

Heritage Village Master Deed

THIS INSTRUMENT PREPARED BY:

Recorded in Book 6484 Pages 287 - 361

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This Supplement and Amendment to the Master Deed of Heritage Village Condominium is made and entered into by and between all Owners of family units presently constructed in Heritage Village Condominium, hereinafter referred to as the "Apartment Owners" (or Unit Owner); all Mortgagees holding mortgage liens on family units presently constructed in Heritage Village Condominium, hereinafter referred to as the "Mortgagees"; the Heritage Village Condominium Homeowners' Association, hereinafter referred to as the "Association"; and Heritage Village, A Joint Venture, its successors and/or assigns, hereinafter referred to as the "Developer".

WITNESSETH:

WHEREAS the heretofore referenced "Parties" represent all parties with legal and equitable ownership interests in and to certain property situated in the 11th Civil District of Nashville, Davidson County, Tennessee, and described according to Exhibit 'A' attached; and,

WHEREAS, a portion of the subject property has been dedicated to a "Horizontal Property Regime" known as Heritage Village Condominium by Master Deed of record in Book 4758, Page 179, Register's Office for Davidson County, Tennessee; and,

WHEREAS, additional portions of the subject property have been added to said condominium regime by Amendments to the Master Deed of record in Book 480, Page 829, and Book 5102, Page 383, Register's Office for Davidson County, Tennessee; and,

WHEREAS, the "Developer" desires to construct additional Units on portions of the subject property as shown on the plan described on Exhibit "B" attached; and,

WHEREAS, the "Parties" to this instrument desire that both the existing apartment Units and those proposed to be constructed be eligible for a broad range of mortgage funding, including but not limited to, loan programs offered by the Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Housing Administration (FHA), and Veterans Administration (VA); and,

WHEREAS, the existing condominium Master Deed and related documents do not fully conform to the mortgage lenders' underwriting guidelines required to qualify for mortgage funding; and,

WHEREAS, the "Parties" desire to supplement and amend the Master Deed and related documents to conform to the mortgage lenders' guidelines.

NOW THEREFORE, for and in consideration of the mutual covenants, agreements, and benefits hereinafter recited, the undersigned "Parties" hereby supplement and amend the Master Deed of Heritage Village Condominiums as follows:

I. Definitions. As used herein, unless the context otherwise requires:

A. "Act" means the "Horizontal Property Act" of the State of Tennessee as same may be amended from time to time.

B. "Association" means Heritage Village Homeowners' Association, a Tennessee not-for-profit corporation.

C. 'Board' means the Board of Directors of Heritage Village Homeowners Association.

D. "Buildings" mean the building located on the parcel and forming a part of the property and containing the Units. The "Buildings" are delineated on the Flats.

E. "By-Laws" mean the By-Laws of the Heritage Village Homeowners Association, as amended by the instrument attached hereto as Exhibit "C" and made a part hereof. For purposes of the Act, all provisions contained in the book of this Master deed dealing with the administration and maintenance of the property shall be deemed to be part of the By-Laws.

F. "Common Elements" mean all of the property except for the Units and without limiting the generality of the foregoing, shall include those items defined as "General Common Elements" in the Act, including the following:

1. The Parcel;

2. All party walls, bearing walls and columns, roofs, halls, lobbies, stairways, and entrances and exits or communication ways;

3. All yards and gardens, except as otherwise herein provided or stipulated;

4. All compartments or installations of certain services such as power, light, gas, cold and hot water, refrigeration, reservoirs, water tanks, and pumps, and the like;

5. All garbage dumpsters and, in general, all devices or installations existing for common use;

6. All parking areas, road, sewers, and all other services of a public nature not inside the walls of the individual Units;

7. Pipes, ducts, electrical wiring, and conduits (except pipes, ducts, electrical wiring, and conduits situated entirely within a Unit and serving only such Unit);

8. All other elements of the buildings desirable or rationally of common use or necessary to the existence, upkeep and safety of the condominium regime established by this Master Deed; and,

9. The Clubhouse, pool, and other amenities dedicated for the common use of the Unit Owners.

G. "Developer" shall refer to Heritage Village, A Joint Venture, its successors and/or assigns, provided such successors and/or assigns are designated in writing by Developer as a successor and/or assign of the rights of Developer as set forth herein.

H. "Limited Common Elements" means all Common Elements contiguous to and serving exclusively a single Unit or one or more adjoining Units as an inseparable appurtenance thereto, the enjoyment, benefit or use of which is reserved to the lawful occupants of such Unit or Units either in this Master deed, on the Flat, or by the Board. Limited Common Elements shall include, but shall not be limited to, the separate furnace, air conditioner and water heater located within or adjacent to a Unit and serving only such Unit, pipes, ducts, electrical wiring and conduits located entirely within a Unit or adjoining Units and serving only such Unit or Units, any balconies and patios, and such portions of the perimeter walls, floors, and ceilings, doors, vestibules, windows, screens, and entryways, and all associated fixtures and structures therein as lie outside the Unit boundaries.

