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**DECLARATION OF COVENANTS AND RESTRICTIONS**

**FOR**

**PEBBLEBROOK SUBDIVISION**

**DECLARATION OF COVENANTS AND RESTRICTIONS FOR  
PEBBLEBROOK SUBDIVISION**

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**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS  
FOR PEBBLEBROOK SUBDIVISION**

**THIS DECLARATION** of Covenants, Conditions, and Restrictions (hereinafter referred to a "Declaration") made and published on the date hereinafter set forth by and between the undersigned, being the Developer and Owner of all Lots in the Development as hereinafter defined, and any and all persons, firms, corporations, or other entities, hereafter acquiring any of the within described property.

**WITNESSETH:**

WHEREAS, Developer is the legal title holder of the real estate located in Robertson County, