than five (5) persons, the majority of whom must be members of the Association. When considering persons and members to serve on the Architectural Committee, preference should be given to those persons and members with backgrounds and experience in architecture, construction, design, engineering, real estate, or similar professions, although the foregoing areas are only preferences and not requirements for service on the Architectural Committee. Review and selection of Architectural Committee members shall be a minimum of three years, if possible, staggered by 1 year and terms of service initiate and expire by the discretion of the Board of Directors. Any ARC member found to be in a conflict-of-interest situation shall be dismissed by the Board of Directors or they may voluntarily step down from the ARC.

Those persons who serve on the Architectural Committee may receive compensation for expenses to utilize professional services in an amount that will be established from time to time by the committee. These expenses to be paid for by the builder or the lot owner. The Architectural Committee may establish and charge reasonable fees for review of any application for construction of a new structure or improvement or renovation of an existing structure or improvement and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred by the committee in having any application reviewed by architects, engineers, or other professionals of its own choosing.

Section 2.0 (Committee’s Authority to Act on Behalf of Board of Directors)

Under Section 5.16 of the By-Laws, the Architectural Committee does not have independent authority to make legally binding commitments on behalf of the Association without express approval from the Association’s Board of Directors unless and to the extent there is independent authority contained in this Charter.

Section 3.0 (Architectural Requirements and Standards)

The architectural requirements and standards for any proposed structure or improvement including, but not limited to, a residence within one of the Subsections shall be those requirements set forth in that particular Subsection’s Restrictions and Reservations as they appear of record in the Register’s Office for Washington County, Tennessee. The architectural requirements and standards contain general provisions applicable to all Lots in the Subsections, as well as specific provisions that only apply to Lots in particular Subsections. The intent of the architectural requirements and standards set forth in each Subdivision’s Reservations and Restrictions is to familiarize both potential and current members of the Association what is and what is not acceptable when designing and constructing a new structure or improvement or renovating an existing structure, as well as what standards the Architectural Committee uses when considering applications for construction of a new structure or renovation/modification of an existing structure.

The architectural requirements and standards, however, are not exclusive basis for the Architectural Committee's decisions. Compliance by a member of the Association or his or her contractors/subcontractors with the architectural requirements and standards set forth in the Restrictions and Reservations of the particular Subdivision where the work will commence does not guarantee approval of an application. The Architectural Committee is expressly authorized to amend design guidelines to remove or relax requirements previously imposed or otherwise to make the design guidelines less restrictive.

Any member of the Association may remodel, paint, or redecorate the interior of structures on his or her Lot(s) without the Architectural Committee's approval. However, any proposed modifications to the exteriors of screened porches, patios, or similar portions of a residence visible from the outside shall be subject to the Architectural Committee's approval.

Any structure's exterior color(s), visible by neighboring properties or common areas shall be under the authority of the ARC for approval or disapproval prior to painting. The Architectural Committee maintains a pallet of exterior paint color choices, which is available through the Association's property management company. All exterior color choices for either a proposed or an existing structure must be submitted to and approved by the Architectural Committee before any work to either add or change color commences. The ARC has deemed the Sherman-Williams brand series *Neutral* and *Timeless* pallet colors or equivalent on the following pages of the Sherman-Williams color index booklet kept at our Property Management company and at our clubhouse. Color **page numbers** are; 196-218, 232-239, 141, 242-250, 254-267, 269(c1-c6), 275, 277, 281(c1-c4) 282 (c1-c6), 287(c1-c5)-290(c1-c5)-292(c1-c6), 297, 298, 315 (sw2857), 312 (sw2834) as acceptable, but still require approval.

This section shall not apply to existing or proposed structures on the Association's common areas or existing or proposed improvements to the Association's common areas as approved by the Association's Board of Directors.

Section 4.0 (Architectural Review)

The Architectural Committee is responsible for reviewing any applications for new construction of a structure or modification of an existing structure in conjunction with the architectural requirements and standards for any existing or proposed structure within any of the Subsections.

Section 5.0 (Application Process)

Any Lot owner must submit an application to the Architectural Committee for review and either approval or disapproval before the commencement of any work for the construction of either a new or existing structure within any of the Subdivisions. The application shall consist of plans, drawings, layouts, and specifications that show the nature, kind, shape, color, size, material, location of either the proposed or existing structure or improvement, and any other information required as set forth in the Restrictions and Reservations of the Subdivision where the work will take place. In addition to the foregoing, information regarding any irrigation systems, drainage, lighting, landscaping, and other features of proposed scope of construction shall be submitted as required by the architectural requirements and standards set forth in the Restrictions and Reservations of the Subdivision where the construction or renovation will occur. In reviewing each application, the Architectural Committee may consider the quality of workmanship and design, harmony of external design with any existing structures, location in relation to any surrounding structures, topography, and finish grade elevation, among other things. The Architectural Committee's approval or disapproval of an application may be based purely on aesthetic considerations, which may vary as the makeup of the persons on the committee changes over time.

