

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
THE ESTATES OF SPRING MILL

THIS DECLARATION of Covenants, Conditions and Restrictions, made this 21st day of November, 1997, by JDL Development, Inc., hereinafter referred to as “Declarant”.

WITNESSETH:

WHEREAS, Declarant is the owner of an approximate 142,196 acre tract of land in Shelby County, Tennessee, which is more particularly described on Exhibit “A” attached hereto (the “Property”) and graphically depicted on Exhibit “B”, which are hereby incorporated by reference; and

WHEREAS, Declarant is desirous of subjecting the Property to this Declaration of Covenants, Conditions and Restrictions,; and

WHEREAS, Declarant intends to and shall convey portions of the Property subject to certain protective covenants, conditions, restrictions, reservations, liens, easements and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, reservations, liens and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property. These easements, covenants, restrictions, reservations, liens and conditions shall run with the Property and be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. “Common Easement Area” shall mean and refer to the portions of the Property which Declarant shall designate as Common Easement Areas for the benefit of Owners as set forth in Article II below.

Section 2. “Declarant” shall mean and refer to JDL Development, Inc. or its duly appointed agent or representative, successors and assigns.

Section 3. “Improvements” shall mean the buildings, structures, walls, pavements, plantings, and other appurtenances or additions thereto initially or subsequently built or placed on the Lots.

Section 4. “Lot” shall mean and refer to a parcel within the Property which is conveyed to an owner or owners for construction of one principal residence and such appurtenant structures as are approved by Declarant in the exercise of its sole discretion. The conceptual

layout of the development is shown on the Schematic Plan attached hereto as Exhibit "B". Declarant shall have the right to modify the area, dimensions and configuration of any Lot or combine Lots to form larger Lots and Exhibit B is not intended nor shall be constructed to define the location or configuration of Lots. Reference shall be made to the Warranty Deeds conveying individual Lots for an exact description of said Lots and at such time as each Warrant Deed is recorded, the Lots described therein shall thereby be defined. In the event that two (2) or more Lots are combined, then the parcels so combined shall constitute a single Lot for the purpose of determining setbacks, side yard and rear yard requirements. Declarant shall have the right to modify the area, dimensions and configuration of any Lot or combine Lots to form larger Lots and in connection therewith shall have the right to modify and rerecord the Plat. Each owner of a Lot, by acceptance of a deed to a Lot within the Property appoints Declarant as their attorney in fact for the purpose of further subdividing portions of the Property, recording Plats affecting portions of the Property, amending this Declaration and otherwise taking such further actions as may be necessary to implement technical corrections or to implement adjustments which do not affect the quality of the development or unnecessarily hinder construction of a residence by an Owner and to add, delete or adjust drainage or other utility easements as may be required by municipality as well as to correct unintentional survey errors or omissions.

Section 5. "Owner" shall mean and refer to an owner or owners of a Lot which is designated on the Plat and is part of the Property.

Section 6. "Property" shall mean and refer to that certain real property described on Exhibit "A" attached hereto, consisting of the parcels designated as Lots 1 through 28 together with such additional lots or parcels as may be added by amendment to this Declaration duly recorded in the Register's Office of Shelby County, Tennessee.

ARTICLE II COMMON EASEMENT AREAS

Section 1. "Common Easement Areas" (set out herein or which may be depicted on the Plat) shall be maintained on the Property are as follows:

- (a) landscape and fencing easements thirty (30) feet in width are hereby imposed on each Lot in the Property along and immediately adjacent to Reed Hooker Road, Stable View Drive, Southmill Cove and Spring Run Cove;
- (b) 10 foot easements for underground utilities are hereby imposed around the entire outside perimeter of the Property;
- (c) 5 foot utility easements are hereby imposed along all entire boundaries of each Lot in the Property.
- (d) An easement for construction, maintenance and reconstruction of an entrance feature, including footings, masonry walls, signs, landscaping and irrigation as well as such other improvements as Declarant deems desirable is hereby imposed on the portion of the Property designated as Lots 1 and 2 at the locations designated on Exhibited B.

- (e) An easement for pedestrian and equestrian traffic and usage (the "Equestrian Trail") is hereby imposed at the locations designated on Exhibit B and shall be deemed to be an easement appurtenant to the Property. Declarant shall have the right in the exercise of its sole discretion to change, modify, release, relocate and otherwise alter the location of the Equestrian Trail at any time prior to the earlier of (i) the date on which of the Property has been conveyed by Declarant or (ii) December 31, 2005. It is anticipated that the actual division of the Property into Lots may not coincide with the preliminary division of the Property as depicted on Exhibit B hereto. Accordingly, by acceptance of a deed to a Lot, each owner confirms that the right reserved unto Declarant to modify, relocate or release portions of the Equestrian Trail is essential to the development of the Property and that the Equestrian Trail may be so modified by an instrument executed by Declarant and recorded in the Shelby County Register's Office. The easement for the Equestrian Trail shall be for the benefit of Owners of portions of the Property as well as Owners of Lots within Spring Mill Farms Subdivision, as shown on Plat of Record in Plat Book 146, Page 12 and Spring Mill Farms Subdivision, First Addition, as shown on Plat of Records in Plat Book 157, Page 31 in the Register's Office of Shelby County, Tennessee. It is the intention of Declarant that the Property described herein be considered a part of the "Property" as defined in the Declaration recorded at EH-9798 in the Shelby County Register's Office for the purpose of benefitting from Common Easement for the Equestrian Trail and, similarly, that the Easement for equestrian usage reserved in this instrument benefit the Property described in the Declaration of Covenants, Conditions and Restrictions for Spring Mill Farms Subdivision of record at EH-9798 as amended by instrument EU-2152 in said Register's Office, in the Second Amendment to Declaration of Covenants, Conditions and Restrictions of Spring Mill Farms Subdivision and in the Declaration of Covenants, Conditions and Restrictions for Spring Mill Farms Subdivision First Addition of record at FJ-9846 in said Register's Office.
- (f) Any easement which is defined hereinabove by reference to a boundary of a Lot shall be created at such time as the warranty deed conveying title to the Lot is recorded at the Shelby County Register's Office and shall be deemed to follow the boundary of the Lots as described in the individual warranty deeds. The recordation of this Declaration shall provide notice of the existence of such easements which are created by this Declaration provided however that to the extent that the Lot descriptions deviate from the exhibits hereto, the descriptions in the individual deeds shall govern.

Section 2. Maintenance of Improvements in the Common Easement Areas. Each Owner of a Lot shall be solely responsible for the maintenance of those portions of the Common Easement Areas located on such Owner's Lot as well as the maintenance, repair, and replacement of any improvements, fencing, walls, signs or other improvements erected, constructed or maintained within a Common Easement Area. The need for such maintenance, repair or replacement shall be determined by either Declarant or by a majority of the Owners of Lots in the Property. Vegetation along fencing within the Equestrian Easement shall be clipped at least twice per growing season or more frequently if determined to be necessary by a majority of the Owners. Failure of an Owner to implement required maintenance, repairs or replacements as aforesaid shall constitute a violation of this Declaration and the cost of remediation of

approval by the Architectural Committee, shall be a lien against such Lot enforceable as a delinquent "assessment" pursuant to Article VII.

ARTICLE III COVENANTS AND RESTRICTIONS FOR BUILDING IMPROVEMENTS

Section 1. Architectural Control. The architectural control of the Property and all building improvements thereon shall be initially the sole right and responsibility of Declarant. After the date which is ninety (90) days after the conveyance of the last Lot, the architectural approvals for all improvements and items requiring review and approval shall be made by an Architectural Committee which shall be selected by the Owners who shall, not less frequently than annually, select by majority vote an Architectural Committee consisting of three (3) members.

No preliminary clearing, grading or site work or any building improvements or modifications of existing improvements may commence until the Architectural Committee has approved in writing the final site plan which must show the following: (1) any proposed grade modifications; (2) all existing trees four inches or greater (measured at a point five feet above the ground) which are proposed to be removed; (3) all easements, boundary lines, setbacks, existing adjacent structures on adjoining Lots; (4) Lot numbers, streets names and addresses; (5) details on all site improvements (to include outdoor lighting fixtures, mailboxes, walkways, driveways, fencing, landscaping, screening, tennis courts, pool and pool decks and screening; and service buildings); (6) storm drainage (where applicable); (7) proposed ground floor finish elevation; and (8) the location of utilities and utility meters. Existing trees to be removed must be so marked for approval by the Architectural Committee. The Architectural Committee reserves the right to require submissions in addition to those described herein and designate procedures as it deems necessary to fulfill its duties.

Additionally, no building, fence, wall, drive or structure shall be erected, placed upon any Lot, altered or Lot improvements made nor shall any exterior addition to or change in color of any exterior walls or roofing surfaces be made until: (1) the design and final site plan showing the location of the structure, external materials, color schemes, specifications and elevations have been approved in writing by the Architectural Committee as to the conformity and harmony with the existing natural features and the surroundings Dwellings, or (2) the requirement for such approval has been waived in writing by the Architectural Committee.

In the event that the Architectural Committee fails to approve or disapprove such plans as to design and location within a period of thirty (30) days after final plans and specifications have been submitted and have been deemed complete and in accordance with the Covenants, such approval shall be deemed to have been granted. An Owner shall be responsible for all costs and expenses including legal expenses incurred by the Association in enforcing the provisions hereof.

If any improvement or change requiring approval shall be undertaken on a Lot, and said approval has not been obtained from the Architectural Committee, or if any improvement or change which is not in conformity with approved plans and specifications shall be undertaken on a Lot, said improvement or change shall be deemed to have been undertaken in violation of these covenants, and upon written notice from the Architectural Committee, any such improvement or change deemed to be in violation shall be removed or altered so as to extinguish such violation.