I. "Majority" or "majority of the Unit Owners" mean the Owners of more than Fifty (50%) percent of the Units.

J. "Master Deed" means the Master Deed of record in Book 4758, Page 179, Register's Office for Davidson County, Tennessee, as supplemented and amended by this instrument, by which the property is submitted to the provisions of the Act, as hereinafter provided, and such Master Deed as amended from time to time.

K. "Occupant" means a person or persons in possession of a Unit, regardless of whether said person is a Unit Owner.

L. "Parcel" means the Parcel(s) or Tract(s) of real estate previously submitted to the provisions of the Act and the new Parcel or Tract, described on exhibits attached to this Master Deed and submitted hereby to the provisions of the Act.

M. "Person" means a natural individual, corporation, partnership, trustee, or other legal entity capable of holding title to real property.

N. "Plat" means the Plat or Plats of survey of the Parcel or Parcels submitted to the provisions of the Act showing the number of each Unit, expressing its area, location and other data necessary for identification, said Plat or Plats being of record in the Register's Office for Davidson County, Tennessee.

O. "Property" means all the and, property and space comprising the Parcel as defined in Item "L" above, and all improvements and structures erected, constructed or contained therein or thereon, including the Buildings and all easements, rights and appurtenances belonging thereto, and all furniture, furnishings, fixtures, and equipment intended for the mutual use, benefit or enjoyment of Unit Owners, submitted to the provisions of the Act.

P. "Record" or "Recording" refers to the record or recording in the Register's Office for Davidson County, Tennessee.

0. "Rules and Regulations" refer to the rules and regulations concerning the use of the Units and the Common Elements, as adopted from time to time by the Board in accordance with the Master Deed and By - Laws.

R. "Unit" means an enclosed space consisting of one or more rooms occupying all or part of a floor or floors in the Buildings, which enclosed space is not owned in common with Unit Owners of other units. Each Unit is numbered as shown on the Plat(s). The boundaries of each Unit shall be and are the unfinished interior surfaces of its perimeter walls, floors, and ceilings, and a Unit includes both the portion of the Buildings so described and the air space so encompassed, excepting Common Elements. It is intended that the term "Unit" as used in this Master Deed shall have the same meaning as the term "Apartment" as used in the Act.

S. "Unit Owner" means the person or persons whose estates or interest, individually or collectively, aggregate fee simple ownership of a Unit and of the undivided interest in the Common Elements appurtenant thereto, and shall be deemed the same as "co-owner" under the Act, but "Unit owner" shall not mean the Mortgagee or Beneficiary of a recorded mortgage or deed of trusts who holds a lien solely for security purposes and does not have possession of the Unit. Unless specifically provided otherwise herein, Developer shall be deemed a Unit Owner so long as it is the legal title holder of any Unit.

2. Submission of Property to the Act. The "Parties" hereto do hereby submit and subject the Parcels and the property to the provisions of the Horizontal Property Act of the State of Tennessee as amended from time to time and does hereby establish a "Horizontal Property Regime" to be known as Heritage Village Condominiums.

3. Plat. The Plats set forth the numbers and location of each Unit and other data as required by the Act.

4. Units. The legal description of each Unit shall Consist of the identifying number of each Unit as shown on the Plat. Every deed, lease, mortgage, deed of trust, or other instrument shall legally describe a Unit by its identifying number as shown on the Plat and every such description by number shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no Unit Owner shall, by deed, plat, court deed or otherwise, subdivide or in any other manner cause his Unit to be separated into tracts or parcels different from the whole Unit as shown on the Plat.

5. a. Association of Unit Owners and Administration and Operation of the Property. There has been formed an Association having the name 'Heritage Village Homeowners' Association, Inc.', a Tennessee not-for-profit corporation, which Association shall be the governing body for all Unit Owners, and shall be operated to provide for the maintenance, repair, replacement, administration, an operation of the property, as provided in the Act, this Master Deed and the By-Laws. The By-Laws for the Association shall be the By-Laws attached to this Master Deed as Exhibit "0" and made a part hereof. The Board of Directors of the Association shall be elected and serve in accordance with the provisions of the By-Laws. The fiscal year of the Association shall be determined by the Board, and may be changed from time to time as the Board deems advisable. The Association shall not be deemed to be conducting a business of any kind. All activities undertaken by the Association shall be for the sole benefit of the Unit Owners, and all funds received by the Association shall be held and applied by it for the use

and benefit of Unit Owners, in accordance with the provisions of this Master Deed and By-Laws. A Unit Owner's membership shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall simultaneously succeed to the former Unit Owner's membership in the Association. Each Unit shall have one (1) vote.

b. Management of Property. The Board shall have the authority to engage the services of an agent (herein sometimes referred to as the managing Agent) to maintain, repair, replace, administer, and operate the property, or any part thereof, to the extent deemed advisable by the Board, subject to the provisions of subparagraph (c) below. The Board shall require that such Managing Agent have fidelity bond coverage on its employees handling Association funds. The cost of such services shall be a common expense, as defined in Paragraph No. 10 hereof.

c. Use by Developer. During the period of sale by Developer of any Units, Developer and Developer's agents, employees, contractors, and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the buildings and property as may be required for purposes of sale of Units. While Developer owns any of the Units and until each Unit sold by it is occupied by the Purchasers, Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use one or more of such unsold or unoccupied Units as a sales office, and may maintain customary signs in connection therewith.

d. Non-Liability of Directors and Officers. To the extent permitted by law, neither the directors nor officers of the Association shall be personally liable to Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors or officers, except for any acts or omissions found by a court to constitute gross negligence or fraud. Unit Owners shall indemnify and hold harmless each of the directors or officers and their respective heirs, executors, administrators, successors and assigns in accordance with the provisions of Article VIII of the By-laws.

