

BK/PG:D302/535-578

05029624

44 PGS : AL - MASTER DEED	
TRACIE BATCH: 30441	
11/04/2005 - 02:12:19 PM	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	220.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	222.00
STATE OF TENNESSEE, LOUDON COUNTY	
TRACIE LITTLETON	
REGISTER OF DEEDS	

Prepared by:
Myron C. Ely, Attorney
550 West Main Avenue
Suite 725
Knoxville, Tennessee 37902

MASTER DEED
OF
MEADOW WALK VILLAS CONDOMINIUMS

This Master Deed is made and executed in Loudon County, Tennessee, this 26th day of October 2005, by **LOUDON HILLS, LLC, a Tennessee Limited Liability Company**, hereinafter collectively referred to as "**DEVELOPER**".

WITNESSETH:

WHEREAS, Developer is the owner of certain real property located in Lenoir City, Loudon County, Tennessee, particularly described in Exhibit A attached hereto and made a part hereof (hereinafter referred to as the "Land"), together with certain improvements on the Land (collectively referred to as "Property"); and

WHEREAS, Developer proposes to submit the Property to a horizontal property regime pursuant to the provisions of the Tennessee Horizontal Property Act, Tenn. Code Ann. §66-27-101 through §66-27-123 (hereinafter referred to as the "Act"), and sell and convey the Property to various purchasers for condominium ownership, subject to the covenants, conditions, and restrictions herein reserved to be kept and observed; and

WHEREAS, the Horizontal Property Regime shall be known as Meadow Walk Villas Condominiums and shall consist of seventy-six (76) residential dwellings being known and designated as Meadow Walk Villas Condominiums, and

WHEREAS, the location of the improvements on the Land is shown in a certain instrument entitled "Plat of Meadow Walk Villas Condominiums" (hereinafter referred to as "Plat"), which such Plat is included in Exhibit D, attached hereto and made a part hereof; and

WHEREAS, Developer desires and intends by filing this Master Deed to submit the Property to the provisions of the Act and to impose upon such Property mutually beneficial restrictions under a general plan of improvements for the benefit of the Property and the Owners thereof; and

WHEREAS, Developer has incorporated or will cause to be incorporated under the laws of the State of Tennessee, a Not For Profit Corporation known or to be known as Meadow Walk Villas Condominiums Homeowners Association, Inc.

NOW, THEREFORE, the Developer does hereby declare as follows:

I. Establishment of Condominium. The Developer hereby submits the Property to the provisions of the Act in order to establish a horizontal property regime known as "Meadow Walk Villas Condominiums". By the recording of this Master Deed, Developer hereby publishes and declares that the Property is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved in accordance with the provisions of the Act and subject to the covenants, conditions, restrictions, uses, limitations, and obligations of this Master Deed, which shall be deemed to run with this Land and shall be a burden and a benefit to the Developer, its successors and assigns and any person acquiring or owning an interest therein, their heirs, personal representatives successors and assigns.

II. Definitions. The terms used in this Master Deed or in the exhibits attached hereto shall have the meanings stated in the Act and as follows, unless the context otherwise requires:

A. Articles of Incorporation shall mean the Articles of Incorporation of Meadow Walk Villas Condominium Homeowners, Association Inc., a copy of which document is attached hereto and made a part hereof as Exhibit B, together with all future amendments or supplements thereto.

B. Assessment shall mean that portion of the Common Expenses, as hereinafter defined, which is to be paid by each Unit Owner in proportion to his Percentage Interest in the Common Elements as hereinafter described.

C. Association shall mean Meadow Walk Villas Condominium, Association, Inc. a Tennessee Not For Profit Corporation to be formed, its successors and assigns.

D. Board of Directors or "Board" shall mean the governing body of the Association with the powers and duties as set forth in the Bylaws.

E. Bylaws shall mean the form of Bylaws for the administration of the Condominium and the Association contained in Exhibit C attached hereto and made a part hereof, together with all future amendments or supplements thereto.

F. Common Elements shall mean the General Common Elements and the Limited Common Elements.

G. Common Expenses include:

1. Expenses of administration, maintenance, operation, repair, restoration or replacement of the Common Elements, rent, taxes, special assessments, insurance, alteration or improvement of any and all of the Common Elements and facilities located upon the Land;

2. Expenses declared Common Expenses by the provisions of the Master Deed or Bylaws;
3. Any valid charge against the Condominium as a whole; and
4. Any charge incurred or assessed by the Association or their respective directors, officers, agents or employees in the lawful performance of their respective duties or powers.

H. Common Surplus shall mean the excess of all receipts of the Association, including, but not limited to, assessments, rents, profits and renewals from the Common Elements, over the amount of Common Expenses.

I. Condominium shall mean:

1. all the land and premises described in Exhibit A;
2. all improvements now or hereinafter constructed in, upon, over or through such lands and premises; and
3. the entire entity created by the execution and recordation of this Master Deed, or by any amendments or supplements thereto.

J. Developer shall mean Loudon Hills, LLC.

K. General Common Elements shall mean the items and appurtenances described in Paragraph 1 of Article III, Section C.

L. Lease shall mean any agreement for the leasing or rental of any Unit of the Condominium.

M. Limited Common Elements shall mean the items and appurtenances described in Paragraph 2 or Article III, Section C.

N. Master Deed shall mean this document, together with all future amendments or supplements hereto.

O. Mortgage shall mean a deed of trust as well as a Mortgage.

P. Mortgagee shall mean a beneficiary under or holder of a deed of trust, as well as a beneficiary under or holder of a Mortgage.

Q. Owner or Unit Owner shall mean "Co-owner" as defined by the Act and shall mean those persons or entities in whom record fee simple title to any Unit is vested as shown in the records of the Register of Knox County, Tennessee, including the Developer unless the context expressly indicates otherwise.

R. Percentage Interest shall mean the undivided interest held by each Unit Owner in the Common Elements, which interest for each Owner shall be as shown on Exhibit "E".

S. Property shall mean the entire parcel of real property referred to in this Master Deed, including the Land, the buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for common use in connection therewith, subject to the right of incremental development reserved to the Developer hereinafter.

T. Site Plans as used herein shall include the Plat and all other filings and/or exhibits hereto showing the location of building and units on the Land otherwise described or referencing the Property or Units, copies of which are attached hereto as Exhibit D.

U. Rules and Regulations shall mean the rules and regulations concerning the use of the Property and operation and functions of the Association as are from time to time in effect.

V. Unit shall mean "Apartment" as defined by the Act, and shall be the portion of the Condominium designed and intended for individual ownership and use.

III. Description of Condominium Property.

A. In General. The Condominium will include Seventy-Six (76) Two (2) storied dwellings including an enclosed garage, together with all parking areas and all other site improvements which are part of the Common Elements and located substantially as shown on the Site Plans.

B. Units. The dimension, area and location of the buildings and the Units are as shown on the Site Plans. Floor plans of each type of Unit are incorporated and set forth in the Site Plans. Each Unit is intended to contain all space within the areas bounded by the interior surface of the perimeter walls of each Unit and the floor and the Ceiling of each Unit as follows: The bottom is an imaginary horizontal plane through the lowest point of the exterior surface of each portion of subfloor within the Unit, and extending in every direction to the point where it closes with a side of such Unit. The top of each type of unit is an imaginary plane along and coincident with the unfinished and unexposed surface of the dry wall or other material which forms the uppermost ceiling of the Unit and extending in every direction to the point where it closes with every side of such Unit. The sides of each Unit are imaginary vertical planes along and coincident with the innermost surface of the studding of the perimeter walls. Where no wall exists, the side is an imaginary vertical plane and coincident with the exterior surface of the windows or doors located on the perimeter of such Unit. The sides of each such Unit are bounded by the bottom and top of the Unit.