If thirty (30) days after the notice of such violation, the Owner or Owners of the Lot in question shall not have taken reasonable steps toward the removal or alteration of same, Declarant, its representative, or the Architectural Committee, shall have the right, through its agent, to enter said Lot and to take such steps as may be necessary to extinguish such violation, and the cost thereof shall be a binding obligation of the Owner as well as a lien on the Lot in question upon the recording of such within the office of the Register of Shelby County, Tennessee. Any lien so recorded shall be subordinate to the lien of any existing Deed of Trust. Any agent of Declarant or the Architectural Committee may, at reasonable times, enter upon and inspect any Lot and any improvements thereon for the purposes of ascertaining whether the maintenance of such Lot, and the maintenance, construction or alteration of structures thereon, are in compliance with the provisions of these restrictions, and no such persons shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

Upon completion of any improvement or change on a Lot undertaken and completed in accordance with plans and specifications approved by the Architectural Committee, or approved pursuant to failure of Architectural Committee to act as described herein above, and upon written request of the Owner or Owners of such Lot, a Certificate of Compliance shall be issued in a form suitable for recordation signed by Declarant or the President (or Chairman) of the Association. Preparation and recording of such Certificate shall be at the expense of the Owner or Owners of such Lot. Any Certificate of Compliance issued in accordance with the provisions of this paragraph shall be prima facie evidence of the facts therein stated, and as to any purchaser or encumbrance in good faith and for value, or as to any title insurer such Certificate shall be conclusive evidence that all improvements and changes described therein comply with all requirements of the Association of the Article.

Neither the Declarant nor the Architectural Committee, nor any architect, engineer or agent thereof, shall be responsible in any way for any defects in any plans or specifications submitted, revised, or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such plans and specifications.

All plans for residences and appurtenant improvements shall be signed by an architect approved by Declarant. Declarant shall have the right to reject plans submitted by architects, draftsmen, or "designers" other than those approved by Declarant without regard to reason. In the event an Owner desires to utilize plans prepared by an architect other than one approved by Declarant then in the event the use of such plan is approved by Declarant, the Owner shall at the Owner's sole expense cause such plans to be reviewed by an architect selected by Declarant (the "Designated Architect") and shall implement such modifications as are required by the Designated Architect to permit certification by such Designated Architect that the plans are in compliance with the design criteria for the development.

ARTICLE IV PROPERTY MAINTENANCE

The Common Easement Areas shall be the responsibility of the Owner of the lot on which such easement is situated and no improvements, alterations, or modifications to the Common Easement Areas shall be permitted which interfere with the use of the Common Easement Areas for the intended purposes.

Each Owner shall be responsible for the maintenance of his Lot and Improvements, including, but not limited to, all exterior walls of units, doors, windows, roofs, patios, garages, light fixtures, parking surfaces, driveways, private roads, landscaping and lawns. In the event an Owner of any Lot shall fail to maintain his Lot and the Improvements thereon in a manner reasonably satisfactory to the Association, and/or in keeping with other Lots, the Association shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and the exterior of the Improvements erected thereon. The cost of such repair, maintenance and restoration shall be an assessment against that Lot which shall constitute a lien against the Lot.

ARTICLE V USE RESTRICTIONS

(1) The use restrictions set forth herein below shall apply to each Lot to ensure the best use and most appropriate development and improvement of the Lot; to protect each Owner of each Lot against improper use of surrounding Lots as well as depreciation of the value of the Lot; to preserve, as far as practicable, attractive improvements on such Lots, appropriately located on such Lots; to prevent haphazard and inharmonious improvements of such Lots; to secure and maintain proper setbacks from streets, and adequate spaces between structures; and, in general, to provide adequately for a high type and quality of Improvements on such Lots, and thereby enhancing the value of investments made by Owners of such Lots.

(2) Declarant or the Architectural Committee, as the case may be, shall develop and maintain from time to time a set of Rules and Regulations governing the day to day use of the Lots by the Owners thereof. Such Rules and Regulations may be amended by a majority vote of the Architectural Committee; however, such Rules and Regulations shall not unreasonably restrict an Owner's use of the lots governed thereby.

(3) No trailer, tent, shack or temporary structure shall be erected on any Lot, temporarily or permanently, nor shall any Improvement other than one single family residence be used at any time as a residence either temporarily or permanently. All residences shall contain a minimum of 4,000 square feet of heated area, exclusive of covered porches, garages, carports or other unheated areas. Two story residences or "one and one-half" square residences shall have a minimum ground floor area of 2,400 square feet of heated area. A variation from this minimum square footage requirement of up to 400 square feet shall be permissible in the sole discretion of Declarant. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permitted for the Declarant to maintain during the period of sale of Lots, upon such unsold portion of the Property as Declarant may choose, such facilities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the sale of Lots, including, but without limitation, a business office, storage area, signs, sales office and construction facilities.

(4) Building minimum back lines shall be a minimum of one hundred (150) feet from the street rights of way. Principal residences shall be a minimum of forty (40) feet from any side or rear property line. Any out building (barn, storage building, etc.) shall be a minimum of twenty (20) feet from any side or rear property line or from the Equestrian Trail. Declarant shall have the right in the exercise of its sole discretion to modify the aforesaid setbacks as to individual Lots within the development in the event Declarant determines that a variance is appropriate based upon the configuration of the Lot or Lots and the planned improvements for such Lot.

Any such variance shall be confirmed by an instrument executed by Declarant which shall be recorded in the Shelby County Register's Office.

(5) Common Easement Areas for landscaping, fencing, utilities and drainage are reserved to the extent provided for in this Declaration or as shown on the plats of the Property which may be recorded from time to time. No owner shall, within any such easement areas or at other locations whether within or without designated easement areas, place or permit any structures, fencing, plants or other material or undertake any grading or other action which may damage or interfere with the installation and maintenance of utilities and/or interfere with the positive natural drainage from any other Lot or the Common Easement Areas. Further, all fencing and landscaping within the easement areas reserved for such shall in any event be subject to the approval of Declarant. Owner shall not install any improvements or modify any existing grades without the approval of Declarant and in no event shall any change be made which would impair the positive, natural flow of water from an Owner's Lot or adjacent lots or a Common Easement Area. The easement areas and drainage facilities on each Lot shall be maintained continuously by the Owners of such Lot.

(6) No trees in excess of 4" caliper will be removed without the approval of Declarant or its successor.

(7) No noxious or offensive trade or activity shall be carried on upon any lot nor shall anything be done thereon which may be or become an annoyance or a nuisance to the neighborhood.

(8) Radio and television transmission or receiving towers and antennas as well as satellite dishes or solar panels may be installed in the manner as may be approved by the Architectural Committee and if in accordance with the regulations of all appropriate governmental authorities. The Architectural committee may withhold approval of any of the aforesaid installation in the exercise of its sole discretion if it deems that such improvements may be architecturally inharmonious with the development or objectionable to one or more of the Owners in the vicinity (provided however that the objection of a neighboring Lot owner in and of itself shall not be deemed to require the Architectural Committee to withhold approval). It is the intent of Declarant that such antennas and satellite dishes be permitted but that every effort be made to insure that such are not visible from public streets or common drives and further that such are screened from view from the adjacent Lots and Common Easement Areas. Recreational vehicles, house trailers, mobile homes, motor homes, modular or manufactured homes and/or commercial vehicles shall not be permitted on any portion of the Property. Campers, boats, horse trailers, utility trailers, boat trailers, and other trailers must be kept in the rear yard only of each Lot and must be screened in a manner determined by Declarant or the Architectural Committee as adequate so as to minimize any adverse impact on the architectural integrity of the neighborhood.

(9) No vinyl, metal or aluminum siding shall be utilize on any structure constructed on the Property. Standing seam or other architectural metal roofing may be permitted at the discretion of Declarant or the Architectural Committee.

(10) No livestock, animals or poultry of any kind shall be raised, bred or kept in or around a Lot, except for dogs, cats or other household pets, as domestic pets, may be kept in accordance with the Rules and Regulations established by the Architectural Committee, provided

that they are not kept, bred or maintained for any commercial purpose. In all instances, dogs shall be restrained within fenced areas or kept under leash. All animals shall be provided with shelter from the elements and properly cared for. Horses may be kept on lots which exceed four (4) acres in area provided that under no circumstances will an Owner maintain or keep a lot more than one (1) horse or equine for each three (3) acres owned. Horses shall not be pastured in a front yard of a Lot. Occasional turn out of the horses in a properly fenced front yard shall not be a violation of this prohibition, it being the intention however that the front yards of each lot maintain a "lawn" appearance.

In the event horses or other equine animals are maintained, boarded or otherwise kept on a Lot then such horse and/or equine animals shall be provided with adequate shelter from the elements and shall be tested, at least semi-annually, for equine infectious anemia ("EIA") by a Tennessee licensed veterinarian by administering a "Coggins Test" or such other comparable test as is then being utilized to detect the presence or absence of "EIA" in livestock, and upon the request of any Owner of a Lot within the Property, shall furnish evidence of a "negative" result of such testing. No horses and/or equine animals shall be brought to, boarded at or kept upon a lot or common area for any period of time unless such horse and/or equine animal has tested "negative" for the presence of "EIA" within the immediately preceding six month period. In the event such horse or other equine animal tests "positive" such animal shall be immediately removed from the Property by the Owner. The provisions of this Article may be specifically enforceable by injunction, or otherwise, in the event an Owner refuses or neglects to comply with the terms contained herein the attorney's fee shall be paid by the defaulting party.

(11) In the event an Owner is permitted under the preceding Section (10) to maintain equine on a Lot then a barn or other adequate shelter as determined by Declarant or the Architectural Committee shall be made constructed by the Lot Owner. A barn so constructed on a Lot shall comply in all respects with the provisions of Articles III and V and shall include a fly or insect control system or other similar mechanism or system approved by Declarant or the Architectural Committee. No equine shall be brought onto a Lot until such time as an approved shelter or barn has been constructed.

(12) No debris, trash, ashes or other refuse may be thrown or dumped on any of the Lots.

(13) No building material of any kind or character shall be placed or shored upon any of said Lots until the Owner of the Lot is ready to commence construction or renovation of Improvements.

(14) Grass, weeds and vegetation on each Lot shall be kept mowed and cleared of any debris at regular intervals by the Owner thereof so as to maintain the same in a neat and attractive manner. Vacant Lots shall be mowed at least two (2) times during each growing season or more frequently if deemed necessary by Declarant or the Architectural Committee. Trees, shrubs, vines, debris and plants which die and are visible from the public streets or adjoining Lots shall be promptly removed from such Lots by the Owner. Until an Improvement is built on the Lot, Declarant in its discretion may mow the grass and have dead trees and debris removed from such Lot, and the Owner of said Lot shall be obligated to reimburse the Declarant for the cost of such work. Such costs shall create a valid lien on said Lot which shall be enforceable as a special assessment against the Lot should the Owner refuse or neglect to comply with the terms of this paragraph.

