DECLARATION OF RESERVATIONS AND RESTRICTIVE COVENANTS

BAY MEADOWS

Dated: December 24th, 2025

State of Tennessee

County of Union

This declaration made this the 8th day of November, 2006 by WATERFRONT GROUP, LLC a Kentucky Limited Liability Company, hereinafter called Declarant;

Revised December 24th, 2025 by the Bay Meadows Property Owners Association agent of record.

WITNESSETH:

THAT WHEREAS, the declarant is the owner of the real property described in Article I of this Declaration and is desirous of subjecting said real property to the protective covenants hereinafter set forth, each and all of which is and are for the benefit of such property and for each owner thereof, and shall apply to and bind the successors interest of any owner thereof.

NOW, THEREFORE, the Declarant hereby declares that the real property described in and referred to in Article I here of is and shall be held, transferred, sold and conveyed subject to the protective covenants set forth below.

ARTICLE I.

The real property which is, and shall be, held, transferred, sold and conveyed subject to the protective covenants set forth in the various articles of this declaration is located in Union County, Tennessee, and is more particularly described as follows:

ALL of Lots one (1) through forty three (43) of the subdivision named BAY MEADOWS more fully shown on that certain plat prepared by Fred C. Howell, Tennessee Registers' Land Surveyor No. 2328, dated 9/20/06, and recorded in the Office of the Register of the Deeds of Union County, Tennessee, in Cabinet D, at Slides 83-87.

No property other than that described above shall be subject to this Declaration until specifically made subject thereto.

ARTICLE II.

The real property described in Article I hereof (hereinafter called Lot or Lots as applicable) is subjected to the protective covenants and restrictions hereby declared in order to provide enforceable standards of improvement and development whereby aesthetics, living conditions and property values may be enhanced.

ARTICLE III.

The Declarant shall form a non-profit, non-stock corporation know as Bay Meadows Property Owners Association, Inc. (hereafter "POA" or "Association") prior to the conveyance of any Lot within Bay

Meadows Subdivision. The title owners of Lots within Bay Meadows shall become members of the Association at time of settlement. The Declarant shall administer the Association until the first meeting of the Bay Meadows Property Owners Association, which shall take place no later than one-hundred eighty days (180) after the Declarant ninety (90) percent of the Lots in Bay Meadows, at such time the Bay Meadows Property Owners Association will elect its own Administrators of the Association and shall operate freely within the restrictions herein contained. Each lot owner shall be entitled to one vote concerning election of administrators and other association matters such as special assessments, dues, etc.

Every lot described on the Bay Meadows plat map recorded in Cabinet D, Slides 83-87 of the Union County registry, shall be subject to an assessment of maintenance and expenditures as listed below. The annual assessment for each lot owner within Bay Meadows shall be reviewed and voted upon periodically by the membership as business of the Board of Directors. Declarant shall be exempt from any and all assessments for any Lot owned by Declarant, either now or in the future. The collected funds shall be known as the Bay Meadows Maintenance Fund.

After election of officers, the Bay Meadows Maintenance Fund shall be owned jointly by all Lot Owners of the property in Bay Meadows, and shall be used only for:

a. Maintenance expenses for entrance; landscaping and signage
b. Maintenance of common amenity areas, cleaning, repairs, and debris removal
c. Maintenance of common area parking and roads that are not currently maintained by the Union County Highway Department
d. Electric bills, postage and insurance
e. Community enhancement (weed eating, cutting of grass, debris removal)
f. The payment of reasonable legal fees to enforce any violation of covenants contained or amended within this recorded document
g. All reasonable administration costs for the perpetual continuation of the Bay Meadows Property Owners Association, Inc.

The annual assessments are due by April 30th without penalty. The Bay Meadows POA shall have the power to file with the Register of Deeds of Union County a notice if an assessment has not been paid, and a lien will be placed on said property after May 31st with a 25% penalty plus all filing costs including attorney fees. However, if delinquent dues are paid in full by May 31st, then the Member will only incur a 10% penalty with no ancillary charges. Likewise, all liens will be renewed annually in January with an additional 25% penalty plus all ancillary charges until they are paid in full. However, an Owner who is delinquent in paying their assessment does NOT lose their voting rights as a Member of the POA.