6. Board's Determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the property, or any questions of interpretation or application of the provisions of this Master Deed or By-Laws, the determination thereof by the Board shall be final and binding on all Unit Owners.

7. Ownership of the Common Elements. Each Unit is hereby allocated an equal undivided interest in the Common Elements. The ownership of a Unit shall not be conveyed separate from the undivided ownership in the Common Elements appurtenant to such Unit. The undivided interest in the Common Elements appurtenant to any Unit shall be deemed conveyed or encumbered with that Unit, even though the legal description in the instrument conveying or encumbering such Unit may refer only to the fee title to that Unit.

8. Use of the Common Elements. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements and portions of the property subject to leases made by or assigned to the Board) in common with all other Unit Owners, as may be required for the purposes of access, ingress to egress from, use, occupancy and enjoyment of the respective Unit owned by such Owner. Such right to use the Common Elements shall extend not only to each Unit Owner, but also to his agent, servants, tenants, family members,

customers, invitees, and licenses. However, each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements (contiguous to and serving such Unit alone) or with adjoining Units. Such rights to use Common Elements, including the Limited Common Elements, shall be subject to and governed by the provisions of the Act, Master Deed, By-Laws, and rules and regulations of the Association. In addition, the Association shall have the authority to lease, grant concessions or grant easements with respect to parts of the Common Elements, subject to the provisions of this Master Deed and By-Laws. All income derived by the Association from leases concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions and regulations as the Board may adopt or prescribe.

9. Parking Space. Parking spaces on the property shall be part of the Common Elements, and may be used by Unit Owners, and shall be used by such Unit owners subject to the Rules and Regulations of the Association. Each Unit owner shall have the sole and exclusive right of use and enjoyment of the carport and/or garage shown on the Flat(s) as belonging to each respective Unit owner.

10. A. Common Expenses. Each Unit Owner shall pay his equal proportionate share of the expenses of the administration and operation of the common Elements and of any other expenses incurred in conformance with this Master Deed and By-Laws (which expenses are herein sometimes referred to as 'common expenses'), including, but not limited to, the maintenance and repair of the property and any and all replacements and additions thereto. Except for its responsibilities as a Unit Owner, as provided herein, Developer shall not have any responsibility for the maintenance, repair or replacement of any part of the Common Elements after the date this Master Deed is recorded; provided, however, in the event Developer expends any of its own funds for the repair, replacement or maintenance of any of the Common Elements, Developer shall be entitled to a credit for such sums against any common expenses Developer might be required to pay by virtue of being a Unit Owner. Each Unit Owner shall be responsible for paying an equal share of the common expenses. Assessments for the payment of common expenses shall be in such amounts and shall be payable at such times as determined in the manner provided in the By-Laws. No Unit Owner shall be exempt from payment of his equal share of the common expenses by waiver or nonuse of enjoyment of the Common or Limited Common Elements or by abandonment of his Unit. If any Unit Owner shall fail to make such payment of assessments for common expenses when due, the amount thereof together with any reasonable late charge established by the Board, and together with interest at the rate of Fifteen (15%) percent per annum, after said assessments become due and payable shall constitute a continuing lien on the Unit against which the assessment is made, as provided in the Act. Each Unit Owner shall be personally liable for his portion of each assessment made while he is the owner of a Unit, and his grantee shall be jointly and severally liable for any assessments due and payable at the time of conveyance.

B. Mortgage and Deed of Trust Protection. The lien for assessments payable by a Unit Owner shall be subordinate to the lien of a recorded first Mortgage or Deed of Trust on the interest of such Unit Owner, except for the amount of the proportionate share of common expenses which become due and payable from and after the date on which the Mortgagee or Beneficiary thereunder either takes possession of the Unit encumbered thereby, accepts a conveyance of any interest therein (other than as security) or forecloses its Mortgage or Deed of Trust. This subparagraph (B) shall not be amended, changed, modified, or rescinded

without the prior written consent of all Mortgagees and Beneficiaries of record.

11. Mortgages. Each Unit Owner shall have the right, subject to the provisions herein, to mortgage his Unit together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to mortgage or place a lien on the property or any part thereof, except to the extent of his own Unit and its appurtenant interest in the Common Elements.

12. Separate Real Estate Taxes. Real estate taxes shall be separately taxed to each Unit Owner for his Unit and its appurtenant interest in the Common Elements, as provided in the Act. In the event that such taxes for any year are not separately taxed to each Unit Owner, but rather are taxed on the property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective share of ownership interest in the Common Elements, and, in said event, such taxes shall be a common expense; however, the "Developer" shall be responsible for any and all taxes on the Parcel described on Exhibit "B" attached until such time as separate tax bills are submitted to Unit Owners. If said Parcel is taxed on the Parcel as a whole, then each Unit Owner of Units in said Parcel described on Exhibit "B" attached shall pay a proportionate share of said taxes as determined by dividing the tax liability by the total number of Units to be constructed on the said Parcel.

13. Insurance. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance:

(1) replacement cost fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the entire building (including all of the apartments and the bathroom and kitchen fixtures, bathroom vanities and kitchen and bathroom cabinet work, parquet floors, carpeting, light fixtures, wallpaper, paint, dry-wall, ceramic tile bathroom flooring and wallpaper, paint, dry-wall, ceramic tile bathroom flooring and vinyl kitchen floor covering initially installed therein and paid for the original owner and builder of the building, but not including furniture, furnishing, or other property supplied or installed by tenants or co-owners) together with all air-conditioning equipment and other service machinery contained therein and covering the interests of the Condominium, the Board of Managers and the Council of Co-owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the buildings, without deduction for standard mortgagee clause in favor of each mortgagee of an apartment which will provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance trustee hereinafter set forth; such insurance policies shall contain a standard deductible clause of not less than \$100.00 or more than \$1,000.00 for each occurrence;

(2) rent insurance covering the rents of the apartments or other areas owned by the Council of Co-owners and which are rented, if any;

(3) Workmen's Compensation insurance, if applicable;

(4) boiler and machinery insurance as the Board of Managers may determine, including fidelity bonds. All such policies shall provide that adjustments of loss shall be made by the Board of Managers, and that the net proceeds thereof, if \$20,000.00 or less, shall be payable to the Board of Managers and if more than \$20,000.00, the net proceeds shall be payable to the

Insurance trustee, as designated by the Board of Managers. It is clearly understood, however, that the Insurance Trustee is an escrow agent only and will make disbursements as directed by the Board of Managers. Nothing contained herein shall be construed to prevent the Board of Managers from serving as Insurance Trustee. All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insurers, including all mortgagees of apartments. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of apartments at least ten (10) days prior to expiration of the then current policies.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager, and each co-owner. Such public liability coverage shall also cover cross liability claims of one insured against another.

Co-owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any co-owner.

In the event of damage to or destruction of any building as a result of fire or other casualty (unless more than 2/3ds of all buildings require construction), the Board of Managers shall, as it in its sole and absolute discretion determine and without intervention of any co-owner, arrange for the prompt repair and restoration of the Building or Buildings (including any damaged apartments and damaged kitchen and bathroom fixtures, bathroom fixtures, bathroom vanities and kitchen and bathroom cabinet work, parquet floors, carpeting, light fixtures, wallpaper, ceramic tile bathroom flooring and vinyl kitchen floor covering initially installed therein and paid for by the original owner and building of the buildings, but not including any wall, ceiling or floor decorations or covering or other furniture, furnishings, fixtures or equipment installed by tenants or co-owners in the apartments, unless insurance thereof is specifically provided for in the insurance policy obtained by the Board of Managers) and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess all the co-owners directly affected by the damage for such deficit as part of the common charges.

If two-thirds or more of all buildings are destroyed, the property shall be sold; in which event the net proceeds of the sale, together with the net proceeds of insurance of insurance policies, shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the co-owners in proportion to their respective common interests, after paying out of the share of each co-owner the amount of any unpaid lien on his apartment, in the order of priority of such liens. If there shall have been a repair or restoration, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds shall be divided by the Board of Managers or the Insurance trustee, as the case may be, among the co-owners in the same manner.



14. Maintenance, Repairs and Replacements. Each Unit Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within his Unit. Except to the extent hereinafter set forth, maintenance of, repairs to and replacements within the Common Elements shall be the responsibility of and shall be furnished by the Association, and the cost thereof shall be part of the common expenses, subject to the By-Laws, and Rules and regulations of the Association.

The expenses for the maintenance, repair or replacement of a Unit's water heater, furnace, air conditioner, heating, and air conditioning ducts, and plumbing and electrical wiring serving only such Unit, shall be borne by the Owner of the Unit to which such Limited Common Elements are appurtenant; and, at the discretion of the Board, maintenance of, repairs to, and replacements within the other Limited Common Elements may be assessed in whole or in part to Unit Owners benefited thereby. Further, at the discretion of the Board, the Board may direct Unit owners who stand to be benefited by such maintenance of, repairs to, and replacements within the Limited Common Elements to arrange for such maintenance, repairs, and replacements in the name and for the account of such benefited Unit Owners, pay the cost thereof with their own funds, and procure and deliver to the Board such lien waivers and contractor's and subcontractor's sworn statements as may be required to protect the property from all mechanic's or materialmen's lien claims that maintain, repair, or replace the electrical wiring, plumbing, or other utilities of a Unit, it shall become necessary to gain entry to another Unit, it shall be the responsibility of the Association to provide such maintenance, repair or replacement, but the cost of such maintenance, repair, or replacement may be assessed to the Unit Owners benefited thereby, as herein above provided.