Should either the Architectural Committee not act to either approve or to disapprove any application within thirty (30) calendar days of the application's submission, provided that all of the required plans, drawings, layouts, and specifications of all information and materials have been included with the application, the application shall be deemed approved. Whether an application is expressly approved by the Architectural Committee or approved through the committee's inaction, the scope of the construction or renovation as well as the resulting new or renovated structure shall not be inconsistent with the architectural requirements and standards set forth in the Restrictions and Reservations of the Subdivision where the construction or renovation takes place unless a written variance was expressly granted by the Architectural Committee.

When voting on whether to approve or disapprove an application, the event of a tie vote of the committee members pushes the decision to the Board of Directors, who shall cast the tie-breaking vote to either approve or disapprove an application or to approve or disapprove a request for grant a waiver.

Section 6.0 (Construction Requirements for New Residence)

In addition to the application requirements set forth in Section 5.0, any Lot owner's application for construction of a new residence within any Subdivision of the Association shall include the following: submit the following listed items for any construction requiring a Building Permit from the Codes Division of the City of Johnson City TN to the Highland Ridge Architectural Review Committee for approval prior to beginning construction.

- A building permit issued by the Codes Division for the City of Johnson City, Tennessee;
- Complete set of architectural drawings, including site plan showing location, and materials;
- Elevation plan with before and after grade elevations;
- Setback plan for the structure(s) on the Lot(s) that complies with both the setback requirements for the City of Johnson City, Tennessee and the Restrictions and Reservations for the Subdivision where the Lot(s) sit;

- Current and proposed drainage;
- Any retaining walls including size, materials, and locations;
- A copy of the declarations page from the proposed contractor's general commercial liability insurance policy with a minimum limit of at least one million dollars (\$1,000,000.00) per person;
- Copy of proposed contractor's active construction license issued by the Tennessee Board for Licensing Contractors that has the appropriate license classification for residential construction as well as a monetary limit of at least \$1,000,000.00;
- Contact information for the proposed general contractor, including business name, all telephone numbers, business address, and home address;
- Three references from other construction projects handled under the proposed contractor's license, including the project addresses, customers' names, and customers' telephone numbers; as needed and

Once the applicant and his or her proposed contractor comply with the foregoing requirements, and assuming the application is approved under the application process set forth in Section 5.0 of this Charter, construction may commence. During construction of the new residence, the applicant or his or her contractor may be fined up to Fifty Dollars (\$50.00) per day, should debris from the construction site remain anywhere but within the boundaries of the Lot(s) where construction is taking place for more than forty-eight (48) hours from when written notice is given to either the applicant or his or her contractor to remove the debris. To protect the Association from a contractor's non-compliance either this Charter or the architectural requirements and standards set forth in the Restrictions and Reservations for any Subdivision where the contractor performed work, the contractor found in violation may be precluded from engaging in future construction projects in any of the Subdivisions that comprise the Association.

Once a Certificate of Occupancy issues for the new residence, the Architectural Committee may conduct a final inspection of the construction site.

Section 7.0 (Inspection)

After an application for either construction of a new structure or renovation of an existing structure receives the Architectural Committee's approval, and after construction or renovation work commences, a member of the Architectural Committee will be assigned to periodically inspect the project and report back to the Architectural Committee with a written report that the project either conforms or does not conform with the application as approved and with the architectural requirements and standards set forth in the Restrictions and Reservations of the Subdivision in which the Lot(s) on which the construction or renovation work is occurring sits.

Section 8.0 (Enforcement)

Any new or existing structure or improvement that does not conform with the application as approved by the Architectural Committee and the architectural requirements and standards set forth in the Restrictions and Reservations of the Subdivision in which the Lot(s) on which the construction or renovation work is occurring sits shall be declared as non-conforming. Upon receipt of a written request from the Architectural Committee, the members of the Association upon whose Lot(s) the non-conforming structure or improvement sits shall, at their own expense, remove the non-conforming structure or improvement, if applicable, and restore the Lot(s) to substantially the same condition before construction or, if removal of the non-conforming structure or improvement is not possible, spend the money necessary to bring the non-conforming structure or improvement into compliance with the application as approved and the architectural requirements and standards set forth in the Restrictions and Reservations for the applicable Subdivision. If the members of the Association with the non-conforming structure

or improvement fail to remove, restore, or correct the same after receipt of the Architectural Committee's written request for action on their part, the Architectural Committee shall have the right to enter onto the Lot(s) where the non-conforming structure or improvement is located and take the necessary steps to remove, restore, or correct the non-conforming structure or improvement. In the event that the Association, through the Architectural Committee, incurs any expense in the prevention, abatement, or removal of any violation of the Restrictions and Reservations of the Subdivision where the non-conforming structure or improvement sits, or in the enforcement of the applicable Restrictions and Reservations with or without legal action in law or equity, such expense, including reasonable attorneys' fees and expenses, shall be a lien in favor of the Association upon the Lot(s) containing the non-confirming structure or improvement.