(15) No advertising signs (except for one (1) "For Lease" or "For Sale" sign of not more than five (5) square feet per Lot), billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on any Lot, nor shall the premises be used in any manner or for any purpose which may endanger the health or unreasonably disturb the Owner of any Lot or any resident thereof. Further, no commercial business activities of any kind whatsoever, shall be conducted upon any portion of the Property, except that of construction and maintenance of Improvements, if any, by the Declarant, its agents, successors and assigns during the sale period.

(16) The Property is restricted to residential use, provided however that (anything to the contrary notwithstanding in this Declaration) Declarant may in the exercise of its sole discretion permit one or more of the Lots designated as 1, 2, 3 and 4 on Exhibit B hereto to be used for any lawful purpose permitted by their then current zoning including by way of example, veterinary clinic, office, church, institutional or commercial use. After conveyance of a Lot, that Lot may not be resubdivided into smaller Lots. Lots may, however, be combined to form single Lots in which event the entire combined parcel shall be considered a single Lot for the purpose of interpretation of this Declaration. In the event the deed of conveyance recites the combination of multiple Lots into a single Lot, then one (1) principal residence only shall be constructed on said Lot and the side yard setbacks shall be determined without regard to the interior lot lines and any utility easements reserved on said interior lot lines shall be extinguished. Notwithstanding anything to the contrary contained herein, Declarant may subdivide portions of the Property.

(17) All equipment, building materials, garbage cans, service yards, storage areas, clotheslines, portable sheds, and similar type items shall be kept screened by adequate planting or fencing so as to reasonably conceal them from view of neighboring Owners. In no event will any of said items or uses be permitted in front yards or be visible from the public streets or common drives. Corner Lots shall be considered to have a front yard on each side adjacent to the street. All rubbish, trash or garbage shall be regularly removed from the Lot. Vegetable gardens are restricted to the rear yard of the Lot.

(18) All utilities installed by Owners of Lots (except Declarant) shall be underground.

(19) All exterior lighting on each Lot shall be constructed and maintained so as to provide such illumination as is necessary for that Lot only without reasonably interfering with the peaceful enjoyment of any adjacent Owner.

(20) All fencing which is visible from the public right of way, another Lot or the Common Easement Area shall be approved by Declarant or the Architectural Committee and shall be maintained in good repair and appearance by the Owner. Wire fencing shall not be installed in front of the setback line, nor shall it be installed along the Equestrian Trail, and further is prohibited from being installed within twenty (20) feet of any common Lot boundary or in any front yard. Barbed wire fencing is expressly prohibited from use on the Property.

(21) Basketball goals and playground equipment shall not be installed or maintained in a front yard and shall be located in a manner approved by the Architectural Committee; it being the intent of this Declaration that such appurtenances be located and screened in a manner calculated to minimize the effect on adjacent Lots.

(22) Mailboxes shall be constructed of brick or enclosed in a brick structure the design of which shall be approved by Declarant.

(23) Garages shall not face a dedicated street. This requirement may be waived by Declarant if (i) the garage door is not readily visible from the street or (ii) reasonably adequate landscaping or screening mechanisms are implemented which obstruct the view of the interior of a garage or the garage entrance from the public streets or (iii) the location of a residence and garage on a corner lot necessarily requires that the garage face a dedicated street and an approved landscape screen is installed.

(24) Hunting shall be prohibited on the Property and the discharge of firearms or weapons for sport shall be prohibited on the Property.

(25) Neither the Declarant or its designated representative shall be entitled to any compensation for services performed pursuant to this Agreement. The powers and duties of the Declarant and its designated representative shall cease upon the expiration of ninety (90) days after the conveyance of the last of the Lots included in the Property or ten (10) years after the first Lot is conveyed, whichever shall first occur. Thereafter, the rights reserved to Declarant shall vest in the Architectural Committee selected by a majority of the Owners. Declarant shall, for so long as it is the owner of a Lot be entitled to appoint one (1) member of the Architectural Committee which shall in no event have more than five (5) members.

(26) Declarant reserves the right to waive or grant a variance from the Use Restrictions to the extent that such is required to avoid hardship to an Owner provided that such waiver or variance does not materially affect the quality of the development. Any variance or discretionary modification of an architectural requirement permitted hereunder shall be incorporated into a Notice of Variance which shall be placed of record in the Register's Office of Shelby County, Tennessee. Declarant reserves the right to impose additional, separate or different covenants or restrictions upon any Lot which shall be particular to such lot upon the sale or conveyance of such Lots in the subdivision. There is no requirement of uniformity with respect to covenants which are personal to any individual lot. Such additional restrictions may be made by appropriate provisions in the deed, without otherwise modifying the covenants and provisions contained herein. Such additional restrictions as are so made shall apply only to the Lot or Lots on which they are specifically imposed.

(27) Owner's right of use of his Lot is subject to all ordinances, rules and regulations of Shelby County and laws of Tennessee. In the event of a difference between the use restrictions contained in said ordinances, rules and regulations and laws and the use restrictions set forth in this Article, the more restrictive provision shall apply.

(28) Declarant may, in the exercise of its sole discretion as evidenced by an instrument recorded in the Shelby County Register's Office, elect that all or any portion of the property designated as Lots 1, 2, 3 and/or 4 on Exhibit B be excluded from the provisions of this Declaration and developed for use for any lawful purpose (which may or may not be residential, at Declarant's discretion). It is the intent that Declarant reserve the flexibility and latitude to permit the utilization of the property designated as Lots 1, 2, 3 and/or 4 for usage in connection with the adjacent commercial equine boarding stables or any lawful use without any further authorization, approval or consent of any Lot Owners (and by acceptance of a deed to a Lot each Owner consents to such usage), or alternatively, to permit such Adjacent Property to be converted to residential use and in such event be subject to this Declaration.

(29) All accessory structures constructed on a lot shall, in addition to being subject to the requirements of Article III and V shall be constructed of the same exterior materials as the principal residence constructed on a Lot. It is the intention of Declarant that the texture and color of brick, roofing, exterior paint colors and other materials utilized on the principal residence mat as closely as possible the accessory structure(s).

ARTICLE VI TERM OF DECLARATION

These covenants, conditions and restrictions are to run with the land and shall be binding upon all parties and all persons claiming under them, until the expiration of forty (40) years after recordation of this document, at which time said covenants shall be automatically extended for successive periods of ten (10) years each unless, an instrument signed by a majority of then owners of the subject property is recorded, prior to the expiration of the term (or each ten (10) year extension, as the case may be) by which the majority owners of the lots agree to change or terminate said covenants, conditions and restrictions in whole or in part. Provided, however, that any amendment which changes the size of a Lot or increases the percentage of assessment to be paid by a Lot Owner shall require the written approval of those persons adversely affected thereby. It is further provided, however, that if this Declaration or the Bylaws require the consent or agreement of all Owners or of all lien holders for any action specified in this Declaration, then any such instrument shall be signed by all the Owners or lienholder of a Lot or both, as required by this Declaration. Any permitted change, modification, or recession shall be affective upon recording of such instrument in the office of the Register of Shelby County, Tennessee.

The easements created herein or on the Plat shall be perpetual.

ARTICLE VII COVENANTS FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. The Declarant, for each Lot owned within the Property, hereby covenants and agrees to pay, and each Owner of a Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay an assessment to refrain the expenses approved by a majority of the Owners, including the cost of maintenance of the entrance feature within the Common Easement Area located on Lots 1 and 2. The assessments, together with interest, costs and reasonable attorney's fees, if delinquent, shall be a charge and a continuing lien upon the Lot against which the assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, if delinquent, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment became due.

Section 2. Purpose of Assessments. The assessments levied by the Owners shall be used exclusively for the benefit, health, safety and welfare of the residents of the Property and for the construction, renovation, replacement and/or maintenance of any improvements within the Common Easements Areas which are not the responsibility of individual Lot Owners.

Section 3. Rate of Assessment. Assessments shall be imposed upon each Lot in an equivalent manner and shall not be based upon the acreage of each Lot. Such may be collected on a yearly basis.

Section 4. Quorum for Any Action Requiring Approval of Owners. At any annual or called meeting for the purposes set out in this Declaration, the presence at the meeting of Owners or of proxies entitled to cast votes for more than one half of the lots shall constitute a quorum. If the required quorum is not present at any meeting, an adjourned meeting may be called, subject to the notice requirements set forth herein, and the required quorum at any such adjourned meeting shall be fifty (50%) percent of the required quorum at the preceding meeting. No such adjourned meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. Effect of Non-Payment of Assessments.

(a) Remedies of the Owners. Generally. Any assessments which are not paid within fifteen (15) days after the due date, the assessment shall bear interest from the due date at the rate set by the Owners, or if no rate is set, at the highest rate allowed by the law, plus an amount equal to five (5%) percent of the amount of the assessment which is not a penalty but is intended to compensate the Owners for the administrative inconvenience of collection. The Owners may bring an action at law against the Owner to collect the assessment or in equity to enforce the lien provided for herein if payment is not made within thirty (30) days from the due date. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Easement Areas or abandonment of his Lot. The Owner permitted to participate or vote in any meeting of the Owners, and may, along with his guests and the occupants of his Lot, be prohibited, by properly adopted resolution or the Architectural Committee of the Owners, from using the Common Easement Areas, or other privileges of membership in the Owners.

(b) Enforcement of Lien. For and in consideration of the privileges, protection, mutual enjoyment and use of the Common Easement Areas and the premises contained herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, and any assumption of the obligations by transferees as required hereunder, and to secure the payment of regular and special assessments as provided for herein, principal, interest and attorney's fees, a lien is expressly retained by the Owners on each and every Lot. Such lien may be enforced by an action in a Court of equity for attachment of the Property and sale pursuant to order of Court.