If, due to the act or neglect of a Unit Owner, or of his agent, servant, tenant, family member, invitee, licensee or household pet, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements are required which would otherwise be a common expense, then such Unit

Owner shall pay for, such damage or such maintenance, repairs and replacements, as may be determined by the Board, to the extent not covered by the Association's insurance.

The authorized representatives of the Association, Board, or of the Managing Agent with approval of the Board, shall be entitled to reasonable access to the individual Units and Limited Common Elements as may be required in connection with the preservation of any individual Unit or Limited Common Elements in the event of an emergency, or in connection with maintenance of, repairs to, or replacements within the Common Elements, Limited Common Elements, or any equipment, facilities or fixtures affecting or serving other Units, Common Elements and Limited Common Elements, or to make any alteration required by any governmental authority.

15. Alterations, Additions or Improvements. Except as provided in Paragraph No. 16, herein, no alteration of any Common Elements, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board. The Board may authorize and charge as common expenses alterations, additions and improvements of the Common Elements as provided in the By-Laws. Any Unit Owner may make alterations, additions of improvements within his Unit without the prior written approval of the Board, but such Unit Owner shall be responsible for any damage to other Units, the Common Elements, the Property, or any part thereof, resulting from such alterations, additions or improvements.

16. Decorating. Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating within his Unit and Limited Common Elements serving his Unit, as may be required from time to time, including painting, wallpapering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lighting, and other furnishings and decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls,

floors and ceilings of his Unit, and such Unit Owner shall maintain said interior surfaces in good conditions at his sole expense, as may be required from time to time. Said maintenance and use of interior surfaces shall be subject to the rules and regulations of the Association, but each Unit Owner shall have the right to decorate such interior surfaces from time to time as he may see fit and at his sole expense. Decorating of the Common Elements (other than interior surfaces within the Units as above provided and other than of Limited Common Elements) and any redecorating of Units, to the extent such redecorating of Units is made necessary by damage to Units caused by maintenance, repairs or replacement of the Common Elements by the Association, shall be furnished by the Association as part of the common expenses. All windows and screens forming part of a perimeter wall of a Unit shall be cleaned and washed, and any damage thereto repaired, at the expense of the Unit Owner of that Unit.

17. Encroachments. If any portions of the Common Elements shall actually encroach upon any Unit, or if any Unit shall actually encroach upon any portions of the Common Elements, or if any Unit shall actually encroach upon another Unit, as the Common Elements and Units are shown on the Plat, there shall be deemed to be mutual easements in favor of the owners of the Common Elements and the respective Unit Owners involved, to the extent of such encroachments, so long as the same shall exist.

18. Use and Occupancy Restrictions. Subject to the provisions of the By-Laws, no part of the property may be used for purposes other than housing and the related common purposes for which the property was designed and as allowed by municipal zoning laws. Each Unit, or any two or more adjoining Units use together, shall be used as a residence or such other use permitted by this Master Deed, and for no other purpose, except that professional and quasi-professional people may use their residence (not in violation of municipal zoning laws) as an ancillary or secondary facility to an office established elsewhere. No unit may be offered by its owner to the public at large for temporary transient accommodations; however, nothing in this Section shall prohibit Unit Owners from leasing their Units to others to be used as an apartment of residence. The foregoing restrictions as to residence shall not, however, be construed in such manner as to prohibit a Unit Owner from:

- (a) maintaining his personal professional library;
- (b) keeping his personal business or professional records or accounts; or
- (c) handling his personal business or professional telephone calls or correspondence. Such uses are expressly declared customarily incident to the principal residential use and not in violation of said restrictions.

The Common Elements shall be used only by Unit Owners and their agents, servants, tenants, family members, customers, invitees, and licensees for access, ingress to, and egress from the respective Units and for such other purposes incidental to use of the Units. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner, and shall be subject to any lease, concession or easement, presently in existence or entered into by the Board at some future time, affecting any part or all of said Common Elements.