ARTICLE IV.

With this Declaration there is hereby established the position of a Bay Meadows' POA construction manager to work with Members as they initiate any type of construction. The POA construction manager will be available to assist the Member with requirements and restrictions. They will insure that there is an adherence to the Covenants herein, but beyond that they will only serve as a resource for Members as their project progresses. The construction manager will be a source of information (trades people, building materials access, suggestions, etc.) with the sole objective of helping the Member bring their project to fruition.

Members will be required to meet with the construction manager before commencing any construction. At that meeting, they will review their projected plans in whatever form the Member chooses, and the construction manager will either approve the request or ask for additional information from the Member. Once the construction manager is satisfied with the Member's request and the support documents they have provided, he/she will give the Member an "Affidavit of Approval", and the Member may proceed with their project.

ARTICLE V.

Contractors and Property Owners must adhere to the building standards set forth by these Restrictive Covenants concerning new home construction, herein stated. Homes can be stick built or constructed of engineered wall panels (SIPs, etc.), however, no other mobile, modular or systems-built homes allowed. By approval of the Construction Manager, log-homes identified as “kit-built” may be submitted for approval if considered consistent with these standards.

The homes' exterior must consist of either wood, log, rock, stone, stucco, brick, fiber cement (Hardie board), board & batten, insulated vinyl (including shake or shingle-style siding with integral, factory-attached rigid insulation), decorative steel siding or any combination. Due to constant innovations and improvements to exterior sidings, other options will be considered, but it would need Board approval if it is not currently listed. Block, brick, rock, stone or concrete foundations are permitted. Exposed concrete or block must have one of the approved exterior materials applied on or before completion of home. Any new materials that are approved by the Tennessee Homebuilders Association may be considered. Detached garages are permitted as an extension of the primary residence without restriction to placement even if there is an attached garage, but they must be constructed with the same exterior material as the home. A range of sizes can be proposed for detached garage designation such that can accommodate 1, 2 or 3 vehicles, or boats, trailers or RVs providing the maximum height will not exceed 2 and 1⁄2 stories in height. Minimum size not to be smaller than a standard single car garage or 20 X 12 feet. Roof pitch of the predominant roof line must be a minimum pitch of 6/12. Detached garages must have a minimum pitch of 4/12.

Each lot within Bay Meadows Subdivision has been inspected by soil scientists and a certified sewage disposal area has been delineated and approved by the Union County health department. Union County health department should be notified before construction of your home commences.

Contractors must have proof of liability insurance of no less than $1,000,000.00. Members serving as their own contractor are not required to secure said insurance until their excavation and foundation is complete. Each contractor must provide one (1) portable toilet for each job site within the development. Contractors must have a dumpster on site for each job site. Trash and excess/waste building materials shall be placed in dumpsters at the end of each working day. Building materials cannot be placed within road right of ways or utility easements. All trees needing to be cleared by contractors for site preparation must be cut to avoid any damages to surrounding trees and area. All cleared trees are not allowed to be placed on adjoining Lots during construction. Contractors must assume liability for all construction vehicles that enter Bay Meadows in route to their job site, specifically overweight vehicles that damage road surfaces and negligence of operators. Contractors are responsible for the actions of any and all subcontractors they employ and are liable for any damage to underground utilities.

If it is determined unanimously by the Board of Directors in concert with the construction manager that a Member is willfully disregarding and violating the Restrictive Covenants, then they shall be authorized to place a lien on the Member’s property in the amount of $500 per infraction. If any Member attempts to commence construction without the requisite approval, then the Board shall have the right to file an injunction and force the Member to immediately suspend all construction activity. Any Member who invokes such an action to be taken against them will be responsible for all legal fees incurred by the POA.

ARTICLE VI.

Lot Owners selling their lots shall forward the contact information for the Property Owners Association to the new Lot Owner, and, to the Directors of the POA Board. Lot Owners who are selling their lot shall be held responsible for conveying to the new Lot Owner all pertinent information with regard to the Development (i.e., covenants, building standards, By Laws etc.). Likewise, if a Detached Garage, Additional Structure or Barn has been constructed on said property prior to a Primary Residence, then full disclosure of the approved plans and placement of the Primary Residence must be disclosed to the Buyers.