Section 6. Subordination of the Lien to Mortgage. The lien of the assessments payable by the Owner of a Lot shall be subordinate to the lien of a prior recorded Mortgage or Deed of Trust (and to any Mortgage or Deed of Trust given by Declarant as security for any construction or development loan), except for the amount of such assessments which become due and payable from and after the date on which the mortgagee or beneficiary thereunder either takes possession of the Lot encumbered thereby, accepts conveyances of interest therein (other than as security) or forecloses its Mortgage or Deed of Trust. This Section 6 shall not be amended, changed, modified or rescinded without the prior written consent of all mortgagees and beneficiaries of record.

ARTICLE VIII
ENFORCEMENT OF DECLARATION

If any Lot Owner, his heirs, successors or assigns shall violate or attempt to violate any of the covenants, conditions and restrictions set forth herein, any Owner, Declarant or the Owners may prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition or restriction to prevent such violation or attempted violation or to recover damages for such violation. Failure by any Owner, Declarant or the Owners to enforce any of such covenants, conditions and restrictions shall in no event be deemed a waiver of the right to do so thereafter. In the event of litigation, the party guilty of such violation or attempted to violate shall pay the other parties attorney's fees and costs incurred in enforcing this Declaration.

ARTICLE IX
MISCELLANEOUS PROVISIONS

Section 1. Severability of Covenants, Conditions and Restrictions. Invalidation of any one or more of the covenants, conditions and restrictions or other provisions herein or hereafter set forth by any Judgment or Court Order shall in no way affect any of the other covenants, conditions and restrictions which shall remain in full force and effect.

Section 2. Gender and Grammar. The singular whenever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations, partnerships, or individuals, men or women, shall in all cases be assumed as applicable.


Section 3. Amendment. Subject to the limitations and rights contained in Articles III and VII hereof, these covenants, conditions and restrictions may be amended at any time during the initial term hereof or any extension thereof by an instrument signed by Owners having not less than sixty-seven (67%) percent of the total votes, with such amendment to be effective upon recording in the Office of the Register of Shelby County, Tennessee provided that in no event shall any amendment be permitted to be enacted which attempts to restrict the voting or similar rights of an Owner unless such adversely impacted Owner joins in such amendment.

Section 4. Rerecording of Plat. By the acceptance of a Warranty Deed conveying title to a Lot, the Owner thereof shall be deemed to consent to amendments or modifications of any Plats of the Property which may be recorded by Declarant for the purpose of technical corrections, boundary line adjustments, etc.; however, such Owners shall be entitled to receive notice of any public hearing which may be required prior to such amendment or modification.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Declaration on the day and year first above written.

JDL DEVELOPMENT, INC.

By:



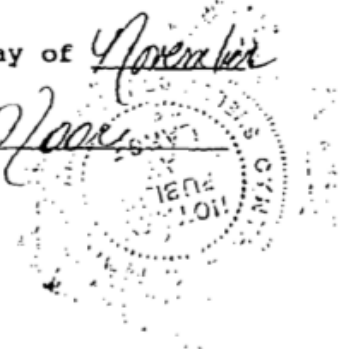
President

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Edith A. Novick with whom I am personally acquainted, (or provided to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be the President of JDL DEVELOPMENT, INC., the within named bargainer, a corporation, and that he as such President executed the forgoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

WITNESS my hand and official seal this 21st day of November 1997.

Arthia K Moore
NOTARY PUBLIC



My Commission Expires:
10-10-98

EXHIBIT "A"

That certain 142,1958 acres of real property located in Shelby County, Tennessee, and being more particularly described as follows:

Commencing at a point on the centerline of Reed Hooker Road, on the north line of a 150' transmission easement (1538-77), said point being 534.12' south of the line of Spring Mill Farms Subdivision, as recorded in Plat Book 146, Page 12 in the Shelby County Register's Office; thence N 69° 34' 13" E. along said line, 825.00' to a point on said transmission line; thence S 40° 19' 31" E, crossing said transmission line, 299.70' to a point on north line of proposed road; thence eastwardly along said line having a curve to the right and a radius of 1025.00', 623.44' to a point on said line; thence N 84° 31' 27" E, along said line, 83.94' to a point; thence eastwardly along a curve to the left, having a radius of 675.00', 278.30' to a point; thence N 60° 54' 05" E, along said line, 66.38' to a point; thence eastwardly along a curve to the right, and having a radius of 825.00', 505.23' to a point; thence S 84° 00' 39" E, along said line, 245.98' to a point; thence eastwardly along a curve to the left, having a radius of 3175.00', 991.79' to a point; thence eastwardly along a curve to the right, having a radius of 2025.00', 463.63' to a point; thence S 88° 47' 26" E, along said line, 94.68' to a point on the west line of Stephen Butler, Jr. (W1 4063); thence S 4° 31' 18" E, along said line, 998.49' to a point on the south line of Butler; thence S 89° 55' 26" E, along said line, 362.32' to a point on the west line of A. P. Keough (V6 4967); thence S 3° 13' 32" E, along said line, 823.68' to a point on the north line of W. H. Butler (X2 2059); thence S 61° 15' 48" W, along said line, 1157.37' to a point on the north line of Jackson (W9 1337); thence N 81° 02' 55" W, along said line, 674.10' to a point on the north line of Healy (C5 7261); thence N 67° 22' 09" W, along said line, 471.90' to a point on the east line of C. Choate (no Instrument no.); thence N 21° 07' 09" W, along said line, 924.00' to a point on the east line of Alan Mandell (V6 2723); thence N 3° 52' 09" W, along said line, 461.58' to a point on the north line of Mandell; thence S 86° 24' 08" W, along said line, 1372.80' to a point on west line of Mandell; thence S 3° 43' 54" E, along said line, 957.29' to a point on the north line of A. E. Huggins, Jr. (FH 9512); thence S 85° 50' 25" W, along said line, 824.25' to a point on the centerline of Reed Hooker Road; thence N 4° 03' 29" W, along said line, 923.16' to the point of beginning and containing 142.1958 acres.

Said legal description being obtained from a survey dated April 19, 1996, prepared by Murray Surveying Co., Jerry D. Murray, Registered Land Surveyor License No. 914, 3687 Mozelle Street, Memphis, Tennessee 38128.

Prepared by and return to:
Novick, Velandar, Anderson & Beard
Attorneys at Law
46 Timber Creek Drive
Suite 100
Memphis, Tennessee, 38018

FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
THE ESTATES OF SPRING MILL

THIS FIRST AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF THE ESTATES OF SPRING MILL, is made this the
23rd day of October, 1998, by JDL Development, Inc., hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of an approximate 142.196 acre tract of land in
Shelby County, Tennessee (the "Property"), which is more particularly described on Exhibit "A"
to the Declaration of Covenants, Conditions and Restrictions of the Estates of Spring Mill
recorded at instrument GZ-8348 in the Register's Office of Shelby County, Tennessee (the
"Declaration"); and

WHEREAS, since the recordation of the Declaration, the Property has been subdivided
by Declarant in accordance with the Plat prepared by Reaves, Sweeney and Marcom Engineers,
Inc. which Plat is of record in Plat Book 172, Page 67 in the Shelby County Register's Office
(the "Plat"); and

WHEREAS, it is the intention of Declarant to amend the Declaration in order to subject
additional property to the Declaration and provide consistency with the Plat;

NOW, THEREFORE, Declarant hereby declares that the Declaration is hereby amended
as follows:

I. "PROPERTY" DEFINED

Article I, Section 6 of the Declaration is hereby amended to provide that the "Property"
which is subject to the Declaration shall include, in addition to the 142.1958 acre tract described,
on Exhibit "A", lots 17, 18, 19, 20, 21, 22, 23, and 24 in the Estates of Spring Mill Subdivision,
as per plat of record in Plat Book 172, Page 67, in the Register's Office of Shelby County,
Tennessee to which Plat reference is hereby made for a more particular description of said Lots.
The aforesaid Lots are added to the description of the Property and shall be conveyed subject to
the terms, provisions, easements, restrictions, covenants, reservations, liens and conditions set
forth in the Declaration.

II. EQUESTRIAN EASEMENT

The location of the Equestrian Easement as defined and established by the Declaration is hereby modified in order that the said Equestrian Easement is relocated as depicted on the Plat. To the extent that location of the Equestrian Easement as depicted on Exhibit B to the Declaration may be inconsistent with the Plat, the Plat shall govern and any portions of the Equestrian Easement depicted on Exhibit B to the Declaration which are not within the easement area designated on the Plat are hereby released.

III. LOT DEFINED

“Lot” shall mean and refer to a parcel within the Property which is conveyed to an owner or owners for construction of one principal residence and such appurtenant structures as are approved by Declarant. The conceptual layout of the development shown on Schematic Plan attached to the Declaration as Exhibit “B” is hereby declared void and the Plat shall henceforth describe the Lots within the Property. Declarant shall have the right to modify the area, dimensions and configuration of any Lot or combine Lots to form larger Lots. In the event that two (2) or more Lots are combined, then the parcels so combined shall constitute a single Lot for the purpose of determining setbacks, side yard and rear yard requirements. Declarant shall have the right to modify the area, dimensions and configuration of any Lot or combine Lots to form larger Lots and in connection therewith shall have the right to modify and rerecord the Plat. Each Owner of a Lot, by acceptance of a deed to a Lot within the Property appoints Declarant as their attorney in fact for the purpose further subdividing portions of the Property, recording Plats affecting portions of the Property, amending this Declaration and otherwise taking such further actions as may be necessary to implement technical corrections or to implement adjustments which do not affect the quality of the development or unnecessarily hinder construction of a residence by an Owner and to add, delete or adjust drainage or other utility easements as may be required by the municipality as well as to correct unintentional survey errors or omissions.