Each Unit, regardless of type, also includes all built in appliances, fixtures, doors, windows, interior walls and partition, dry wall and/or other facing material on the walls and ceilings thereof, the inner decorated and/or finished surface of the floors (including all flooring tile, ceramic tile, finished flooring, carpeting and padding) and all other improvements located within such Unit described, which are exclusively appurtenant to such Units, although all or part thereof may not be located within the Unit, and shall include, but not be limited to, the following individual appurtenances to the extent that the same serve each individual Unit only and not any other unit or any portion of the Common Elements:

1. So much of the common heating, plumbing and ventilating systems as extend from the interior surface of the walls, floors or ceilings into the Unit;
2. Hot water heater;
3. All electrical wires which extend from the interior surface or walls, floors or ceilings into the Units and fixtures, switches, outlets and circuit breakers;
4. All master antenna wiring which extends from the interior surface of the walls, floors or ceilings into the Unit;
5. All utility meters not owned by the public utility agency supplying the service;
6. All equipment, appliances, machinery, mechanical or other systems which serve the Unit exclusively whether or not same are located within or without the unit; and

C. Common Elements.

1. General Common Elements.

All appurtenances and facilities and other items which are not part of the units hereinbefore described in Section B of this Article III or part of the Limited Common Elements hereinafter described in Paragraph 2 of this Section C shall comprise the General Common Elements. The General Common Elements shall also include by way of description but not by way of limitation:

- A. All land shown on Exhibit A aforesaid whether improved or unimproved;
- B. All parking areas, private streets, driveways, curbs and sidewalks, subject to the easements and provisions set forth in Article IV of this Master Deed;
- C. Storage rooms, maintenance sheds, mailrooms, laundry rooms, swimming pool and clubhouse and all other community facilities;

- D. Lawn areas, shrubbery, conduits, utility lines, underground sprinkler system and detention areas.
- E. Public connections and meters for gas, electricity, telephone and water not owned by the public utility or other agencies providing such services;
- F. The roof, attic spaces, the foundation, footing, columns, girders, beam supports, exterior or interior bearing or main walls and floors between Units;
- G. Halls, corridors, lobbies, stairs, stairways, porch, balconies, stoops and landings which serve more than one Unit;
- H. Exterior lighting and other facilities necessary to the upkeep and safety of the buildings and grounds and serving more than one Unit;
- I. Any easement or other right which may now or hereafter be granted for the benefit of the Unit Owner(s) or others for access to or use of the General or Limited Common Elements not included within the Condominium or for any other purpose;
- J. All tangible personal property required for the operation, maintenance and administration of the Condominium which may be owned by the Association;
- K. All other facilities or elements of any improvement within any building or upon the Property necessary or convenient to the management, operation, maintenance and safety of the Condominium or normally in common use; and;
- L. Such other items and appurtenances defined as "General Common Elements: under the Act not included in the Units or the Limited Common Elements.

2. Limited Common Elements. The Limited common Elements shall include, by way of description and not by way of limitation, any porch, steps, stairways, stoop, balconies, doorways and other elements which are set forth in each floor plan included in the Site Plans, and which are appurtenant to a Unit. Such Limited Common Elements shall be reserved for the exclusive use of the Unit to which they are appurtenant and may not be transferred apart from the conveyance of title to the Unit.

IV. Property Rights and Use.

A. Estate Acquired. The owner of each Unit shall have such an estate therein as may be acquired by grant, by purchase or by operation of law, including an estate in fee simple; and shall acquire as an appurtenance thereto an undivided Percentage Interest in the Common Elements of the Condominium, which shall not be divisible from the Unit to which it appertains. Each Unit, together with its undivided interest in the Common Elements, shall constitute a separate parcel of real property and each Unit Owner shall be entitled to exclusive ownership of such real property subject to the provisions of this Master Deed and the easements, restrictions, covenants and encumbrances set forth herein, the Bylaws and the Act.

B. Delegation of Use. Any Owners may delegate, in accordance with the Bylaws, their right of enjoyment to the Common Elements and facilities to the members of their families, their tenants, or contract purchasers who reside on the Property.

C. No Partition. So Long as this Master Deed has not been terminated in accordance with the provisions of Article XV the Common Elements shall remain undivided; and no Owner shall have the right to bring any action for partition or division.

V. Association.

A. Formation. The responsibility for the administration of the Common Elements of the Condominium shall be by and exclusively and irrevocably delegated to the Association, and shall be in accordance with the Act, this Master Deed, the Articles of Incorporation, the Bylaws and any other agreements, documents, amendments or supplements to the foregoing. The Association shall be incorporated under the Articles of Incorporation in the form attached as Exhibit B as a Tennessee Not For Profit Corporation. The Association shall be managed by a Board of Directors elected by the Unit Owners.

B. Bylaws. The affairs of the Board and the administration of the Condominium shall be governed by the Act, this Master Deed and the Bylaws, a copy of which is attached as Exhibit C. The Bylaws may be amended from time to time, but only in the manner expressly provided in the Bylaws.

C. Membership. Upon proper recordation of a deed to a Unit, each unit Owner shall automatically become a member of the Association (hereinafter referred to as "Member") and shall be a Member for so long as he or she shall hold legal title to the Unit. The Developer shall be a Member of the Association with respect to all units owned by it.

D. Voting. The Owner or Owners of each Unit shall collectively have one vote per Unit in the affairs of the Association; provided, however, the Developer shall be entitled to seventy-five percent (75%) of all votes in the affairs of the Association, until the earlier of the following two events (which event shall hereinafter be referred to as "Passage of Control"): (i) four (4) months after three-fourths (3/4) of the Units have been sold by the Developer, or (ii) three (3) years following the sale of the first Unit by the Developer.

E. Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair the Common Elements, the Association shall not be liable for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the Property to be maintained and repaired by the Association, or caused by the negligence of other Owners or persons..

F. Binding Effect. All Agreements, decisions and resolutions legally made by the Association or the Developer in accordance with the provisions of this Master Deed and the Bylaws shall be binding upon all Owners; provided, however, prior to Passage of Control, neither the Owner nor the Association is bound either directly or indirectly to contracts or leases, including, but not limited to, a contract with a management agent as permitted in Section G of this Article V, unless there is the right of termination of any such contract or lease, without cause, which is exercisable without penalty at any time after Passage of Control upon not more than ninety (90) days notice to the other party to the contract or lease.

G. Management Agent. The responsibility for the administration of the Condominium may be delegated by the Board to a professional management agent, by proper resolution of the Board, such a management agent may be authorized to assume any of the functions, duties and powers assigned to the Board in the Bylaws or this Master Deed.

VI. Maintenance, Alteration & Improvement. The responsibility for the maintenance of the Condominium Property and restrictions upon the alteration and improvement thereof, shall be as follows:

9. **Maintenance Repair and Alteration of Units and Limited Common Elements:**

- (a) The responsibility of the Unit Owner shall be:
 - (i) to maintain, repair and replace at such Unit Owner's sole cost and expense all portions of the Owners Unit and the Limited Common Elements appurtenant thereto;
 - (ii) to maintain, repair and replace at such Unit Owner's sole cost and expense those portions of the Owners Unit which are parts of the General Common

Elements, the responsibility for which has been delegated by the Association to the individual Unit Owner.

- (iii) to promptly report to the Association any defects or needs for repairs, the responsibility for which is that of the Association.

- (b) Except as otherwise provided in this Master Deed, Unit Owners shall not make any structural alterations, changes, modifications or improvements to the exterior of their Unit building, the Limited Common Elements appurtenant thereto or the General Common Elements without the prior written approval of the Board of Directors. Written notice of any proposed change shall be given to the Board of Directors setting forth details and requesting approval. The Board of Directors shall consider the request and decide whether or not approval should be granted, and in doing so the Board of Directors shall take into consideration such factors as uniformity of exterior appearance, the effect, if any, of the proposed change upon the utility of the Development as a whole, and overall aesthetic impact of the proposed improvements or changes. The Board of Directors shall have the obligation to act upon the written request within sixty (60) days after such request is received, and the failure to do so within the stipulated time shall constitute the Board of Directors consent. Approval by the Board of Directors of any structural alterations, additions or improvements by Unit Owners shall not in any way be deemed to or construed to mean that such alterations, improvements or additions are in compliance with laws, ordinances and regulations of any governmental authorities. Such compliance shall be the sole responsibility of the Unit Owner. The provisions of this section shall not apply to the Developer or Developer owned Units.

10. Maintenance, Repair and Alteration of General Common Elements:

- (a) The maintenance, repair and replacement of the General Common Elements shall be the responsibility and the expense of the Association. Provided, however, that the Association may delegate to each Unit Owner the responsibility for maintenance, repair and replacement of General Common Elements constituting a portion of such Unit Owner's Unit building.
- (b) After the completion of the improvements which are contemplated by this Master Deed and the Plat, there shall be no alteration or further improvement of the real property constituting the General

Common Elements without prior approval in writing by the Owners of not less than three-fourths (3/4) or seventy-five (75%) percent of the General Common Elements except as provided by the Bylaws. Provided, however, that nothing herein shall be deemed to limit Developer's Reserved Rights as defined and set forth herein.