ARTICLE VII.

In addition to the requirements of Articles IV and V concerning compliance with Building Standards, compliance with the applicable laws, ordinances and Regulation of Governmental agencies, the following restrictions apply:

1. **Residential Use**: No Lot shall be used except for residential and recreational purposes. All developed lots must include an approved home. If the property owner has multiple, adjacent lots, then they are only required to build one home. However, multiple lots with a single home will be viewed as a single parcel with regards to the "Restrictive Covenants".

2. **Combination of Lots and Re-subdivision**: Lots that are three (3) acres and larger may be subdivided into two Lots if approved by the Planning Commission and no re-subdivision of new formed Lots permitted. All subdivided parcels must be greater than one (1) acre in size and adhere to county and state regulations and meet or exceed planning and zoning regulations. All newly formed Lots will be identified with the same parcel number as the original Lot with the letter "A" attached. Newly formed Lots must adhere to the Declaration of Restricted Covenants for Bay Meadows and each Lot Owner will become a member the Bay Meadows Property Owner's Association adhering to all rules and regulations, and paying any association dues. If an owner of two or more contiguous lots wishes to combine them, they will a) follow the rules and process of Union County and so designated offices such as Property Tax Appraiser: and b) notify the POA Board and the ACC of this request/intent. If the merger/assemblage of these lots is approved by the County, the Board upon notification, will implement the following changes to owner of newly combined assemblage.
    a **Records**: must be updated both with the Treasurer and the ACC Secretary to provide a clear history of the numbering convention and associated impacts.
    b **Newly Formed Lot**: will entitle the owner to a single vote in matters pertaining to the POA.
    c **Dues or Fees**: The fees and dues assessed any other "per lot" owner will prevail forward for this newly designated "lot". If there is some extenuating anomaly that is created through the assemblage of this newly formed lot, that is financially impacting to the POA and its members, a special condition will be reviewed and voted on by the Board.

3. **Floor Area of Residences**: Only stick built or log homes permitted. No residence shall be erected, constructed, maintained or used or permitted to remain on any lot other than one single family dwelling of not less than 1,400 square feet with a minimum footprint of 1,000 square feet and cannot exceed 2 and 1/2 story in height. Once construction has begun on said dwelling, all exterior construction must be completed within eighteen (18) months.

4. **Prohibited Structures**: No carports. No manufactured homes, modular homes, single-wide mobile homes, double wide mobile homes, previously constructed homes, recreational vehicles or buses situated on any lot as residence or storage except as temporary housing during construction.

5. **Additional Structures**: Each Lot may contain one-detached garage as stipulated in Article V; Paragraph 2. Owners may also choose to have one additional permanent structure that must be behind the home (For clarity, "behind the home" is defined as: ***The distance from the nearest corner of an additional structure to the nearest point on the road right of way must be greater than the distance from the furthermost corner of the primary residence to its nearest point on the road right of way***). The additional structure must be maintained and secured so as not to create a nuisance or danger to other owners. Any homeowner whose lot, or combination of adjacent lots, is greater than two and a half (2.5) acres may also have one (1) barn on their property which is considered an additional structure. ***Please note that a barn is a mandatory additional structure per Section 12 of of this Article if you intend to keep "equine animals"***. Approval for any of these additional structures must come from the POA construction manager.

5.2 Additional Structures Built First: Only one approved Detached Garage, Additional Structure or Barn may be constructed on a Member's lot prior to the construction of the primary residence, but it must be completed within nine (9) months. Once built, said structure can remain as storage so long as it is well maintained until the Member is ready to build their permanent residence.

5.3 Additional Structures as Temporary Housing: Any detached garage or additional structure that is constructed before the primary residence can be used as temporary housing during the construction of the primary residence so long as it has at the very minimum a 3/4 bath (sink, toilet & shower). However, the requisite eighteen (18) months to complete the exterior construction of the primary residence as stipulated in Article VII; Section 3 shall commence on the day after you spend your first night in said detached garage or additional structure. An approved Barn may not be used in this capacity.