IV. BUILDING SETBACKS

ARTICLE V (USE RESTRICTIONS) is hereby amended as follows”

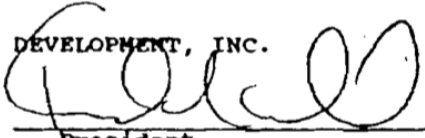
(i) Section 4 is hereby deleted and is replaced with the following provision:

“(4) Building minimum back lines shall be a minimum of only one hundred (125) feet from the street rights of way within the only exception being that the minimum setback from the Walnut Grove Road right of way for lots 32, 33, 45, and 46 shall be sixty (60) feet. The front yard setback as shown on the Plat is merely indicative of the minimum legal requirement imposed by zoning and shall not reduce the minimum setbacks of this Declaration (as amended). Principal residences shall be a minimum of forty (40) feet from any side or rear property line. Any out building (barn, storage building, etc.) shall be a minimum of twenty (20) feet from any side or rear property line or from the Equestrian Trail. Declarant shall have the right in the exercise of its sole discretion to modify the aforesaid setbacks as to individual Lots within the development in the event Declarant determines that a variance is appropriate based upon the configuration of the Lot or Lots and the planned improvements for such Lot. Any such variance shall be confirmed by an instrument executed by Declarant which shall be recorded in the Shelby County Register’s Office.

(ii) Section 10 is hereby amended by deletion of the fourth (4th) grammatical sentence and replacement with the following:

“Horses may be kept on lots which exceed two and six tenths (2.60) acres in area provided that under no circumstances will an Owner maintain or keep on a lot more than one (1) horse or equine unless said Owner owns a Lot having an area in excess of five (5) acres and, then, the ratio shall in no event exceed one horse for each two and one-half (2.5) acres owned.


IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this First Amendment to the Declaration on the day and year first above written.

JDL DEVELOPMENT, INC.
By: 
President

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned a Notary Public of the State and County aforesaid, personally appeared Keith A. Novick with whom I am personally acquainted (or provided to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be the President of JDL DEVELOPMENT, INC., the within named bargainor, a corporation, and that he as such President executed the forgoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

WITNESS my hand and official seal this 26th day of October, 1998.


NOTARY PUBLIC

My Commission Expires:
July 4, 2003

Prepared by and returned to:
Novick, Velandar, Anderson & Beard
Attorneys at Law
46 Timber Creek Drive
Suite 100
Memphis, Tennessee 38018

SECOND AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
THE ESTATES OF SPRING MILL

THIS SECOND AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE ESTATES OF SPRING MILL, is made this the 12th day of February, 1999, by JDL Development, Inc., hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of an approximate 142.196 acre tract of land in Shelby County, Tennessee (the "Property"), which is more particularly described on Exhibit "A" to the Declaration of Covenants, Conditions and Restrictions of the Estates of Spring Mill recorded at instrument GZ-8348 (as amended by First Amendment to the Declaration of Covenants, Conditions and Restrictions of the Estates of Spring Mill dated October 23, 1998 recorded at HW-2288 in said Register's Office of Shelby County, Tennessee (the "Declaration")); and

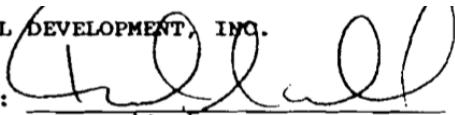
WHEREAS, the Plat of the Property, recorded in Plat Book 172, Page 67 in the Shelby County Register's Office, has been rerecorded in Plat Book 175, Page 24 in said Register's Office in order to correct certain technical and clerical errors and to reflect the minimum setbacks which, due to physical limitations of some of the Lots, may vary from the 125' minimum as is set forth in HW-2288.

NOW, THEREFORE, in order that the Declaration be consistent with the Plat, Declarant hereby declares that the Declaration is hereby amended as follows:

"BUILDING SETBACKS

ARTICLE V (USE RESTRICTIONS), Section 4 (as previously amended by instrument recorded at HW-2288 in the Shelby County Register's Office) is further amended to provide that the building minimum setback lines for Lots within the Property shall be those building minimum setbacks which are shown on the rerecorded Plat of Phases 1 and 2. The Estates of Spring Mill Subd., as recorded in Plat Book 175, Page 24 in the Register's Office of Shelby County, Tennessee. Declarant shall have the right in the exercise of its sole discretion to modify the aforesaid setbacks as to individual Lots within the development in the event Declarant determines that a variance is appropriate based upon the configuration of the Lot or Lots and the planned improvements for such Lot. Any such variance shall be confirmed by an instrument executed by Declarant which shall be recorded in the Shelby County Register's Office."

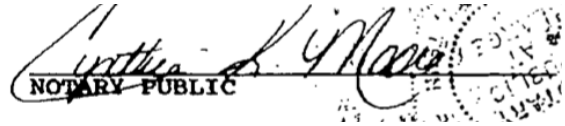
IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Second Amendment to the Declaration on the day and year first above written.

JDL DEVELOPMENT, INC.
By: 
President

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Keith A. Novick with whom I am personally acquainted, (or provided to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be the President of JDL DEVELOPMENT, INC., the within named bargainor, a corporation, and that he as such President executed the forgoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

WITNESS my hand and official seal this 12th day of February 1999.


NOTARY PUBLIC

My Commission Expires:
June 7, 2002

Prepared by and returned to:
Keith A. Novick
645 Pisgah Road
Eads, Tennessee 38028

THIRD AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
THE ESTATES OF SPRING MILL

THIS THIRD AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF THE ESTATES OF SPRING MILL, is made this the
7th day of November, 2001, by Sparkle Creek Development (formerly JDL Development, Inc.),
hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of an approximate 142.196 acre tract of land in
Shelby County, Tennessee (the "Property"), which is more particularly described on Exhibit "A"
to the Declaration of Covenants, Conditions and Restrictions of the Estates of Spring Mill
recorded at instrument GZ-8348 in the Register's Office of Shelby County, Tennessee (the
"Declaration"); and

WHEREAS, it is the intention of Declarant to amend the Declaration;

NOW, THEREFORE, Declarant hereby declares that the Declaration is hereby amended
to provide as follows:

"Anything to the contrary contained in the Declaration notwithstanding Lots 1, 2, 3, and
4, Phase I shall be used for residential usage only."

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this
First Amendment to the Declaration on the day and year first written above.

SPARKLE CREEK DEVELOPMENT, INC.

By: 

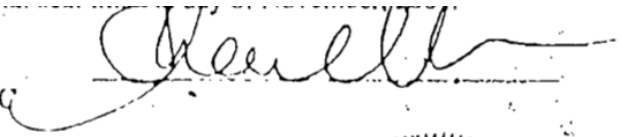
President

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared Keith A. Novick with whom I am personally acquainted, (or provided to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be the President of SPARKLE CREEK DEVELOPMENT, INC., the within named bargainer, a corporation, and that he as such President executed the forgoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

WITNESS my hand and official seal this 7th day of November, 2001.

NOTARY PUBLIC



My Commission Expires:





1st & 2nd 1/2
 3rd & 4th 1/2
 5th & 6th 1/2
 7th & 8th 1/2
 9th & 10th 1/2
 11th & 12th 1/2
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 99th & 100th 1/2

No. **HX 2666**
 REC. 117
 PAID 5.17
 STATE TAX _____
 RECORDERS FEE _____
 RECORDING FEE 10.00
 COPY FEE _____
 NOT RECD FEE _____
 STATE OF KY. _____
 GUY B. DAVIS
 REGISTER

HX2666

SHELBY COUNTY REGISTER OF DEEDS
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HX 2666

FOURTH AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE ESTATES OF SPRING MILL

THIS FOURTH AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE ESTATES OF SPRING MILL (this "Amendment") is made as of this ____ day of _____, 2009.

WITNESSETH:

WHEREAS, that certain Declaration of Covenants, Conditions and Restrictions of the Estates of Spring Mill (as amended, the "CCRs"), dated November 21, 1997, and recorded as Instrument No. GZ 8348 in the Register's Office of Shelby County, Tennessee (the "Register's Office"), as amended by those certain instruments of record in the Register's Office as Instrument Nos. HW 2288, JD 1631, and LM 5913, governs that certain residential development situated in Shelby County, Tennessee, more commonly known as "The Estates of Spring Mill" (the "Development"), which is currently governed by a fluctuating percentage of the Owners of Lots within the Development, as more particularly provided in the CCRs; and

WHEREAS, the Owners of not less than sixty-seven percent (67%) of the Lots in the Development intend to amend the CCRs to provide for the creation of a homeowners association, to be named The Estates of Spring Mill Homeowners' Association, Inc., a Tennessee non-profit corporation (the "Association"), to govern the Development pursuant to the CCRs and as more particularly provided herein; and

WHEREAS, as more particularly provided herein the Association shall govern the Development, and shall have, amongst other rights and responsibilities: (i) the power to levy assessments; (ii) the power to enforce the covenants, conditions, and restrictions contained in the CCRs; (III) the responsibility to maintain the Common Easement Areas, as defined herein and in the CCRs; and (iv) any other powers and responsibilities typically delegated to homeowners associations in Shelby County, Tennessee; and

WHEREAS, the CCRs provide in Article IX, Section 3, that they may be amended by an instrument (i) signed by the Owners of not less than sixty-seven percent (67%) of the Lots in the Development and (ii) recorded in the Register's Office; and

WHEREAS, upon due consideration and after the opportunity to discuss the matters provided in this Amendment, the Owners of not less than sixty-seven percent (67%) of the Lots in the Development have evidenced their respective intent to amend the CCRs as provided herein by signing this Amendment.

NOW, THEREFORE, the CCRs are hereby amended as follows:

1. RECITALS: The foregoing recitals are true and accurate.
2. CAPITALIZED TERMS: All capitalized terms not otherwise defined in this Amendment shall have the same meanings provided for in the CCRs.