11. **Common Expense Assessments:**

- (a) Every Unit Owner by acceptance of a Deed to a Unit shall be deemed to covenant and agree to pay the Association a proportionate share of the Common Expenses (the "Assessment"), each share being the same as its Undivided Interest in the Common Elements, as shown on Exhibit "E". No Unit Owner may be exempted from contributing to the Common Expense Assessments by Waiver of use or enjoyment of the Common Elements or by abandonment of the Unit or by any other means.
- (b) Common Expenses attributable to fewer than all Units shall be allocated in the following manner:
 - (i) If a Common Expense is caused by the sole action of a Unit Owner the Association may assess that expense exclusively against that Unit Owner's Unit.
 - (ii) Fees, charges, late charges, fines, collection costs and interest charged against a Unit Owner pursuant the Master Deed are enforceable as an Assessment against the Unit and the Unit Owner to which they are attributable.
- (c) The Association and the Board of Directors shall set the amount of the Assessments, such amounts shall be reasonably sufficient to pay all Common Expenses. Assessments shall be due and payable monthly in the manner prescribed by the Board of Directors.
- (d) The Assessments shall be a lien against a Unit for default in payment, each lien shall also secure the payment of interest, costs and reasonable attorney fees in accordance with applicable law. The Assessments together with interest, costs and attorney fees shall also be the personal obligation of the Unit Owner. The personal obligation of the Unit Owner for delinquent Assessments shall not be deemed to pass to any successors in title unless expressly assumed by them or unless required by law. All record Owners Shall be jointly and severally liable with respect to the Assessments.
- (e) No offsets against any Assessments shall be permitted for any reason whatsoever, including, without limitation any claim that the Association is not properly performing its duties.
- (f) Assessments and installments thereon paid on or before ten (10) days after the date when due shall not bear interest, but all sums

not paid on or before ten (10) days after the date when due shall bear interest at the rate of eighteen (18%) percent per annum or the maximum rate allowed by applicable law, whichever is greater, from the date when due until paid. All payments upon account shall be first applied to interest and then to the Assessment payment first due.

- (g) the lien for unpaid Assessments provided by Tennessee law may be enforced by sale by the Association. Such sale shall be conducted in accordance with the provisions of law applicable to powers of sale or foreclosure in deeds of trust or mortgages of real estate.

12. **Effect of Lien.** To the extent permitted by the Act, any lien which the Association may have against a Unit under the Act and/or pursuant to the terms of this Master Deed for Assessments shall be subordinate to the lien of the deed of trust or equivalent security interest properly reflected on a Unit where the same is recorded prior in time to the recordation of such lien for Assessments.

13. **Foreclosure Purchaser.** To the extent permitted by the act and the Mortgagee holding a first mortgage on a Unit, anyone who obtains title to the Unit as a result of foreclosure of the first mortgage or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall not be liable for the Assessments pertaining to such Unit or chargeable to the former Unit Owner which became due prior to such acquisition of title. Such unpaid assessments shall be in such event deemed to be Common Expenses collectable from all of the Unit Owners. Any such sale or transfer pursuant to a foreclosure, however, shall not relieve the purchaser or transferee of a Unit from liability for, nor the Unit from, the lien of any Assessments made thereafter. Such foreclosure, or transfer in lieu of foreclosure, shall in no way affect, limit or abrogate the personal liability of the predecessor Unit Owner for such unpaid Assessments and the Association's rights with respect to such predecessor Unit Owner shall not be diminished. Nothing contained herein shall be deemed to alter or diminish the provisions of the preceding Paragraph 13 with regard to the priority of the lien of a valid deed of trust.

14. **Association.** The operation of Meadow Walk Villas Condominiums shall be by the Association which shall fulfill its functions pursuant to the Charter, Bylaws and the following provisions:

- (a) The members of the association shall be the Unit Owners.
- (b) The Association is incorporated pursuant to the Charter of Meadow Walk Villas Condominium Homeowners Association, Inc.

- (c) The original Bylaws of the Association shall be in the form attached as Exhibit "C".
 - (d) Notwithstanding the duty of the Association to maintain and repair parts of the Development, the Association shall not be liable for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the Development to be maintained and repaired by the Association, nor for injury or damage caused by the elements or other Owners or persons.
 - (e) The share of an Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit of the respective Owner.
 - (f) Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such Unit Owner in regular Association meeting, unless the joint approval of the record Unit Owner is specifically required by this Master Deed.
15. **Developer Control Period and Transfer.** The Developer shall control seventy-five (75%) percent of all votes in the affairs of the Association during (the "**Developer Control Period**"). During the Developer Control Period, the Developer shall be entitled to the aforesaid voting control and shall also be entitled to appoint and remove officers of the Association and members of the Board of Directors. The Developer Control Period shall terminate unless earlier relinquished, not later than the earlier of the following:
- (a) Four (4) months after three-fourths (3/4) of all units have been sold by the Developer.
 - (b) Three (3) years following the sale of the first unit by the Developer.
16. **Developer's Reserved Rights.** The Developer hereby reserves the following rights during the Developer's control period: These rights may be exercised without the requirement of the approval or joinder of the Unit Owners or Homeowners Association.
- (a) The right by amendment to this Master Deed to modify Units, General Common Elements and Limited Elements subject to the Master Deed and only when in compliance with the Master Deed and applicable Zoning regulations.
 - (b) The right to construct underground utility lines, pipes, wires, ducts and other facilities across the Land for the purpose of furnishing utility and other services to buildings and improvements to be constructed subsequent to the recordation of this Master Deed.

- (c) The right to withdraw and grant easements to public utility companies and to convey improvements within those easements for the purposes described herein.
- (d) The right to maintain ingress and egress easements over and upon the General Common Elements for purposes of construction and repair.
- (e) The right to complete improvements indicated on the Plat.
- (f) The right to maintain sales offices, management offices, model Units and signs advertising Meadow Walk Villas Condominium Association, Inc.
- (g) The right to maintain any and all easements over the Common Elements for the purpose of making improvements within Meadow Walk Villas Condominiums..
- (h) The right to assign all or a portion of developer's rights. Such right shall include Developer's right to an assignment pertaining to a particular Unit or Units.
- (i) The right to annex and incorporate into the horizontal property regime such additional land for the development of additional residential units and common areas.

17. **Notices to Mortgagees.** A timely written notice to all Mortgagees requesting such notification in writing shall be provided as to the following:

- (a) Any condemnation or casualty loss that affects either a material portion of Meadow Walk Villas Condominiums or the Unit securing its mortgage.
- (b) Any sixty (60) day delinquency in the payment of Assessments or charges owed by the Owner of any Unit on which it holds the mortgage.
- (c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

18. **Insurance:**

- (a) Insurance policies upon the Property covering the items described in subparagraph (b) of this paragraph shall be purchased and maintained by the Association for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear. All policies shall be written with a company licensed to do business in Tennessee and having a rating of Class 13 or better by Best's Insurance Reports. Provision shall be made for the issuance of the certificates of mortgage endorsements to the mortgagees of Unit Owners.
- (b) Insurance shall cover the following:

- (1) All General Common Elements in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement and such other risks as are customarily covered with respect to buildings similar to the buildings on the Property, such as vandalism and malicious mischief;
 - (2) public liability in such amounts and with such coverage as shall be deemed necessary by the Board of Directors of the Association;
 - (3) worker's compensation as required by law;
 - (4) such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.
- (c) Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense unless otherwise provided.
 - (d) Each Unit Owner shall obtain insurance at its own expense covering its Unit, the Limited Common Elements appurtenant thereto and any portions of the General Common Elements comprising its Unit for which the responsibility for insurance has been delegated by the Association. Provided, however, that no Unit Owner shall be entitled to exercise its right to maintain insurance coverage in such a way as to decrease the amount which the Board of Directors, on behalf of all of the Unit Owners and their mortgagees may realize under any insurance policy which the Board of Directors may have in force on the Property at any particular time.
 - (e) Each Unit Owner shall file a copy of its insurance policy with the Board of Directors within thirty (30) days after purchase of such insurance.

19. **Reconstruction or Repair of Damaged Property.** If the General Common Elements are damaged, they shall be reconstructed or repaired, unless it is otherwise determined by a seventy-five (75%) percent vote or it is determined that Meadow Walk Villas Condominium Regime shall be terminated.

20. **Responsibilities and Procedures as to Payment for Repairs:**

- (a) Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair so as to place the damaged property in condition as good as that before the casualty.
- (b) If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, additional assessments may be made at any time during or following the completion of construction.

21. **Use Restrictions.** The use of Meadow Walk Villas Condominiums shall be in accordance with the following provisions:

- (a) Each of the Units shall be occupied only by a family, its servants and guests, as a residence and for no other purpose. Except as reserved to the Developer, no Unit may be divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred without first amending this Master Deed to show the changes in the Units to be affected thereby.
- (b) The Common Elements shall be used only for the purposes for which they are intended.
- (c) No use or practice shall be permitted on the Property which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents. All parts of the Property shall be kept in a clean and sanitary condition and no rubbish, refuse, or garbage allowed to accumulate, nor any fire hazard be allowed to exist. No Unit Owner shall permit any use of his Unit or of the Common Elements (general or limited), which will increase the rate of insurance upon the Property. No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed at all times.
- (d) Until the Developer has completed and sold all of the Units, neither the Unit Owners nor the Association shall interfere with the completion of the Units, the contemplated improvements and the sale of the Units. The Developer may make such use of the unsold Units and Common Elements as may facilitate such completion and sale, including but not limited to the maintenance of a sales

office, the periodic showing of the Property, and the display of signs for leasing such Units.