6. **Signs**: The Declarant reserves the right to erect signs in Bay Meadows. Signs may be erected by individual Lot Owners, signs shall be no larger than three (3) feet by three (3) feet in size, and must be made of metal or wood. "For Sale" signs must be neat and clean. Signs can be placed on individual Lots; however, directional signs at the entrance and road intersections are prohibited. Any exception to this covenant must be approved by the POA.

7. **Fences**: No chain link, barb wire, or woven wire fences allowed if they are visible from the roadway. However, premium coated chain link materials can be used for small dog pens so long as they are "completely" behind the home and no more than 2,000 square feet in area. No boundary wall or patio or courtyard wall shall extend to a height greater than six (6) feet from the ground level unless the POA so consents. All retaining walls must be of material approved by the construction manager and not to exceed a height greater than three (3) feet above the earth being retained.

8. **Rights of Way**: The right-of-way for all roads as shown on the Plat are deemed important to the beauty and substantial development of the Development (nice wording, huh?), and the use and full width of the right-of-way is encouraged so as to continue the development of a broad and open thoroughfare. Owners are herby restricted and prohibited from placing within this easement/right-of-way any obstruction to the clear and fee mowing and other uses, in the same manner as any other public road/right-of-way.

9. **Easements**: Easement for installation and maintenance of utilities and drainage facilities are reserved fifteen (15) feet in width over all side Lot lines. In addition, the property described in Article 1 hereof is subject to easements, set-backs and road rights-of-way as shown on the certain plat recorded in the Union County Registry in Cabinet D, Slides 83-87. Declarant hereby reserves unto itself, its successors and assigns, the right to erect and maintain any utility lines, electric lines or to grant any easements or rights-of-way therefore, together with the rights of ingress and egress for the purpose of installing and maintaining the same.

10. **Set-backs**: No permanent structures shall be erected within fifteen (15) feet of any side Lot.

11. **Ingress/Egress**: No Lot shall be used for ingress and egress to any properties not part of this development. Developer reserves unto itself the right to use any Lot prior to being sold to a third party for ingress an egress to any other adjoining property.

12. **Animals**: No swine, livestock, or poultry shall be raised or bred on any Lot. However, any equine animals and household pets such as cats or dogs, are permissible, provided they are not bred or maintained for commercial purposes, and that they do not bite. No animals of any kind can be kept on the property until the owners are officially full-time residences. No pets shall be permitted outside the boundaries of the Owner's Lot, unless accompanied by their owners and/or on a leash. Furthermore, any equine animals must have an approved barn and sufficient fencing available before

they can be brought to the property, and there is a limit of one (1) per fenced acre. The POA, or any individual resident, may take appropriate measures to ensure compliance with these provisions.

13. **Camping**: This development is not a campground. Lot owners are not, however, prohibited from overnight stays in professionally manufactured equipment, i.e., Recreational Vehicles [RV's], provided the RV is not left on any Lot for more than Ninety (90) days within any six- month period unless it is deemed to be temporary housing during construction. The RV equipment must only be parked on the owner's lot. Members will be allowed to camp out in tents for up to three (3) nights, but long term residence in any type of camping equipment is strictly forbidden.

14. **Vehicles**: No motorized vehicle or equipment of any nature shall be situated upon this property except in enclosed storage unless such is a vehicle that is currently licensed and maintained in proper condition for lawful operation upon state highways. All vehicles must be parked in garages or driveway areas and may not be parked on grass or yard areas, except when entertain. No wrecked vehicle or vehicles in a non-functional condition or vehicles without proper registration shall be parked on any Lot or upon any of the Common Areas. No Owner shall permit any vehicle (operable or inoperable) owned by such Owner or by any person occupying his improvements or by any guest or invitee of such Owner to remain parked on any street within the Development for a period of more than twenty-four (24) consecutive hours. Any vehicle which remains parked on the street in violation of the foregoing covenant, or in violation of any other rules and regulations, now or hereafter adopted by the Board, may be towed at the expense of the owner of the Lot adjacent to which such vehicle was parked. Neither the Developer nor the POA shall be liable to the owner of such vehicle of trespass, conversion, or otherwise, not be guilty of any criminal act by reason of such towing, and neither the removal nor the failure of the owner of such vehicle to receiver any notice so said violation shall be grounds for relief of any kind. The term "vehicle" used herein, shall include, without limitation, motor homes, watercraft, trailers, motorcycles, scooters, trucks, All-Terrain vehicles, campers, buses, and automobiles.