3. FORMATION OF THE ASSOCIATION: The Association (i) has been formed pursuant to that certain Charter of The Estates of Spring Mill Homeowners' Association, Inc., a Tennessee non-profit corporation, filed with the Tennessee Secretary of State and attached hereto as EXHIBIT "A" and (ii) shall be governed by those certain Bylaws attached hereto as EXHIBIT "B". Any existing references to an "Association" contained within the CCRs shall be deemed to refer to the Association created by this Amendment. The Association shall be deemed the successor to the Developer with regard to the provisions of the CCRs.
4. MAINTENANCE OF IMPROVEMENTS IN THE COMMON EASEMENT AREAS: Article II, Section 2 of the CCRs and the first paragraph of Article IV of the CCRs are hereby deleted in their entirety, with the following substituted as Article II, Section 2 of the CCRs:

The Association shall be solely responsible for the maintenance, operation, repair and replacement of those portions of any sign, fence, wall, entry feature, or any other improvement (including, but not limited to, (i) that certain wall dominated "Entry Feature Detail" on that certain plat of the Development of record in the Register's Office in Plat Book 172, Page 67, as re-recorded in Plat Book 175, Page 24 [the "Plat"] and (ii) those certain "40x50 Esm'ts for Entry Feature" also shown on the Plat) located in any of the Common Easement Areas). The need for such maintenance, operation, repair, or replacement shall be solely determined by the Board of Directors of the Association in its discretion with the cost of such maintenance, operation, repair, or replacement being a common expense of the Members of the Association. The Owners of those Lots encumbered by the Common Easement Areas do hereby establish, give, grant, and convey to the Association and its respective successors in title, assigns, and agents a non-exclusive, perpetual easement over that portion of their respective Lot lying within the bounds of the Common Easement Areas or any Equestrian Easement for ingress, egress, regress, and maintenance of such structures or common elements.

5. MAINTENANCE OF THE EQUESTRIAN EASEMENTS: The following is hereby added to Article II of the CCRs as Article II, Section 3:

Each Owner of a Lot shall be solely responsible for the maintenance and upkeep of those portions of the Equestrian Easement located on or directly adjacent to their respective Lots. At a minimum, vegetation within the Equestrian Easement shall be trimmed twice a year. The Board of Directors of the Association, in its sole discretion, may determine a window of time during which such trimmings are to occur. Failure of an Owner to implement the required maintenance, upkeep, or trimming of their portion of the Equestrian Easement shall constitute a violation of the CCRs. In the event an Owner fails to maintain, keep, or trim their portion of the Equestrian Easement as herein provided, the Board of Directors may upon written notice to such Owner undertake such work on its own, with the costs of such work being a lien on such Owner's Lot as otherwise provided in the CCRs.

6. DESTRUCTION OF COMMON AREAS: The following is hereby added to Article II of the CCRs as Article II, Section 4:

In the event any improvement, maintained by the Association, located within the Common Easement Areas is damaged or destroyed through the intentional or negligent act of any Member or any person for whom such Member is legally responsible, such Member does hereby authorize the Association to repair said damaged area, and the Association shall so repair said damaged area in a good, workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association, in the discretion of the Association. The amount necessary for such repairs shall be paid by said Member, upon written demand, to the Association, and the Association may enforce collection of same in the same manner and subject to the same conditions as provided elsewhere in the CRRS for collection and enforcement of assessments.

7. ARCHITECTURAL COVENANTS AND THE ASSOCIATION: Anything in the CCRs to the contrary notwithstanding, the members of the Architectural Control Committee shall be chosen by the Board of Directors of the Association. Further, the Association, through its Board of Directors, shall have an equal right as provided to the Owners to enforce, by any means provided in the CCRs, the architectural covenants contained in the CCRs.

8. ASSESSMENTS AND THE ASSOCIATION: Anything in the CCRs to the contrary notwithstanding, assessments on the Lots within the Development shall be levied annually by the Board of Directors of the Association in its sole and absolute discretion and shall be due and payable to the Association as set by the Board of Directors. Further anything in the CCRs to the contrary notwithstanding, the Association, through its Board of Directors, shall have the sole right as provided to the Owners to enforce, by any means provided in the CCRs, the payment of assessments contained in the CCRs. Any lien created by the CCRs shall be in favor of the Association.

9. QUORUM FOR ASSESSMENTS UNNECESSARY: As any and all assessments due under the CCRs shall be set by the Board of Directors of the Association, Article VII, Section 4 of the CCRs is unnecessary and is hereby deleted in its entirety.

10. ENFORCEMENT OF ASSESSMENTS BY THE ASSOCIATION: Article VII, Section 5 of the CCRs is hereby deleted in its entirety, with the following substituted as Article VII, Section 5 of the CCRs:

Any assessment which is not paid when due shall be deemed delinquent. If the assessment, or any part thereof, is not paid by the due date, the Board of Directors shall impose a fee, not to exceed the highest proved by laws, set by it against such delinquent Member at its discretion. The Association may bring an action at law against the Member(s) personally

obligated to pay the same and late payment fees, costs of collection, including actual attorney's fees incurred, shall be added to the amount of such assessment. No Member may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of his Lot. In the event of default in the payment of any assessment when due, and in addition to any other remedies herein or by law provided by law, the Association may enforce each such obligation in any manner provided by law or in equity, including without limitation, by either or both of the following procedures:

- A. The Board of Directors may cause a suit at law to be commenced and maintained in the name of the Association against any Member to enforce each such assessment obligation. Any judgment rendered in any such action shall include the amount of the delinquency, together with late payment fees, and costs of collection, including actual attorney's fees incurred, as provided above.
- B. The CCRs create a lien on each and every Lot within the Development to secure payment to the Association of any and all assessments and other sums levied against any and all Members and their respective Lots, together with late payment fees, and all costs of collection therewith, including actual attorney's fees incurred. If such assessment is not paid when due, the Board of Directors may elect to record a notice of lien on behalf of the Association against the Lot of which such assessment is delinquent, said notice of lien to be recorded in the Register's Office. Such notice of lien shall be executed and acknowledged by the principal officer of the Association or any other officer of the Association authorized in writing by the Board of Directors, and shall contain substantially the following information:
 1. The name of the Association;
 2. The name of the delinquent Member(s) at the time of the recording of the notice of lien;
 3. A brief legal description of the Lot owned by the delinquent Member and the street address of such Lot;
 4. The total amount claimed to be due on the lien for the amount of the unpaid assessments currently due or past due, any late payment fees, costs of collection, and attorney's fees;

5. The date of issuance of the notice of lien;
6. The current address of the Association and the name and current address of the person to contact to arrange for payment or release of the lien;

Any such Lien may be enforced by the Board of Directors in the any manner provided by an applicable law of the State of Tennessee, as the same may be modified or amended.

C. The lien provided for in the CCRs shall be in favor of the Association and shall be for the benefit of all Members.

11. ENFORCEMENT OF THE CCRS: Anything in the CCRs to the contrary notwithstanding, the Association, through its Board of Directors, shall have an equal right, as provided to the Owner in Article VIII, to enforce by any means provided in the CCRs any and all provisions of the CCRs, including the collection of any and all costs of such collections, including actual attorney's fees.
12. DISSOLUTION OF THE ASSOCIATION: In the event the Association is dissolved by an act of the Members or competent court, and not an administrative dissolution by the Tennessee Secretary of State, any funds or monies held by the Association, after payment of all outstanding matters, shall be distributed equally amongst the Owners of Lots in the Development on a pro rata basis determined by multiplying such funds by a fraction the numerator of which is one and the denominator of which is the number of Lots in the Development.
13. FULL FORCE AND EFFECTS: Except as modified herein, all other terms and provisions of the CCRs shall remain in full force and effect as if this Amendment had been incorporated in the CCRs as originally executed

IN WITNESS WHEREOF, this Amendment to the CCRS was duly authorized as evidenced by the attached signatures of at least sixty-seven percent (67%) of the Owners of Lots in the Development.

[THE FOLLOWING PAGES ARE THE SIGNATURE PAGES]

OWNERS OF _____ :

Name: _____

Name: _____

OWNERS OF _____ :

Name: _____

Name: _____

OWNERS OF _____ :

Name: _____

Name: _____

OWNERS OF _____ :

Name: _____

Name: _____

OWNERS OF _____ :

Name: _____

Name: _____

EXHIBIT "A"
CHARTER OF THE ASSOCIATION

CHARTER OF
THE ESTATES OF SPRING MILL HOMEOWNERS' ASSOCIATION,
INC.

TO THE SECRETARY OF STATE OF THE STATE OF TENNESSEE

The undersigned person, pursuant to the provisions of 48-52-102 of the Tennessee Nonprofit Corporation Act, hereby adopt(s) the following Charter for the above listed corporation:

1. Name: The name of the corporation is The Estates of Spring Mill Homeowners' Association, Inc.
2. Benefit: The corporation is a mutual benefit corporation.
3. Non-Religious Purpose: The corporation is not a religious corporation.
4. Name and Address of Initial Registered Agent: The street address and zip code of the corporation's initial registered office, the county in which the office is located, and the name of its initial registered agent are:

Keith S. Collins Company, LLC
3036 Centre Oak Way
Germantown, Shelby County, Tennessee 38138

5. Name and Address of Each Incorporator: The name and address of each incorporator is:

M. Wayne Mink, Jr.
6000 Poplar Ave., Suite 400
Memphis, Tennessee 38119

6. Initial Principal Office: The street address and zip code of the initial principal office of the corporation is:

The Estates of Spring Mill Homeowners' Association, Inc.
c/o Keith S. Collins Company, LLC
3036 Centre Oak Way
Germantown, Shelby County, Tennessee 38138

7. Non-Profit Status: The corporation is not for profit.
8. Members: The Members of the corporation shall be all of the Owners of record of property governed by that certain Declaration of Covenants, Conditions and Restrictions of the Estates of Spring Mill (as amended, the "CCRs"), dated November 21, 1997, and recorded as Instrument No. GZ 8348 in the Register's Office of Shelby County, Tennessee (the "Register's Office"), as amended by those certain instruments of record in the Register's Office as Instrument Nos. HW 2288, JD 1631, and LM 5913.

9. Distribution of Assets upon Dissolution: Upon dissolution of the corporation, other than incident to a merger or consolidation, the assets of the Association shall be distributed amongst the Members of the corporation pursuant to their interest as provided in the CCRs.

10. Purpose: The purpose of the corporation shall be: (i) to contract for the operation, maintenance and preservation of the common areas, if any, owned, managed and administered by the corporation; (ii) to assess and collect dues and fees for the management, repair, operation, care and maintenance of the common areas from the Members of the corporation as more particularly described in the Bylaws of the corporation; (iii) to do all other things necessary and proper for the maintenance, repair, operation use and enjoyment of the common areas by the members of the corporation; and (iv) to do all other necessary and proper things and acts permitted by law and the bylaws of the corporation.