22. **Compliance and default:**

- (a) Each Unit Owner shall be governed by and shall comply with the terms of this Master Deed, the Charter, Bylaws and Rules and Regulations of the Association and any other rules or regulations adopted pursuant thereto, and by such documents and regulations as they may be amended from time to time. A default shall entitle the Association or other Unit Owners to the relief described in subparagraph (b) of this paragraph in addition to the remedies provided by the Act.
- (b) A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, employees, agents, licensees or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in hazard insurance rates occasioned by use, misuse, occupancy or abandonment of a Unit Owner and all reasonable legal expense incurred by the Association in the enforcement of the provisions of this paragraph.
- (c) The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Act, this Master Deed, the Charter, the Bylaws, or the regulations adopted pursuant thereto shall not constitute a waiver of the right to do so thereafter.

23. **Amendment.** Notwithstanding anything to the contrary herein contained during the development Control Period, the Developer shall have the right to amend this Master Deed, the Charter and Bylaws so as to conform with applicable laws, governmental regulations and statutes. Further, the Developer may amend the Master Deed, Charter and Bylaws to correct any inconsistencies or inadequacies therein so as to meet requirements of lending institutions and to expedite the completion of construction and sale of the Units or to reflect the assignment of any of the Developer's rights and/or interests in the Property. Further the Developer may amend this Master Deed pursuant to the exercise of Developer's Reserved Rights at anytime without necessity of joinder of any Unit Owner or other party.

24. **Termination.** Meadow Walk Villas Condominiums may be terminated in the manner provided by the Act.

25. **Severability.** The invalidity in whole or in part of any covenant or restriction or any section, subsection, sentence, clause, phrase or word or other provision of this Master Deed and the Charter, Bylaws and regulations of the Association shall not affect the validity of the remaining portions thereof.
26. **Power of Attorney.** The Board of Directors is hereby irrevocably appointed as agent and attorney-in-fact for the Unit Owners of all of the Units and for each of them, to manage, control and deal with the interests of such Unit Owners in the Common Elements of the condominium to permit the Board of Directors to fulfill all of its powers, rights, functions and duties. The Board of Directors is hereby irrevocably appointed as agent and attorney-in-fact for each Unit Owner, each Mortgagee, other named insureds and their beneficiaries, and any other holder of a lien or other interest in the Condominium or the Property, to adjust and settle all claims arising under insurance policies purchased by the Board of Directors and to execute and deliver releases upon the payment of claims. The Board of Directors may grant and accept easements and licenses pursuant to applicable law and the Master Deed.

IN WITNESS WHEREOF, the Developer has caused this instrument to be executed and its name to be signed by its Chief Manager pursuant to authority granted in the Operating Agreement, the day and year first above written.

LOUDON HILLS, LLC

By: 


William S. Johnson
Chief Manager

STATE OF TENNESSEE

COUNTY OF KNOX

Before me the undersigned Notary Public in and for the State and County aforesaid personally appeared **WILLIAM S. JOHNSON** with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who upon oath acknowledged himself to be the **Chief Manager** of **LOUDON HILLS, LLC**, a Limited Liability Company, the within named bargainor, and that he as such **Chief Manager** being authorized so to do executed the foregoing instrument for the purposes therein contained by signing the name of the Limited Liability Company by himself as **Chief Manager**.

Witness my hand and official seal this 31st day of OCTOBER 2005.


Notary Public

My Commission expires: 10-13-09

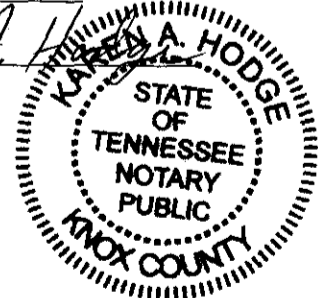


EXHIBIT "A"

DESCRIPTION OF PROPERTY

MEADOW WALK VILLAS CONDOMINIUMS

SITUATE in the Second Civil District of Loudon County, Tennessee, and being more particularly bounded and described as follows:

BEGINNING at a point in the northwest right of way of Highway 11, said point of beginning being corner to Strange Subdivision; thence from said beginning point along the northwest right of way of Highway 11, South 11 deg. 02 Min. West, 936.61 feet to a point; thence South 15 deg. 29 Min. 22 Seconds West, 96.35 feet to a point; thence leaving the right of way of the Highway, North 39 deg. 11 Min. 03 Seconds West, 741.37 feet to a point; thence North 39 deg. 27 Min. 16 Seconds West, 536.00 feet to a point; thence North 39 deg. 03 Min. 55 Seconds West, 83.26 feet to a point; thence North 28 deg. 16 Min. 29 Seconds East, 65.2 feet to an iron pin; thence North 26 deg. 56 Min. 51 Seconds West, 317.53 feet to a point; thence North 26 deg. 56 Min. 51 Seconds West, 178.30 feet to a point; thence North 30 deg. 30 Min. 30 Seconds West, 303.75 feet to a point; thence North 58 deg. 19 Min. 10 Seconds East, 118.50 feet to a point thence North 59 deg. 10 Min. East, 220.00 feet to a point; thence South 41 deg. 05 Min. East, 100.00 feet to a point; thence South 52 deg. 00 Min. East, 741.68 feet to a point in the boundary of Strange Subdivision; thence along the boundary of said subdivision, South 43 deg. 52 Min. 20 Seconds West, 270.20 feet to a point; thence South 57 deg. 45 Min. East, 120.04 feet to a point; thence South 57 deg. 45 Min. East, 693.22 feet to a point in the northwest right of way of Highway 11, the point of BEGINNING, containing 23.31 acres; and being according to the survey of LeMay & Associates Consulting Engineers, dated 8 April 2005 bearing Job Number 4593.

SEE DEED BOOK 295 page 583.



Secretary of State Business Information Search

[Secretary of State Web Site](#)
[Instructions](#)

Name	I.D. Number
MEADOW WALK VILLAS CONDOMINIUMS HOMEOWNERS ASSOCIATION, INC.	0505610
Business Type*:	CORPORATION
Profit/Nonprofit:	NONPROFIT
Status*:	ACTIVE
Date of Formation/Qualification:	11/01/2005
Domestic/Foreign:	DOMESTIC
Place of Incorporation/Organization:	KNOX
Duration:	PERPETUAL
FYC(Fiscal Year Closing) Month:	DECEMBER

Principal Office:

Address Line 1: 10401 KINGSTON PIKE
Address Line 2:
City: KNOXVILLE
State: TN
Zip: 37922

Other than USA:**Registered Agent:**

Name: LOUDON HILLS, LLC
Address Line 1: 10401 KINGSTON PIKE
Address Line 2:
City: KNOXVILLE
State: TN
Zip: 37922

Business Filing History

* Important Note: Business filing History includes information about (1) the basis for an inactive status and (2) the current true name and filing status of a business with an assumed name or a changed status.

Note: This information is current as of three working days prior to today's date.

EXHIBIT "C"

Prepared By:
Myron C. Ely, Attorney
550 W. Main Ave
Suite 700
Knoxville, TN 37902

**BYLAWS
OF
MEADOW WALK VILLAS CONDOMINIUMS
HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I

GENERAL

Section 1. **The Name:** The name of the Association shall be
**MEADOW WALK VILLAS CONDOMINIUMS HOMEOWNERS ASSOCIATION,
INC.**

Section 2. **The Principal Office:** The principal office of the corporation shall
be at the Condominium Location, or at such other place as may be subsequently
designated by the Administrative Board.

Section 3. **Definition:** As used herein, the term "Association" shall be the
equivalent of "Co-Owner Association" as used in the Master Deed of Meadow Walk
Villas dated 26th day of October 2005 and as defined in the Tennessee Horizontal Property
Act set forth in Tennessee Code Annotated 66-27-101, et seq., herein referred to as "the
Act".

ARTICLE II

MEMBERSHIP

Section 1. **Definition:** Membership in the Association shall be limited to the
owners of condominium units in Meadow Walk Villas Condominiums.

A) **Voting Membership:** The association shall have two classes of voting
membership:

Class A: Class "A" members shall be all owners, with the exception of any owner classified as a Class "B" member, and shall be entitled to one vote for each unit owned. When more than one person holds an interest in any unit, all such persons shall be members, but there shall be no more than one vote for each unit without regard to the number of owners of any such unit.

Class B: Class "B" membership shall be comprised solely of the Developer (as defined in the Master Deed) and shall be entitled to three (3) votes for each unit owned by it. The Class "B" membership shall cease and be converted to Class "A", when applicable, when the Developer, its successors or assigns has consummated the original sale of all units subject to the Master Deed or on January 1, 2010, whichever first occurs.