19. Remedies. In the event of any violation of the provisions of the Act, this Master Deed, By-Laws, or rules and regulations of the Association by any Unit Owner (either by his own conduct or by the conduct of any Occupant of his Unit), the Association, or its successors or assigns, shall have each and all of the rights and remedies which may be provided for in the Act, this Master Deed, By-Laws, or said rules and regulations, or which may be available at law or in equity, and may prosecute an action or other proceedings against such defaulting Unit Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to take

possession of the Unit and to sell the same as provided hereinafter in this Paragraph No. 19, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including Court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of fifteen (15%) percent per annum or such other uniform lawful rate as the Board shall determine, until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same, as well as for nonpayment of common expenses, upon the Unit, and its appurtenant interest in the Common Elements of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in the Unit or located elsewhere on the property; provided however, that such lien shall be subordinate to the lien of a recorded first mortgage or deed of trust on the Unit, to the extent therein above set forth in Paragraph No. 10 (b) thereof. In the event of any such default by any Unit Owner, the Board and the Manager or Managing Agent, if so authorized by the Board, shall have the authority to correct such default, and to do whatever may be necessary for such purpose and all expenses in connection therewith shall be charged to and assessed against such defaulting Unit Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board. This Paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holders of record of mortgage and deed of trust liens against the Units. The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Master Deed:

- (a) to enter (either peaceably or forcibly without liability to such Unit Owner for such entry) upon the Unit, or any portion of the property upon which or as to which such violation or breach exists, and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or
- (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or
- (c) to take possession (either peaceably or forcibly without liability to such Unit Owner for such entry) of such Unit Owner's interest in the property and to maintain an action for possession of such Unit in the manner provided by law.

If any Unit owner (either by his own conduct or by the conduct of any other Occupant of his Unit) shall violate the Act, or any of the covenants or restrictions or provisions of this Master Deed, the By-Laws, or the regulations adopted by the Board and if such default or violation shall continue for ten (10) days after notice to the Unit Owner in writing from the Board, or shall occur repeatedly during any ten (10) day period after such written notice or request to cure such violation from the Board, then the Board shall have the power to issue to said defaulting Owner a notice in writing terminating the rights of said defaulting Owner to continue as a Unit Owner and to continue to occupy, use, or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Owner for a decree of mandatory injunction against such defaulting Owner or Occupant, or in the alternative, for a decree declaring the termination of said defaulting Owners right to occupy, use, or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the property shall be sold (subject to the lien of any existing deed of trust or mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said defaulting Owner from reacquiring his

interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney's fees, and all other expenses of the proceeding and sale, and all such items shall be taxes against said defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder, or any liens, shall be paid to said defaulting Unit Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the Common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Master Deed.

20. Amendment. The provisions of this Master Deed may be amended by an instrument in writing, setting forth such amendment, signed by Unit Owners owning not less than seventy-five (75%) percent of the Units; provided, however, that all lien holders of record have been notified by certified mail of such amendment, and an affidavit by the Secretary of the Association certifying to such mailing is made a part of such instrument. However, if the Act, this Master Deed or the By-Laws require the consent or agreement of all Unit Owners or of all lien holders for any action specified in the Act or in this Master Deed, then any instrument amending any provision of this Master Deed with respect to such action shall be signed by all Unit Owners or all lien holders or both as required by the Act or this Master Deed. Any amendment shall be effective upon the recording of such instrument in the Office of the Register of Davidson County, Tennessee; provided, however, that no provisions in this Master Deed may be amended so as to conflict with the provisions of the Act.

21. Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants, or rights created by this Master Deed shall be unlawful, void or voidable for violation of the rule against perpetuities, when such provision shall continue only until twenty-one (21) years after the death of the Survivor of the now living descendants of the Governor of Tennessee, Lamar Alexander.

22. Rights and Obligations. Each Grantee of Developer, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens, and charges, and the jurisdiction, rights, and powers created or reserved by this Master Deed. All future Unit Owners and Occupants shall be subject to and shall comply with the provisions of this Master Deed. Any restrictions or rules in the By-Laws which are more than administrative in nature such as, but not limited to, reservations and future rights of Developer are hereby incorporated into and made a part of this Master Deed by reference. All rights, benefits and privileges hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such grantee in like manner as though the provisions of this Master Deed were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

All present and future Unit Owners and Occupants of a Unit shall be subject to, and shall comply with, the provisions of the By-Laws appended hereto and recorded herewith, pursuant to Tennessee Code Annotated Section 66-27-1 11, as they may be amended from time to time. The acceptance of a deed of conveyance, devise, or lease to a Unit, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the By-Laws, and any Rules and Regulations promulgated thereunder, as they may be amended from time to time, are assumed, accepted and ratified by such Unit Owner or Occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions

were recited and stipulated at length in each and every deed, conveyance or lease thereof.

The terms and conditions of the Master Deed, By-Laws, and Rules and Regulations of the Association may be incorporated by reference in, and become part of the agreement between any first mortgagee and any present or future Unit Owner who enters into such an agreement with a first mortgagee. When so incorporated, any default in the terms and conditions of this Master Deed, By-Laws, and Rules and Regulations may be considered by the first mortgagee as a default, whereupon said first mortgagee, after exercising its option to declare a default, shall then have all of the rights and privileges arising as a result of a default under its agreement with said Unit Owner.

23. Condemnation. In the event of a taking of part of the Common Elements in condemnation or by eminent domain, the award made for such taking shall be payable to the Association. If a majority of the Board in their sole and absolute discretion approve the repair and restoration of such Common Elements, the Board shall arrange for the repair and restoration of such Common Elements, and the Board shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event the Board does not approve the repair and commence restoration of such Common Elements within one hundred twenty (120) days after taking by the public or private authority, the Board shall disburse the net proceeds of such award on the basis of such Unit's percentage of ownership in the Common Elements.