11. Governance: The corporation shall be governed by the bylaws of the corporation and in compliance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, the undersigned hereby adopt the Charter and hereby set their hands this _____ day of _____, 2009.

M. Wayne Mink, Jr., Incorporator

EXHIBIT "B"
BYLAWS OF THE ASSOCIATION

BYLAWS OF THE ESTATES OF SPRING MILL HOMEOWNERS' ASSOCIATION,
INC.

ARTICLE I
NAME AND GUIDELINES

Section 1. NAME. The name of this Association will be "The Estates of Spring Mill Homeowners' Association, Inc., a Tennessee nonprofit corporation".

Section 2. GOVERNING LAW. The Association is and shall remain a non-profit organization, governed by the provisions of the Tennessee Nonprofit Corporation Act, Tenn. Code Ann 48-51-101, *et seq.*, as amended, except as otherwise provided in these Bylaws, and no part of the net earnings thereof shall inure to any individual Member, except as expressly provided in the CCRs.

Section 3. NON-POLITICAL. The Association shall not endorse or align with any political party or candidate for public office.

Section 4. PURPOSES. The Association is formed to serve as the means through which the Members administer, manage, and operate the Development, as such term is defined in the CCRs, under the provisions of Act, as amended from time to time.

Section 5. PRINCIPAL OFFICE. The principal office of the Association shall be located at 3036 Centre Oak Way, Germantown, Shelby County, Tennessee 38138, or such other place as may be designated by the Association.

ARTICLE II
MEMBERSHIP

Section 1. MEMBERS. The Member of the Association shall be all of the Owners of record of property governed by that certain Declaration of Covenants, Conditions and Restrictions of the Estates of Spring Mill (as amended, the "CCRs"), dated November 21, 1997, and recorded as Instrument No. GZ 8348 in the Register's Office of Shelby County, Tennessee (the "Register's Office"), as amended by those certain instruments of record in the Register's Office as Instrument Nos. HW 2288, JD 1631, and LM 5913.

Section 2. ROSTER OF MEMBERSHIP. The Secretary of the Association shall maintain a roster of the Membership entitled to vote at the meetings as hereinafter provided. such roster shall detail whether an Owner is current in the payment of any and all assessments and is in compliance with any other provisions of the CCRs.

Section 3. VOTES. The Owner(s) of record in the Register's Office of each Lot within the Development each shall be entitled to one (1) collective vote per Lot. For example, if a husband and wife are the Owners, collectively, of a Lot in the Development, such husband and wife, while both Members, will have one (1) vote between them in all matters put before the Membership. If a corporation, partnership, limited liability company, or any other such legal entity shall own a Unit, then such entity shall register with the Secretary the name and office of the individual whom will represent such entity at any meeting of the Members and cast such

entity's vote. In the event an Owner (i) is not current in the payment of any and all assessments due under the CCRs or is not in compliance with any provisions of the CCRs and (ii) is noted as such on the roster of Membership maintained by the Secretary, then such Owner shall not be entitled to vote in any matter at a meeting of the Association until such deficiencies are remedied.

Section 4. PROXIES. Every Member entitled to vote at a meeting, as noted on the Secretary's roster of Membership, may do so either in person or by written proxy, which shall be filed with the Secretary before being voted. Such proxy shall entitle the holders thereof to vote at any adjournment of such meeting, but shall not be valid after the final adjournment thereof. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy.

Section 5. CONSENTS. Actions required or permitted by the Tennessee Nonprofit Corporation Act, the Charter or these Bylaws, to be taken at a Member meeting may be taken without a meeting if one or more written consents are signed by all the Members entitled to vote on the action and such consents are delivered to the Secretary.

ARTICLE III BOARD OF DIRECTORS

Section 1. BOARD OF DIRECTORS. The Association shall be governed by a Board of Directors consisting of at least three (3) persons (each being a "Director"). Each Director shall be a Member, as such term is defined in these Bylaws.

Section 2. ELECTION OF OFFICERS BY BOARD OF DIRECTORS. The Board of Directors shall elect a President, Secretary, and Treasurer.

Section 3. ELECTION OF DIRECTORS. The Directors will be elected by the Members to the Board of Directors at the annual meeting of Members. All Directors shall serve until their successors have been elected and qualified.

Section 4. QUORUM; VOTING. The attendance of a majority of the Directors of the Board shall constitute a quorum. A simple majority will be required for any binding action, except as otherwise provided herein. Each Director shall be entitled to one (1) vote on all matters before the Board of Directors.

Section 5. QUALIFICATIONS. To be eligible for, or to hold elected office in the Association, a person must be a Member. Directors shall serve for one (1) year or until their successors are elected. Any Director may be removed by a vote of two-thirds (2/3) of the Members. Any vacancy occurring in the Board shall be filled by majority vote of the remaining Directors. Any Director so elected to fill a vacancy shall hold office until the next annual meeting of the Members.

Section 6. NO COMPENSATION. Directors shall serve without compensation.

Section 7. POWERS/DUTIES OF BOARD OF DIRECTORS. Powers and duties of the Board of Directors shall include:

- A. The appointment of the Architectural Control Committee (the “ACC”), as such is provided in the CCRs, and all other standing committees and chairpersons thereof. This power can be delegated to the President. All committees shall derive their direction from the Board of Directors.
- B. The appointment of all persons or organizations to serve the Association.
- C. The filling of vacancies on the Board of Directors until the next annual meeting.
- D. The levying of assessments and the approval of expenditures of Association funds.
- E. The establishment of a policy for the Association.
- F. The dissolution of all standing and other committees. This power can be delegated to the President.
- G. Such other powers and duties as given to them by the Members or which may exercised for, on behalf of, and in the best interests of the Association.

ARTICLE IV OFFICERS

Section 1. OFFICERS. Following the annual meeting of the Members, the Directors shall elect the following officers by a majority vote of the Directors: President, Secretary and Treasurer.

Section 2. PRESIDENT. The President shall preside at all meetings of the Association and the Board of Directors and shall perform such duties as directed by the Board of Directors.

Section 3. SECRETARY. The Secretary shall be the official custodian of all records of the Association except Membership records, shall keep the minutes of the Association and Board of Directors meetings, shall send all official correspondence in the name of the Association, and shall give all required notices.

Section 4. TREASURER. The Treasurer shall keep and be responsible for all funds of the Association and shall keep the Membership records. The funds shall be deposited in an account in the names of “The Estates of Spring Mill Homeowners’ Association, Inc.” The Treasurer shall make a list of all Members which shall include each Member’s name, and date joined. The Treasurer shall provide a current list to the Secretary on a periodic basis. The President and Treasurer shall each, individually, have signature authority on bank accounts of the Association. All monies belonging to the Association shall be delivered to the Treasurer and all bills shall be submitted to the Treasurer for payment. The Treasurer shall provide regular reports of transaction and prepare financial statements as directed by the Board of Directors. In the event the Association is professionally managed, the Board may authorize such management company to have signature authority on bank accounts of the Association.

Section 5. DUAL OFFICES. A Director may also serve as an officer.

Section 6. EXECUTION OF INSTRUMENTS. Provided any such document has been approved by the Membership, as provided herein, and evidence of such approval is kept with the Association's records, all agreements, contracts, deeds, leases and other instruments of the Association, except checks, shall be executed by such person or persons as may be designated by a resolution of the Board of Directors and, in the absence of any general or special resolution applicable to any such instrument, then such instrument shall be signed by the president. All checks shall be signed by the treasurer, or in his absence or disability, by the president or any duly elected assistant-treasurer or by such other person or persons as may be designated by resolution of the Board of Directors.

ARTICLE V MEMBERSHIP MEETINGS

Section 1. ANNUAL MEETING. The annual meeting of the Membership of the Association in each year shall be held during the month of _____ on the particular day, hour, and location as determined and designated by the Board of Directors. Written notification of the Annual Meeting shall be given to the Members at least twenty (20) days prior to such meeting.

Section 2. SPECIAL MEETINGS. Special meetings of the Membership for any purpose may be called (1) by the President or (2) by the Secretary upon written request of thirty percent (30%) of the Membership. Written notice of all special meetings stating the time, location, and objective thereof shall be given to the members at least five (5) days before such meeting.

Section 3. QUORUM. The presence of thirty percent (30%) of the Members entitled to vote as noted on the Secretary's roster of Membership, in person or by proxy, shall constitute a quorum for the transaction of business at any annual or special meeting of the Members. At each meeting of the Members, Member decisions will be made by majority vote of those Members present. After two (2) successive meetings of the Members, held with due notice, at which a quorum is not obtained; howsoever many Members as may attend the third consecutive meeting shall constitute a quorum.

ARTICLE VI ASSOCIATION RESPONSIBILITIES

Section 1. INDEMNIFICATION. The Association shall indemnify every officer and Director against any and all expenses, including attorney's fees, reasonably incurred by or imposed upon such officer or Director in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if any approved by the then Board of Directors) to which such officers or Director may be made a party by reason of being or having been an officer or Director, whether or not such person is an officer or Director at the time such expenses are incurred. The officers and Directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance or malfeasance. The officers and Directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except

to the extent that such officers and Directors may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director or former officer or Director may be entitled. The Association shall maintain adequate general liability insurance and if, obtainable, officers' and Directors' liability insurance to fund this obligation.

Section 2. INSURANCE. The Association may, as determined by the Board of Directors in its sole discretion, obtain and maintain at all times as a common expense insurance.

ARTICLE VII PROCEDURE

The President shall regulate and govern all debate and action by the Board of Directors and the Membership at any meeting in a manner, which promotes a fair exchange of views, and the efficient dispatch of business. When resort to rules of procedure becomes necessary, business shall be governed by Robert's Rule of Order.

ARTICLE VIII AMENDMENTS

These Bylaws may be amended by a vote of two-thirds (2/3) of the Members of the Association at an annual or special meeting. Such changes to these Bylaws must be executed and acknowledged by the President and Secretary of the Association and recorded in the Register's Office to become effective.

ARTICLE IX FINANCES

Section 1. FISCAL YEAR. The fiscal year shall commence on January 1st and end on December 31st of each year. The Board of Directors may establish a different fiscal year and must notify each of the then existing Members of the change.