Section 2. **Transfer of Membership and Ownership:** Membership in the Association may only be transferred incident to the transfer of the transferor's condominium unit and said undivided interest in the common areas and facilities of the condominium, such transfer shall be subject to the procedures set forth in the Master Deed and the Act.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. **Place:** All meetings of the Association membership shall be held at the office of the Association or such other place designated by a majority of the Members of the Association as may be stated in the notice of such meeting..

Section 2. **Annual Meetings:**

A) The annual meeting of the Members shall be held at a location in Loudon County agreed upon by a majority of the Membership; provided however, that the first such meeting will not be held until the earlier of (1) the sale by grantor, as defined in Master Deed, of all units in this condominium; (2) notice by the grantor; or (2) two years from the date of the filing of the foregoing Master Deed.

B) Regular annual meetings subsequent to the first such meeting shall be held no later than January 31st of each calendar year if not a legal holiday. If January 31st is a legal holiday, then on the next secular day following unless otherwise determined by the Administrative Board.

C) All annual meetings shall be held at such hour as is determined by the Administrative Board.

D) At the annual meeting, the members shall elect the new members of the Administrative Board and transact such other Business as may properly come before the meeting.

E) Written notice of the annual meeting shall be served upon or mailed to each member entitled to vote there at such address as appears on the books of the Association, at least ten (10) days but not more than sixty (60) days prior to the meeting. Each member shall notify the Secretary of any address change and the giving of said notice shall be in all respects sufficient if sent to the address of the member which is then on file with the Secretary.

Section 3. **Membership List:** At least ten (10) but not more than sixty (60) days before every election of the Board of Members, a complete list of members entitled to vote at said election, arranged numerically by units with residents of each, shall be prepared by the Secretary. Such list shall be produced and kept for ten (10) days prior and throughout the election at the office of the Association and shall be open to examination by any member through such time.

Section 4. **Special Meetings:**

A) Special meetings of the members for any purpose or purposes, unless otherwise described by statute, may be called by the President or by a majority vote of the Administrative Board and shall be called at the request of not less than twenty-five percent (25%) of the members entitled to vote at the meeting. Such request shall state generally the purpose or purposes of the proposed meeting.

B) Written notice of special meeting of members stating the time, place, purpose thereof and the person or persons calling the meeting shall be served upon or mailed to each member entitled to vote there at such address as appears on the books of the Association, said notice to be given at least ten (10) days but not more than sixty (60) days before such meeting.

C) Business transacted at all special meetings shall be confined to the subjects stated in the notice thereof.

Section 5. **Quorum:** Over fifty percent (50%) of the total number of members of the Association present in person or represented by written proxy shall be requisite to and shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by statute or these Bylaws. If, however, such quorum shall not be present or represented at any meeting of the members, the members entitled to vote, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time, without written notice other than announcement at the meeting until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called. If adjournment extends past 30 days, notice of the date on which the adjourned meeting is to reconvene shall be given as here provided for regular meetings.

Section 6. **Vote Required To Transact Business:** When a quorum is present at any meeting, a majority of the votes cast in person or represented by written proxy filed with the Secretary in advance of the meeting shall decide any question brought before the meeting, unless the question is one upon which, by express provision on the Master Deed or these Bylaws a different vote is required, in which case such express provisions shall govern and control the decision of such questions.

Section 7. **Right To Vote:** Each owner shall be entitled to a vote as set forth in the Articles of Incorporation of the Homcowners Association. At any meeting of the

members, each member having the right to vote shall be entitled to vote in person or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. If more than one person or entity owns a unit, the vote shall be divided among them according to their ownership of the unit, except in the case of husband and wife, which shall be considered one person.

Section 8. **Waiver And Consent:** Whenever the vote of members at a meeting is required or permitted by any provision of the statutes, the Master Deed or these Bylaws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if all members who would have been entitled to vote upon the action of such meeting, if such meeting were held, shall consent in writing to such action being taken.

Section 9. **Order Of Business:** The order of business at annual member's meetings will be:

- a) Roll call and certifying of proxies
- b) Proof of notice of meeting or waiver of notice
- c) Reading of minutes of prior meeting
- d) Officers' reports
- e) Committee reports
- f) Appointment by Chairman of Inspection of Election
- g) Elections of Directors and Officers
- h) Unfinished business
- i) New business
- j) Adjournment

ARTICLE IV
ADMINISTRATIVE BOARD

(Referred to as Board of Administration in the Act)

Section 1. **Number And Term:** The number of Board Members which shall constitute the whole Administrative Board (The "Board") shall be three (3). Until succeeded by Board Members elected at the first annual meeting of members, Board Members need not be members. Within the limits above specified, the number of Board Members shall be determined by the members at the annual meeting. The Board Members shall initially be elected to serve staggered terms, one for three years, one for two years and one for one year and they shall serve until their successors shall be elected and shall qualify. Thereafter, each Board Member shall be elected for a term of three years. The Board shall consist of the President of the Association, the Secretary of the Association and the three (3) elected Board Members.

Section 2. **Vacancy And Replacement:** If the office of any Board Member becomes vacant by reason of transfer of ownership, death, resignation, retirement, disqualification, removal from office or otherwise a majority of the remaining Board Members though less than a quorum, at a special meeting of the Board of Members duly called for this purpose shall choose a successor or successors who shall hold office for the unexpired term in respect to which such vacancy occurred.

Section 3. **First Administrative Board:** The first Board shall consist of the officers of the original Developer who shall hold office and exercise all powers of the Board until the first membership meeting, anything herein to the contrary notwithstanding; provided any or all of said Board Members shall be subject to replacement in the event of resignation or death as above provided.

Section 4. **Powers:** The Property and business of the Association shall be managed by the Board which may exercise all powers not specifically prohibited by statute

or the Master Deed to which a copy of these Bylaws is attached. The powers of the Board shall specifically include, but not be limited to the following:

A) To make and collect regular and special assessments and establish the time within which payment of same are due.

B) To use and expend the assessments collected to maintain, care for and preserve the units and condominium property, except those portions thereof which are required to be maintained, cared for and preserved by the owners.

C) To purchase the necessary equipment and tools required in the maintenance, care and preservation referred to above.

D) To enter into and upon the units when necessary and at as little inconvenience to the owner as possible in connection with such maintenance, care and preservation.

E) To insure and keep insured said property in the manner set forth in the Master Deed against loss from fire and/or other casualty and the unit owners against public liability and to purchase such other insurance as the Board may deem advisable, including insurance against Board Members' liability.

F) To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from owners for violations of these Bylaws and the terms and conditions of the Master Deed.

G) To employ and compensate such personnel as may be required for the maintenance and preservation of the Property.

H) To make appropriate changes in the Rules and Regulations for the occupancy of units as may be deemed necessary. Any such changes shall be approved at the next meeting of the membership by a majority of the votes cast.

I) To acquire, rent and/or lease a condominium unit in the name of the Association or a designee.

J) To carry out the obligations of the Association under any restrictions and/or covenants running with the land submitted to the Condominium ownership of this Association or its members.

K) To designate, as the Board deems appropriate, assigned parking spaces (other than limited common elements) for each unit, visitors, service vehicles and other vehicles.

L) To adopt rules and regulations pursuant to Article IX of the Bylaws.

M) To impose a special assessment against a unit owner or his guests for breach of any rule or regulation adopted by the Board or the breach of any Bylaws contained herein or the breach of any provisions of the Master Deed.

N) To propose and adopt an annual budget for the property.

Section 5. **Liability:** The Board Members shall not be liable to the owners for any mistake of judgment or otherwise, except for their own individual negligence, willful misconduct, actual bad faith or gross negligence.

Section 6. **Compensation:** Neither Board Members nor officers shall receive compensation for their services as such unless otherwise directed by the Board.

Section 7. **Meetings:**

A) The first meeting of each Board newly elected by the members shall be held immediately upon adjournment of the meeting in which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board shall be held at the same place as the general members' meeting and immediately before or after the adjournment of same.

B) Special meetings of the Board shall be held whenever called by the direction of the President or a majority of the Board. The Secretary shall give notice of each special meeting either personally, by mail or telegram, at least three (3) days before the date of such meeting, but the Board Members may, in writing, waive notice of the calling of the meeting before or after such meeting.

C) A majority of the Board shall be necessary and sufficient at all meetings to constitute a quorum for the transaction of business and the act of a majority present at any meeting at which there is a quorum shall be the act of the Board. If a quorum shall not be present at the meeting, the Board Members then present may adjourn the meeting without notice other than announcement at the meeting until a quorum shall be present.

Section 9. **Order Of Business:**

- a) Roll call
- b) Proof of notice of meeting or waiver of notice
- c) Reading of minutes of last meeting
- d) Consideration of communications
- e) Elections of necessary Board Members and officers
- f) Reports of officers and employees
- g) Reports of committees
- h) Unfinished business
- i) Original resolutions and new business
- j) Adoption of budget (when appropriate)
- k) Adjournment

Section 10. **Annual Statement:** The Board shall present no less often than at the annual meeting a full and clear statement and accounting of the business and condition of the Association, including a report of the operating expenses of the Association and the assessments paid by each member.

ARTICLE V

OFFICERS

Section 1. **Executive Officers:** The executive officers of the Association shall be the President and Secretary/Treasurer, both of whom shall be elected annually by and from the Board. No two officers may be one and the same person.

Section 2. **Subordinate Officers:** The Board may appoint such other officers and agents from the membership as it may deem necessary who shall have such authority and perform such duties as from time to time may be prescribed by said Board.

Section 3. **Tenure Of Officers: Removal:** All officers shall be subject to removal, with or without cause, at any time by action of the Board. The Board may delegate powers of removal or subordinate officers and agents to any officer.

Section 4. **The President:**

A) The President shall preside at all meetings of the members and Board Members; he shall have general and active management of the business of the Association; he shall see that all orders and resolutions of the Board are carried into effect; he shall execute bonds, mortgages and other contracts requiring seal, under the seal of the Association.

B) He shall have general supervision and direction of all other officers of the Association and shall see that their duties are performed properly.

C) He shall submit a report of the operations of the Association for the fiscal year to the Board Members whenever requested by them, and to the members at the annual meeting, and from time to time shall report to the Board all matters within his knowledge which the interest of the Association may require to be brought to their notice.

D) He shall be an ex-officio member of all committees and shall have general powers and duties of supervision and management usually vested in the office of the President of an Association.

Section 5. **The Secretary/ Treasurer:**

A) The Secretary shall keep the minutes of Board meetings in one or more books provided for that purpose.

B) The Secretary shall see that all notices are fully given in accordance with the provisions of these By-Laws or as required by law.

C) He shall be custodian of the records.

D) He shall keep a register of the post office address of each member which shall be furnished to the Secretary by each member.

E) In general, he shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board Members.

Section 6.

A) The Treasurer shall be vested with all powers and required to perform all the duties of the President in his absence and such other duties as may be prescribed by the Board.

B) He shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects, in the name of and to the credit of the Association, in such depositories as may be designated by the Board.

C) He shall disburse the funds of the Association as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Board Members at the regular meetings of the Board (or whenever they may require it) an account of all his transactions as Treasurer and of the financial condition of the Association. Such records shall be open to inspection by members at reasonable times.

D) He may be required to give the Association, at the Association's cost, a bond in a sum and with one or more sureties satisfactory to the Board for the faithful performance of the duties of his office and the restoration to the Association in case of his death, resignation or removal from office of all books, papers, vouchers, money or other property of whatever kind in his possession belonging to the Association.

E) He shall maintain a register for the names of any mortgage holders or lien holders on units who have requested in writing that they be registered and to whom the Association will give notice of default in case of non-payment of assessments. No responsibility by the Association is assumed with respect to said register except that it will

give notice of default to any registered mortgage or lienor therein, if so requested by said mortgage or lienor.

F) With the approval of the Board, he shall be authorized to delegate all or part of his responsibilities to competent accounting, collection or management personnel, pursuant to written definition of the responsibilities delegated but, in such event, the Treasurer shall retain supervisory responsibilities.

Section 7. **Vacancies:** If any office becomes vacant by reason of death, resignation, disqualification or otherwise, the remaining Board Members, by a majority vote of the remaining Board Members provided for in these By-Laws, may choose a successor or successors who shall hold office for the unexpired term. If the number of Board Members falls below two (2), a special members' meeting shall be called for the purpose of filling such vacancies in the Administration Board.

Section 8. **Resignations:** Any Board Member or officer may resign his office at any time, such resignation to be made in writing and to take effect from the time of its receipt by the Board Members, unless some time be fixed in the resignation and then from that date. The acceptance of a resignation by the Board shall not be required to make it effective.

ARTICLE VI

NOTICES

Section 1. **Definition:** Whenever under the provisions of the statutes, the Master Deed of these Bylaws, notice is required to be given to any Board Member or member, it shall not be construed to mean personal notice; but such notice may be given in writing by mail by depositing the same in a post office or letter box in a postpaid, sealed envelope, addressed as appears on the Books of the Association.

Section 2. **Service Of Notice - Waiver:** Whenever any notice is required to be given under the provisions of the statutes, the Master Deed 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 therein, shall be deemed the equivalent thereof.

Section 3. **Address:** The address for notice of the Association shall be that of the Registered Agent for Service of Process of the Association.

ARTICLE VII

FINANCES

Section 1. **Fiscal Year:** The fiscal year shall be the calendar year.

Section 2. **Checks:** All checks or demands for money and notes of the Association shall be signed by any one of the following officers: President, Secretary/ Treasurer, or by such officer or officers or such other person or persons as the Administrative Board may from time to time designate.

Section 3. **Determination Of Assets:**

A) The Board shall determine from time to time the sum or sums necessary and adequate for the common expenses of the property. As approved by the Board, the budget shall constitute the basis for all Regular Assessments for common expenses against unit owners which assessments shall be due and payable periodically as determined by the Board. Common expenses shall include expenses for operation, maintenance, repair or replacement of the common areas and facilities and the limited common areas and facilities, cost of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, taxes on the common areas and any other expenses designated as common expenses from time to time by the Administrative Board of the Association.

B) The Board is specifically empowered on behalf of the Association to make and collect assessments and to maintain, repair and replace the common areas and facilities and the limited common areas and facilities of the property. Funds for the payment of common expenses shall be assessed against the unit owners in the proportions or percentages of sharing common expenses provided in the Master Deed. Assessments

shall be payable periodically as determined by the Board. A Reserve Fund shall be established and maintained through the Regular Assessments for common expenses. Said fund shall be for the replacement of improvements to the common elements and those limited common elements the Association is obligated to maintain.

C) Special assessments for budgeted items not adequately funded through the Regular Assessments may be required by the Board and shall be levied and paid in the same manner as hereinbefore provided for Regular Assessments. No other special assessment shall be made by the Board without the approval of a majority vote of the membership, except for the repair of the condominium property due to damage and destruction which shall occur as provided in the Master Deed.

D) When the Board has determined the amount of any assessment, the Secretary/Treasurer of the Association shall mail or present all statements of the assessment to each of the assessed owners. All assessments shall be payable to the Association and, upon request, the Secretary/Treasurer or said party's designated agent shall give a receipt for each payment made.

E) All assessments not paid when due shall bear interest at the highest legal rate of interest, not to exceed Eighteen (18%) percent per annum.

ARTICLE VIII

DEFAULT

Section 1. **Enforcement Of Lien For Assessments:** In the event an owner does not pay any sum, charge or assessment required to be paid to the Association by the due date the Association, acting on its own behalf or through its Board, may enforce its lien for assessments or take such other action to recover the sums, charges or assessments to which it is entitled in accordance with the Master Deed and the Act, or both.

Section 2. **Governmental Liens And Assessments:** In the event that an owner fails to pay any tax or assessment lawfully assessed by any governmental subdivision within which the property is situated by the date such tax or assessment is due,

the Board may pay the same from the funds of the Association and assess such owner for the amount paid, plus interest thereon.

Section 3. **Legal Costs:** In the event such legal action is brought against an owner and results in a judgment for the Association, the owner shall pay the Association reasonable attorney fees, costs of collection and court costs.

Section 4. **Other Remedies:** In the event of violation of the provisions of the Master Deed as the same are defined in the Master Deed, for ten (10) days after notice from the Association, acting on its own behalf or by and through its Administrative Board, the Association may bring appropriate action to enjoin such violation, may enforce the provisions of said Master Deed, and may sue for damages or pursue such other course of action or legal remedy as it or they may deem appropriate.

Section 5. **Intent:** Each owner for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of nuisance, regardless of the remedy availability to the other equally adequate legal procedures. It is the intent of all unit owners to give to the Association a method and procedure which will enable it at all times to operate on a business-like basis, to collect those monies due and owing it from the unit owners and to preserve each unit owner's right to enjoy his unit free from unreasonable restraint and nuisance.

ARTICLE IX

RULES AND REGULATIONS

In addition to the other provisions of these Bylaws, any rules and regulations (adopted by the Board), together with any subsequent changes, shall govern the use of the units located in the property and the conduct of all residents and guests.

ARTICLE X

INDEMNIFICATION

The Association may indemnify any person made a party to an action by or in the right of the Association to procure a judgment in its favor by reason of his being or having

been a Board Member or officer of the Association against the reasonable expenses, including attorney fees, actually and necessarily incurred by him in connection with an appeal therein, except in relation to such matters as to which such Board Member or officer is adjudged to have been guilty of gross negligence or willful misconduct in the performance of his duty to the Association.

**ARTICLE XI
AMENDMENT**

These Bylaws may only be altered, amended or added to at any duly called meeting of the members provided (i) that the notice of the meeting shall contain a full statement of the proposed amendment; and (ii) that the quorum requirement for such purposes shall be a majority of all of the then-outstanding votes in person or by proxy. In addition it shall be necessary that there be an affirmative vote of owners representing Seventy-Five (75%) percent of the total outstanding votes.

No amendment to these Bylaws shall be passed which would operate to impair or prejudice the right or liability of any mortgagee nor shall any amendment be passed in violation of any provision in the Act.

**ARTICLE XII
CONSTRUCTION**

Whenever the masculine singular form of the pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Should any of the covenants herein imposed be void or become unenforceable at law or in equity, the remaining provisions of this instrument shall nevertheless be and remain in full force and effect.

Attested to this 31st day of October, 2005.

**MEADOW WALK VILLAS CONDOMINIUMS
HOMEOWNERS ASSOCIATION, INC.**

By: _____

**William S. Johnson,
Chief Manager**

STATE OF TENNESSEE

COUNTY OF KNOX

Before me, the undersigned authority, a Notary Public in and for said County and State aforesaid, personally appeared **WILLIAM S. JOHNSON**, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged himself to be the **Chief Manager**, of **MEADOW WALK VILLAS CONDOMINIUMS HOMEOWNERS ASSOCIATION, INC.**, the within bargainer, a corporation, and that he as such **Chief Manager**, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as **Chief Manager**.

Witness my hand and seal at office in Knox County, this 31st day of October, 2005.

Karen A. Hodge
Notary Public

My Commission Expires: 10-13-09



EXHIBIT "D-1"

Description of residential units:

Twenty-four (24) single family residential units with common boundary between units, 1 through 12 and 13 through 24. All units to adjoin a fifty (50) foot right of way known as Meadow Walk Lane which has access to and extends from Highway 11 along the front of each residential unit.

Cabinet G slide 50.

EXHIBIT "D-2"

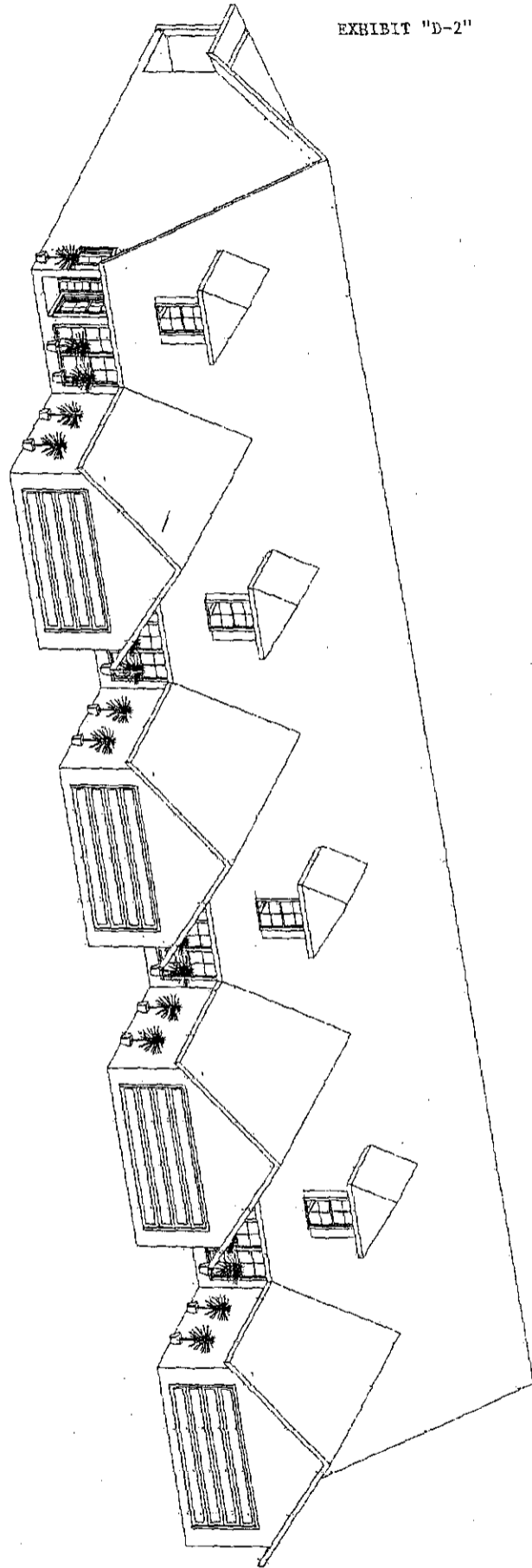


EXHIBIT "D-3"

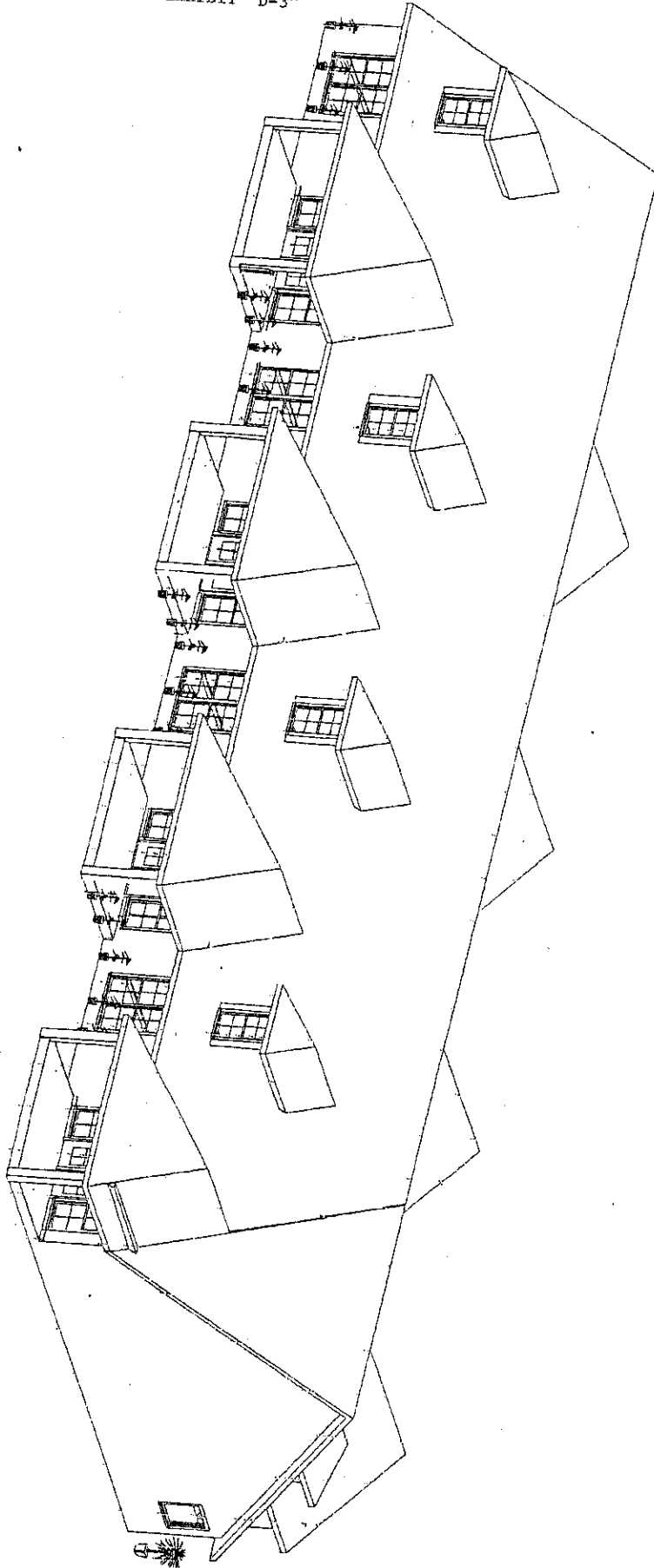


EXHIBIT "D-4"