24. Rights Reserved. Unit Owner's right of enjoyment in the Common Elements shall be subject to:

(a) The right of the Association, as provided in its By-Laws or Rules and Regulations, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction of its published Rules and Regulations;

(b) The right of the Association to charge reasonable fees for the use of any part or parts of the Common Elements;

(c) The right of the Association to diminish in any way or to dedicate or transfer all or any part of the Common Elements to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the members entitled to vote thereon, provided that no such diminution or dedication or transfer or determination as to the purposes or as to the conditions thereof, shall be effective unless members of the Association entitled to cast ninety (90%) percent of the total votes of the Association have agreed to such dedication, transfer, purpose, or condition;

(d) The right of Developer, at his sole expense, to expand, or extend existing driveways, parking areas and yard, and to construct, expand, enlarge, or relocate sewers, utility lines or service connections, in order to serve the existing Buildings; and;

(e) The right of the Association to grant such easements and rights of way to such utility companies or public agencies or authorities as it shall deem necessary for the proper servicing and maintenance of the Common Elements and the Units.

25. Federal Housing Administration; Veterans Administration; Federal Nat'l Mortgage Association; and/or Federal Home Loan Mortgage Corporation Regulations. Notwithstanding anything to the contrary contained in this Master Deed or in the By-Laws of the Association, all terms, conditions, regulations, and requirements which are now existing, or which may be amended from time to time by the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank Board, or the Federal Savings and Loan Insurance Corporation pertaining to condominiums, are hereby incorporated as terms and conditions of this Master Deed and By-Laws and such shall be governing upon the property, Developer, and

the Association, so long as such terms or conditions are not inconsistent with the laws of the State of Tennessee as found in T.C.A. Section 66-27-101, et seq., as amended.

Specifically, without limitation upon the foregoing, the following declarations shall be controlling over any terms of this Master Deed or By-Laws which are in conflict therewith. Any portions of this Master Deed or By-Laws which are in conflict with this Paragraph, or any portion of the regulations of the Federal Housing Administration, the Veterans Administration, the Federal Nat'l Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank Board, or the Federal Savings and Loan Insurance Corporation pertaining to condominiums, are hereby deleted and the following rights of mortgagees are itemized as follows:

(a) A first mortgagee of a unit at his request is entitled to written notification from the Association of any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under this Master Deed, By-Laws, or any of the condominium documents, which is not cured within thirty (30) days.

(b) Any first mortgagee of a Unit who comes into possession of the Unit pursuant to the remedies provided in the mortgage, or deed of trust, or by foreclosure of the mortgage or deed of trust, or by deed in lieu of foreclosure, shall take the property free of any claim for unpaid assessments or charges against the mortgaged unit which accrue prior to the time such holder comes into possession of the unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

(c) Unless at least seventy-five (75%) percent of the first mortgagees (based upon one (1) vote for each mortgage owned) of units have given their prior written approval, the Association shall not be entitled to:

(i) change the pro rata interest or obligations of any Unit for (a) purposes of levying assessments or charges or allocating distribution of hazard insurance proceeds or condemnation awards, and for (b) determining the pro rata share of each Unit in appurtenant real estate and any improvements thereon, which are owned by Unit Owners in undivided pro rata interest ("Common Elements");

(ii) use hazard insurance proceeds for losses to the property (whether to Units or Common Elements) for other than the repair, replacement or reconstruction of such improvements, except as provided by T.C.A. Section 66-27-118, in case of substantial loss to the Units and/or Common Elements.

(d) First mortgagees shall have the right to examine the books and records of the Association.

(e) An adequate reserve fund for the replacement of Common Elements will be established and funded by regular monthly payments rather than by special assessments.

(f) As set forth in T.C.A. Section 66-27-120, all taxes, assessments, and charges which may become liens prior to the first mortgage under the laws of the State of Tennessee shall relate only to the Unit and not to the property as a whole.

(g) No Unit owner, or any other Party, shall have priority over any rights of the first mortgagees of Units in the case of a distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

(h) Any agreement for professional management of the property, whether it be by Developer, its successors and assigns, or any other person or entity, may be terminated on ninety (90) days' written notice, and the terms of any such contract shall so provide and shall not be of a duration in excess of three (3) years.

(i) The Association shall give to the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage

Corporation, the Federal Home Loan Bank Board, or the Federal Savings and Loan Insurance Corporation or any lending institution servicing such mortgages as are acquired or insured by the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank Board, or the Federal Savings and Loan Insurance Corporation, notice in writing of any loss to or the taking of Common Elements if such loss or taking exceeds Ten Thousand (\$10,000.00) Dollars. The Association may rely upon the information contained in the book titled "Mortgages of Units" as must be established pursuant to the By-Laws, for a list of mortgagees to be notified hereby.

(j) The interest of a first mortgagee in a mortgaged Unit shall be superior to the interests of any person, group, partnership, corporation, or entity of any kind, including any interest the Association, Developer, or any Unit Owner may have in any portion of the property, regardless of the nature of the interest or the manner in which it is acquired.