Section 2. DEPOSITORY AND CHECKS. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. All checks or demands for money and notes of the Association shall be signed by and one (1) of the following officers: President or Treasurer. The Board of Directors, by resolution, may require more than one (1) signature.

Section 3. ANNUAL BUDGET. The Board of Directors shall propose an annual budget each year and shall mail a copy of the Association's proposed annual budget of common expenses to each Member not less than ten (10) days prior to the meeting of the Board of

Directors at which the budget will be considered together with a notice of that meeting. Such meeting of the Board of Directors shall be open to all Members.

ARTICLE X NOTICES

Section 1. NOTICE. Whenever, under the provisions of the Act, the Charter or these Bylaws, notice is required to be given to any Director or Member, it shall be construed to mean either personal notice, or notice given in writing by mail by depositing the same in the Post Office or letter box in a postpaid envelope addressed to such Director or Member as their name appears on the books of the Association.

Section 2. WAIVER OF NOTICE. Whenever any notice is required to be given under the provisions of the Act, the Charter, the CCRs or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated herein, shall be deemed to be equivalent to the required notice.

ARTICLE XI OFFICIAL RECORDS

The Association shall maintain a copy of each of the following, where applicable, which shall constitute the official records of the Association:

- A. The plans, permits, warranties, and other items provided by the Developer.
- B. A photocopy of the recorded CCRs and all amendments thereto.
- C. A photocopy of the recorded Bylaws of the Association and all amendments thereto.
- D. A certified copy of the Charter and all amendments thereto.
- E. A copy of the current Association's rules and regulations, if any.
- F. A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of the Members, which minutes shall be retained for a period of not less than seven (7) years.
- G. A current roster of all Members, their mailing addresses, unit identifications, voting certifications, and if known, telephone numbers.
- H. All current insurance policies of the Association.
- I. A current copy of all management agreements, lease, agreement, or other contract to which the Association is a party or under which the Association or the Members have an obligation or responsibility.
- J. Bills of sale or transfer for all property owned by the Association.
- K. Accounting records for the Association according to generally accepted accounting practices
- L. Voting proxies, which shall be maintained for a period of one year from date of the meeting for which the proxy was given.

ARTICLE XII WRITTEN INQUIRIES BY MEMBERS

When a Member files a written inquiry by certified mail with the Board of Directors, the Board shall respond in writing to the Member within thirty (30) days of receipt of the inquiry. The Board's response shall either give a substantive response to the inquirer, or notify the inquirer that a legal opinion has been requested. If a legal opinion is requested, the Board shall, within sixty (60) days after the receipt of the inquiry, provide in writing a substantive response of the inquirer. The failure to provide a substantive response to the inquirer as provided herein precludes the Board from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the complaint.

The Association may through its Board of Directors adopt reasonable rules and regulations regarding the frequency and manner of responding to Member inquiries, one of which may be that the association is only obligated to respond to one written inquiry per Lot in any given thirty (30) day period. In such a case, any additional inquiry or inquiries must be responded to in the subsequent thirty (30) day period, or periods, as applicable.

ARTICLE XIII MISCELLANEOUS

Section 1. CHOICE OF LAW. These Bylaws have been executed in the State of Tennessee, and shall be construed, performed and enforced in accordance with the laws of the State of Tennessee.

Section 2. SEVERABILITY. In the event any provision of these Bylaws shall be determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remainder of these Bylaws shall nonetheless remain in full force and effect so long as the substantial benefits of the parties to be derived from these Bylaws and the performance hereof are not adversely affected by the elimination of such provision(s).

Section 3. ENTIRE AGREEMENT. These Bylaws constitute the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior negotiations, discussions, writings, and agreements.

Section 4. BINDING EFFECT. The terms of these Bylaws and the respective covenants, provisions, terms, conditions, and agreements herein contained shall be binding upon the parties hereto, their heirs, devisees, successors, and assigns.

Section 5. CONFLICT AND AMENDMENT OF THE CCRS. In the event there is any conflict between the terms and provisions of the CCRs and these Bylaws, the CCRs shall control.

The undersigned certifies that these Bylaws were duly adopted on this _____ day of _____, 2009, at the meeting of the Board of Directors of the Association and were approved by the Members on that date.

Secretary

ARCHITECTURAL AND CONSTRUCTION REQUIREMENTS ESTATES OF SPRING MILL

The purpose of this document is to provide each lot Owner with a general outline of responsibilities to facilitate the construction process while ensuring design compatibility. Refer to the Declaration of Covenants, Conditions and Restrictions for additional requirements, as this document is not a complete listing of requirements.

It will be the Owner's responsibility to insure that the architect and contractor etc. adhere to the Declaration of Covenants, Conditions and Restrictions and the approved plans and specifications. It is the Owners responsibility to employ a builder who is cooperative, capable of quality work, and who will abide by the Architectural Committee guidelines.

All initial designs, later additional or alterations of any home, structure, wall, fence, or exterior elements including pools, gazebos, garages, etc. are subject to these requirements.

Review Procedure

Final approval will not be given until a full set of plans (final working drawings) showing the full nature and impact of the proposed home or improvement has been submitted as required, appropriately reviewed, and approved by the Architectural Committee. The Architectural Committee may charge a fee for the review of the plans and 30 days advance notice is required.

The Committee requires the following plans:

1. Preliminary Draft or Rendering – This plan does not need to be highly detailed but should supply the information to access the design implications of the proposed structure and weed out any plan that will not be approved
2. Final – Final Working drawings to be submitted for building permits must be reviewed and approved by the Architectural Committee prior to application for a building permit. This plan should incorporate any changes the Committee has requested from the Sketches. All exterior elevations and floor plans as well as exterior materials and colors are to be included.

All plans must contain the following information:

1. Lot numbers, street address, owner's address, present address, telephone numbers and date.
2. Builders name, with address, 24 hour telephone number and contact person name.
3. Scale for each drawing.
4. Existing site conditions including field run topography at no more than two foot intervals, existing trees with diameters of 4 inches or greater, boundary lines including easements for horse trails, required setbacks, existing adjacent structures and street names.

Construction Inspections

1. Owners must adhere to all state and local codes and inspections.
2. After foundation staking but prior to pouring concrete an engineer must certify that all setbacks and square footage requirements have been met.

Building Requirements

1. Architectural style to be consistent with traditional styles. Architectural Committee may withhold approval of inconsistent styles such as contemporary, Spanish, southwestern or other inconsistent elevations.
2. Front elevations (corner lots have two front elevations) shall have true divided light windows (unless the style of the residence, as determined by the architect and with the approval in writing of the Architectural Committee), determines that this requirement should be waived.
3. Masonry headwalls shall match the masonry utilized on residence. Concrete culverts required (no galvanized metal pipe or plastic pipe shall be approved for use in side ditches). Any poured in place concrete or block walls shall be covered with masonry or plastered.
4. Quoins are prohibited unless determined by Architectural Committee to be appropriately consistent with the architectural style.
5. Dormers shall be appropriately scaled and detailed and shall in no event contain diagonal or vertical siding.
6. Any garage which is visible from a public street or other residences shall be screened with appropriate evergreen landscape material as per approved landscape plan.
7. Playground equipment and recreational areas shall not be located within 30 feet of equestrian trail.
8. Privacy fencing shall not be located in front of the building setback of the residence and if utilized in a side or rear yard shall be at least 30 feet from the equestrian trail.
9. Fencing along the equestrian trail, the street right of way or in front of the building setback shall be 4 rail white fences as approved by Architectural Committee.
10. Fencing for any purpose must be approved by the Architectural Committee before installation.
11. The use of brick as opposed to stucco or dryvit is preferred and the use of two colors on the masonry portion of a stucco, dryvit or painted brick home shall not be permitted.
12. Only one cornice color is permitted. A second exterior paint color may be used on homes with shutters or similar accent trim.
13. The use of siding on residences which are primarily brick is discouraged and shall only be approved for use in areas which are, for structural reason, unable to accommodate brick (such as on dormers or above the roofing material). Areas such as end gables shall be bricked up to the cornice.
14. Roof area and pitch shall be proportionate to the scale of the residence.
15. The front elevation should be designed in order to permit the location of the front entry to be readily and immediately discernable.
16. The use of washed concrete is preferred for driveways.
17. The minimum building setback is 125 feet from the rights of way (which ends 25 feet from the center of the pavement on a 50 foot ROW) except for Walnut Grove ROW, which has a minimum 60' setback. Measurement of setback from the side ditch is not a reliable measurement. Building locations are to be flagged for inspection by Architectural Committee prior to placement of concrete.

Construction Requirements:

1. Each lot must have a dumpster on site prior to any construction and emptied prior to overflow.
2. Each lot must have a Port-A-John on site prior to any construction.
3. Each lot must have a gravel drive prior to any construction – gravel spread a minimum of 25 feet wide, 75 feet long and 2 inches thick to prevent mud from accumulating on public streets. Any mud brought onto the street must be cleaned prior to leaving for the day. Muddied streets will not be tolerated.
4. Each site must be cleaned of debris and blowing trash.
5. Construction material must be kept out of the right-of-way at all times.
6. Construction working hours are from 7:00 am until 7:00 pm.
7. Loud noise or music will not be permitted.
8. Absolutely no dumping of excess concrete or any other materials within the Estates of Spring Mills will be permitted.
9. Each Builder and Owner is responsible for establishing property corners and construction staking. Only a licensed Engineer should survey the property and locate proposed improvements.
10. Each Builder and Owner is responsible for protecting all Common Areas infrastructures, walls, fencing and other Common Improvements to and within the subject property.
11. Any damage to a neighbor's property will be repaired within two weeks.
12. The posted speed limit within the Estates of Spring Mill is 30 mph. Violators work privileges will be permanently revoked.

Any deviation from the above will result in fines and necessitate immediate corrective measures at the Owner's expense and expose the Owner to additional liabilities. Note, the Owner will be held responsible for any and all builder related issues.

Violations of the Covenants and Restrictions will not be tolerated. The Architectural Committee and the Homeowners Association have the right to impose on the owner an initial fine up to \$500.00* per occurrence, and a fine of \$200.00* per day for continued or uncorrected violations, the payment of any attorney fees and any corrective costs involved.

*Subject to change without notice