Unless the Architectural Committee approves otherwise in writing, all approved applications shall be deemed conditional subject to satisfactory completion of all components of the approved application, unless written approval to modify any application was obtained from the Architectural Committee.

In the event that any member of the Association fails to commence and pursue the completion of all construction or renovation as approved by the Architectural Committee, the Architectural Committee shall be authorized, after the giving of written notice to the member as well as the opportunity for a hearing before said committee in accordance with the Restrictions and Reservations of the applicable Subdivision, shall have the right to enter upon the Lot(s) in question and remove or complete any incomplete structure or improvement. In the event that the Association, through the Architectural Committee, incurs any expense in removal or completion of the incomplete structure or improvement, such expense, including reasonable attorneys' fees and expenses, shall be a lien in favor of the Association upon the Lot(s) containing the incomplete structure or improvement.

In addition to the foregoing, the Architectural Committee, acting through the Association's Board of Directors, shall have the authority to pursue all legal and equitable remedies in a court of competent jurisdiction to enforce the powers granted to it under this Charter as well as to seek legal enforcement of its decisions regarding applications submitted for its review.

Section 9.0 (Application Similar in Nature Not Guaranteed Approval)

The Architectural Committee's approval of a previously submitted application for construction of a new structure or renovation of an existing structure, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the committee's right to disapprove any subsequently submitted application that is similar in nature.

Section 10.0 (Variances and Exemptions)

On a case by case basis, the Architectural Committee may grant a variance to a member of the Association and his or her contractor/subcontractors from the architectural requirements and standards set forth in the Restrictions and Reservations of the Subdivision where the approved structure or improvement will sit or is being built for reasons that include, but are not necessarily limited to, topography, natural obstructions, hardship, new industry standards, aesthetics, or environmental requirements. Any requested variance, however, may only be granted when unique circumstances dictate and only then on a case-by-case basis. No variance granted by the Architectural Committee shall be effective unless it is in writing from said committee, signed by the chairperson of said committee, and dated. Any request for a variance from the minimum front, rear, and side yard setback lines set forth in the Restrictions and Reservations of the applicable Subdivision will not be granted if the variance will violate any minimum setback requirements required by the City of Johnson City, Tennessee, Washington County, Tennessee, or other applicable governmental subdivision. For purposes of this section, a Lot(s) owner's inability to obtain a building permit, if required, inability to comply with the financing terms of any lender, or inability to obtain written

approval for a variance from the City of Johnson City, Tennessee, Washington County, Tennessee, or other applicable governmental subdivision, shall not be considered a hardship warranting a variance.

The Architectural Committee may exempt applications from certain requirements of Section 5.0 by resolution provided, however, that any application as well as the applicant's contractor(s)/subcontractor(s) remain in strict compliance with the remainder of the application requirement not otherwise covered by the Architectural Committee's resolution. For purposes of this section, a Lot(s) owner's inability to obtain a building permit, if required, or inability to comply with the financing terms of any lender shall not be considered a hardship warranting an exemption.

Section 11.0 (Disclaimer of Warranties; Hold Harmless, Defend, and Indemnification of Directors and Committee Members)

If the Architectural Committee approves any application, it does so on the basis of aesthetic considerations. Neither the Association's Board of Directors nor the Architectural Committee's members shall bear any responsibility for warranting the structural integrity, quality, or habitability of any new or renovated structure or that the new or renovated structure complies with all applicable building codes and other governmental requirements.

Neither the Association's Board of Directors nor the Architectural Committee's members shall be held liable for any injury, damages, or loss to people or property the construction of a new structure or the renovation of an existing structure based on a previously approved application. Neither the Association's Board of Directors nor the Architectural Committee's members shall be held liable to any person or entity for exercising any powers or authority granted under this Charter, granted in the By-Laws, or granted in the Restrictions and Reservations of the Subdivisions that comprise the Association. The Association shall defend, hold harmless, and

indemnify members of the Board of Directors and the Architectural Committee for all actions taken in good faith while serving on behalf of the Association.

Rev 2. Added color page 242 and that the color pallet is also kept at our clubhouse.