(k) Notwithstanding the above, any first mortgagee shall have all of the rights granted to a first mortgagee herein, and in addition shall have all of the rights granted to an institutional first mortgagee under its deed of trust, and under the laws of the State of Tennessee.

26. Trustee as Unit Owner. In the event title to any Unit is conveyed to a land title-holding trust, under the terms, of which all powers of management, operation, and control of the Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder shall be considered Unit Owners for all purposes and they shall be responsible for payment of all obligations, liens or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Unit. No claim shall be made against any such title-holding trustee personally for payment of any lien or obligation hereunder created, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of any such lien or obligation shall continue to be a charge or lien upon the Unit and the beneficiaries of such trust, notwithstanding any transfers of the beneficial interest of any such trust or any transfer of title to such Unit.

27. Notices. Notices provided for in the Act, Master Deed or By-Laws shall be in writing and shall be addressed to the Association or any Unit Owner, as the case may be, at 600 Heritage Drive, Madison Tennessee 37115, or at such other address as hereinafter provided. The Association may designate a different address or addresses for notices to it by giving written notice of such change of address to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person with written acknowledgement of the receipt thereof.

Upon written request to the Board, the holder of any recorded mortgage or trust deed encumbering any Unit shall be given a copy of all notices permitted or required by this Master Deed to be given to the Owner or Owners whose Unit is subject to such mortgage or trust deed.

28. Severability. If any provision of this Master Deed or By-Laws, or any section, sentence, clause, phrase, word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of this Master Deed and the By-Laws and of the application of any such provision, section, sentence, clause, phrase, or word in any other circumstances shall not be affected thereby, and the remainder of this Master Deed or of the By-Laws shall be construed as if such invalid part was never included therein.

29. Captions. The captions herein are inserted only as a matter of convenience, and in no way define, limit or describe the scope of these provisions or the intent of any provision

thereof.

30. Gender. The use of the masculine gender in this Master Deed and in the By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural whenever the context so requires.

31. This Supplement and Amendment to the Master Deed shall be interpreted to be the controlling directive for the property dedicated to the Horizontal Property Regime of Heritage Village Condominiums and shall take precedent to and supersede any conflicting terms or requirements recorded prior hereto.

IN WITNESS WHEREOF, the "Parties" have executed this document on the day and date hereinafter recited. EXHIBIT 'A'

A tract of land in the 11th Civil District of Davidson County, Tennessee, and being a part of the same property conveyed to Goodlettsville Plaza Shopping Center, Inc., as of record in Book 4554, Page 796, Register's Office for said County, and being more particularly described as follows:

BEGINNING at a point in the West line of Gridiron Heights as of record in Book 2330, Page 37, said Register's Office, said point being North 3 deg. 58' East, 302.68 feet from a concrete monument in the North margin of Pima Road; thence, North 86 deg. 38' 36" West, 870.08 feet to a point; thence, northerly 217.70 feet with a curve to the left having a radius of 825.0 feet to a point; thence, North 3 deg. 36' West, 167.0 feet to a point; thence, northerly 373.06 feet with a curve to the right having a radius of 1955.0 feet to a point; thence, North 7 deg. 20' East, 250.0 feet to a point; thence, northerly 213.43 feet with a curve to the right having a radius of 2210.0 feet to a point; thence, South 77 deg. 08' East, 370.0 feet to a point; thence, North 12 deg. 52' East, 144.8 feet to a point; thence, South 77 deg. 08' East, 479.91 feet to a point in the West line of Charles Z. Morgan; thence, South 3 deg. 13' 30" West, 363.89 feet to a concrete monument, the Southwest corner of said Morgan and the Northwest corner of the Resubdivision, Part Lot 4, Gee Lands, of record in Book 3500, Page 56, Register's Office for Davidson County, Tennessee; thence, South 3 deg. 44' West, 350.0 feet with the West boundary of said Subdivision to a concrete monument in the South margin of Williams Avenue, said point being the Northwest corner of Gridiron Heights; thence, South 3 deg. 58' West, 505.0 feet to the point of beginning and containing 25.0 acres, more or less, as per survey by Barge, Waggoner & Sumner, dated December 15, 1971.

Said 25 acre tract is subject to a 32 foot easement to the Nashville Electric Service along and adjacent to the East boundary of said property, as of in record book 3573, Page 343, said Register's Office. Additionally, said 25 acre tract is subject to a 20 foot wide sanitary sewer easement, more fully set forth in the plat of Section 1 of Heritage Village, of record in Book 4460, Page 110, Register's Office for Davidson County, Tennessee.

Being part of the same property conveyed to David L. Pollack, Trustee from Goodlettsville Plaza Shopping Center, Inc., of record in Book 4563, Page 694, Register's Office for Davidson County, Tennessee. By instrument of record in Book 5974 Page 693, said Register's Office, David L. Pollack, Trustee, resigned and L.H. Hardaway, Jr., was appointed as Successor Trustee.