15. **Nuisance:** Each Lot Owner shall refrain from any act or use of his/her Lot that could reasonably cause embarrassment, discomfort, or annoyance to the neighborhood or create a nuisance. No noxious, offensive or illegal activity shall be carried out upon any Lot. No Owner shall commit waste upon any Lot within the Development. Violation may result in prosecution pertinent to law.

16. **Noise**: No Lot Owner shall cause or allow any use of his/her Lot that results in noises which disturb the peace and quiet of the Development. This restriction includes, without limitation, dogs whose loud and frequent barking, whining, or howling disturbs other Lot Owners, exterior music systems or public address systems, and other noise sources which disturb other Owners' ability to peacefully possess and enjoy their Lot. No excessive noise will be tolerated within the Common Areas.

17. **Damaged Structures**: In case of complete or partial destruction of any structure by fire, windstorm or other cause, said structure must be rebuilt and the debris removed within six (6) months.

18. **Watercraft, Boat trailers, Motorcycles, RV's**: Watercraft, boat trailers, motorcycles and RV's must be stored only in side and rear yards areas or garages and must not be visible from neighboring Lots, streets or Common Areas. Watercrafts, boat trailers, RV's are permitted in Lot Owners' driveways but not for a period of more than three (3) consecutive days.

19. **Home Businesses**: It is possible to operate a home-based internet business, provided that deliveries to the home do not exceed two (2) UPS, FedEx, or similar express carrier per day. No trade materials or inventories may be stored upon any Lot and no tractor trailer type trucks, house trailers or mobile homes may be stored or regularly parked on any Lot. No Lot shall be used for a public meeting facility for a club, church, sports exhibition, etc., whether for profit or non-profit; provided, however, this restriction is not intended to prevent a Lot Owner from using their property for social, religious,

or sporting activities that are normal and usual in private dwellings. No advertisements of any kind will be permitted on any Lot for home-based businesses.

20. **Outside Recreation Equipment**: Outside recreation equipment may be placed upon any Lot so long as the equipment is located within the rear yard area. For the purpose of this paragraph, outside recreation equipment shall include: swings, slides, trampolines, playhouses, basketball goals, and similar equipment or structures.
21. **Clotheslines:** There shall be no outside clotheslines, clothes hanging devices or the like up any Lot.
22. **Hunting**: There shall be no hunting within the Development, and no discharges of any firearms.
23. **Antennae**: Satellite dishes cannot exceed eighteen (18) inches in diameter, and must be fixed to the rear of the residence. No radio transmitting antennas permitted.
24. **Lighting**: No building-mounted floodlights shall be permitted on the front or sides of any structure that interfere with the neighboring Lots, or are a nuisance while driving on the Development's roadways.
25. **Burning**: No Lot Owner shall permit or cause the escape of such quantities of dense smoke, soot, cinders, noxious acids, fumes, dust or gasses as to interfere with the use of and enjoyment by other Owners of their Lots. Burning of leaves or refuse shall not be permitted within the Development without approval of local governing authorities.
26. **Codes**: Each Lot Owner shall observe all governmental building codes, health restrictions, zoning restrictions and other regulations applicable to his/her Lot. In the event of any conflict between any provision of such governmental code, regulations or restriction and any provision of this Declaration, the more restricted provision shall apply.
27. **Rules and Regulations**: The Association may establish rules and regulations governing the conduct of Lot Owners as well as their respective families, invitees, agents, servants, and contractors on their Lots or the Common Areas of the Development to assure that the conduct of such persons meets an acceptable standard and meets acceptable public safety requirements. Such rules and regulations shall be binding following notice of the adoption there of Lot Owners.

ARTICLE VIII.

No commercial timbering will be permitted on any Lot. Clearing for home sites will be permitted. Once home sites have been cleared no more than ten (10) percent of additional trees shall be cleared without prior approval from the POA construction manager.

ARTICLE IX.

The roadways and rights-of-way constructed throughout Bay Meadows are for the common use the grantor, Lot Owners and their respective heirs, successors or assigns. There shall be no hunting from any roadway or designated easement.

ARTICLE XII.

Bay Meadows' common area has access to the lake. In the past, a pier was present for day use only by owners of the association. According to the wishes of the owners and if approved by government agencies and passed by the POA, other structures/amenities may be purchased and/or built to take advantage of the water access and community area. The level of the water fluctuates due to heavy or light rain fall and the water level’s controlled by the Army Corps of Engineers. This water fluctuation can result in limited access to structures located on the common property, thus seasonal and situational rules for access and use will be determined by the POA Board of Directors.

ARTICLE XIII.

Property Owners' Association shall use the Association funds to maintain private roads and those roads not currently maintained by the Union County highway Department.

Maintenance of roads will include, but not limited to:

- Roadbeds
- Shoulders, curbs, walkways, paths and guardrails
- Culverts, ditches and other drainage facilities in or around the roadway easements
- Slopes, cuts, fills and other improvements needed to protect the roads and improvements within the easements

If funds are available, they will also be used to maintain undeveloped lots within Bay Meadows. Maintenance will consist of mowing undeveloped Lots a maximum of two (2) times per calendar year and the frequency may be increased or decreased at the discretion of the POA. Individual Lot Owners may elect to exclude their Lots(s) from maintenance by the POA with a written request to the POA Board of Directors.

If a Lot Owner chooses to exclude their Lot(s) from maintenance, the Lot Owner shall become responsible for maintenance of said Lot(s) to the same or better conditions as Lots maintained by the POA. If the Lot has been improved, built upon, then the Owner of the improved Lot shall maintain their Lot, keeping Lot mowed and in conforming condition. All stumps, brush piles and debris shall be removed from Lots, or hidden from site from the roadways. Maintenance of developed Lots may be approved by a majority vote of all Property Owners.

The POA will also be responsible for the general cleanup of the common area and maintenance of any structures/amenities established on the common property to include but not limited to: cleaning of structures/amenities, replacing light bulbs, and replacing or repairing any damage that may occur.

The POA will annually landscape the entrance and roadways with mulch, shrubs and flowers as determined by the Board as developed lots exceed 10% or more of the development.

ARTICLE XIV.

The property which lies between the lakeside property line and the lake is owned by the TVA, and said property is designated as an area to undisturbed and shall be left and continued in such condition as complies with the pre-existing condition and neither the Association nor any owner, including owners of lake view Lots, shall take any action contrary to such preserved status.

ARTICLE XV.

These Covenants are to run with the land and shall be binding on all parties and all persons claiming under them until January 1, 2025, at which time said Covenants shall be automatically extended to successive periods of ten (10) year unless, buy vote of a true majority of all the then Owners of the Lots described herein, it is agreed to change said covenants in whole or in part, or to discontinue them.

If the parties hereto, or any of them, or their heirs, successors, or assigns shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons owning Lots described herein to prosecute any proceedings at law or in equity against the person or persons violating of attempting to violate such covenant, and either to prevent it, her him or them from so doing to recover damages or their dues for such violation.

ARTICLE XVI.

Invalidation of any of these covenants or any part thereof by Judgments or Court order shall in no way effect any of the other provisions which shall remain in full force and effect, and the failure of any person or persons to take action to restrain the violation of any of these covenants and restrictions shall not

be construed as waiver of any enforcement rights and shall not prevent the enforcement of such covenant or covenants in the future.

ARTICLE XVII.

The Declarant may waive or modify any of the provisions of these restrictions in its sole discretion, until the last Lot in the subdivision is sold, at which time the Property Owners Association holds such discretion, but only by a majority vote of Members as mandated by Article 4.6 in the By-Laws.

By vote and authority of the Bay Meadows Property Owners Association membership and Board of Directors, these Covenants have been modified to reflect official changes as voted by the membership and recorded.

Further these Covenants have been filed with the Union County Administrator as authorized by the Association agent of record within the State of Tennessee:

Maggie Tincher
249 Overton Rd.
Maynardville, TN 37807

Agent of Record
December 24th, 2025