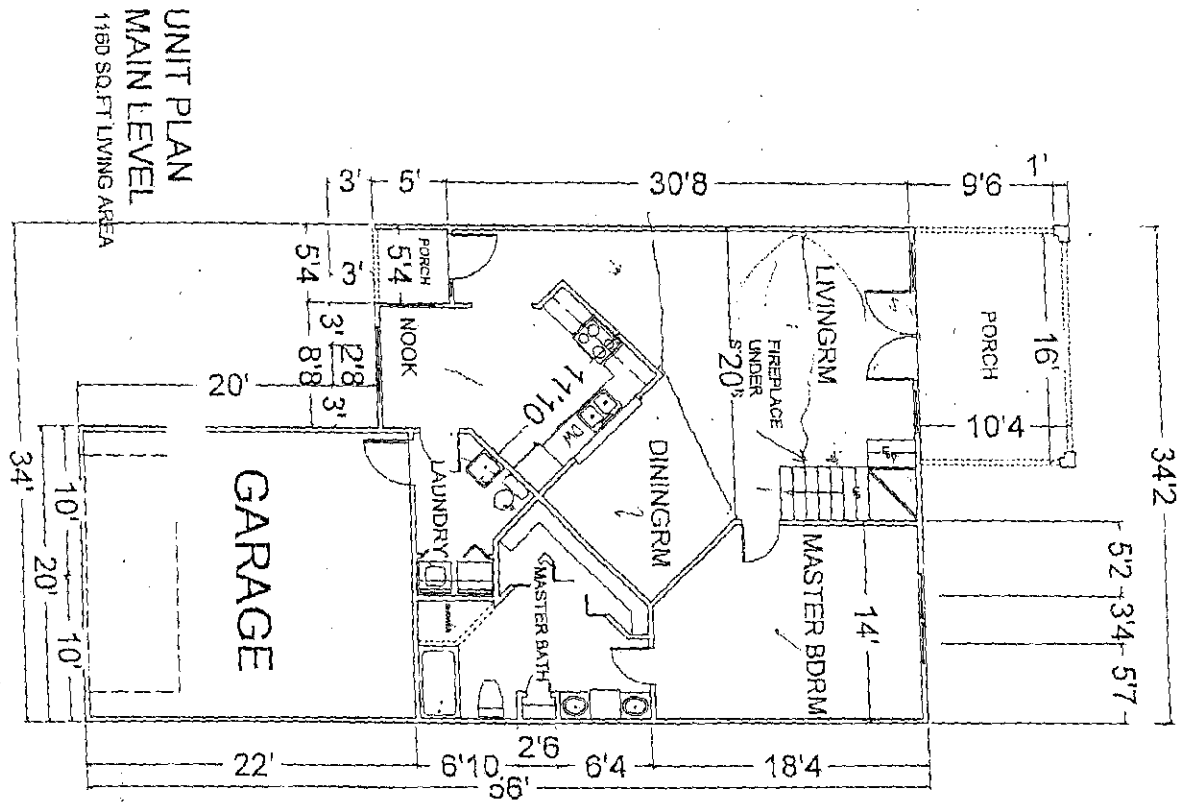
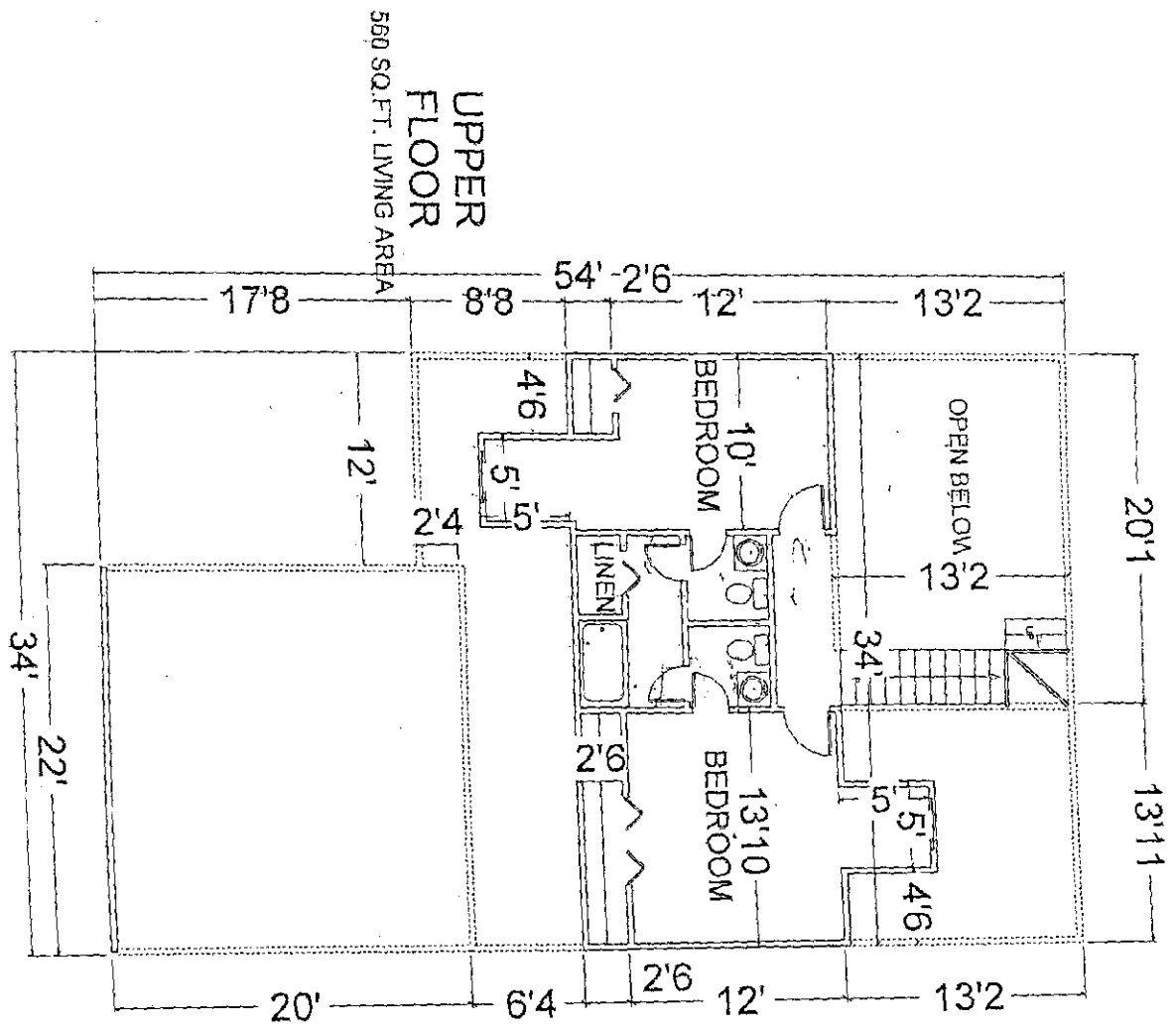


EXHIBIT "D-5"



MEADOW WALK CONDOMINIUM PROJECT

EXHIBIT "D-6"

UNIT AMENITIES

1ST. FLOOR LIVING AREA...1160 SQ.FT.
2ND. FLOOR LIVING AREA.....560 SQ. FT.
GARAGE.....440 SQ. FT.
COVERED PORCH.....160 SQ. FT

3 BEDROOM, 2 1/2 BATHS, GAS FIREPLACE, MASTER BEDROOM ON MAIN LEVEL.

ALL BRICK EXTERIOR, CATHEDRAL CEILING, HARDWOOD/CERAMIC TILE/ CARPET

FLOORING; COVERED PORCH, 9' WALLS FIRST FLOOR, 2 CAR GARAGE

EXHIBIT "E"

**MEADOW WALK VILLAS CONDOMINIUMS
OWNERSHIP INTEREST IN COMMON ELEMENTS**

PERCENTAGE OF OWNERSHIP

UNIT 1	1/76
2	1/76
3	1/76
4	1/76
5	1/76
6	1/76
7	1/76
8	1/76
9	1/76
10	1/76
11	1/76
12	1/76
13	1/76
14	1/76
15	1/76
16	1/76
17	1/76
18	1/76
19	1/76
20	1/76
21	1/76
22	1/76
23	1/76
24	1/76
25	1/76
26	1/76
27	1/76
28	1/76
29	1/76
30	1/76
31	1/76
32	1/76
33	1/76
34	1/76
35	1/76
36	1/76
37	1/76

Continued

MEADOW WALK VILLAS CONDOMINIUMS

OWNERSHIP INTEREST IN COMMON ELEMENTS CONTINUED

PERCENTAGE OF OWNERSHIP

UNIT 38	1/76
39	1/76
40	1/76
41	1/76
42	1/76
43	1/76
44	1/76
45	1/76
46	1/76
47	1/76
48	1/76
49	1/76
50	1/76
51	1/76
52	1/76
53	1/76
54	1/76
55	1/76
56	1/76
57	1/76
58	1/76
59	1/76
60	1/76
61	1/76
62	1/76
63	1/76
64	1/76
65	1/76
66	1/76
67	1/76
68	1/76
69	1/76
70	1/76
71	1/76
72	1/76
73	1/76
74	1/76
75	1/76
76	1/76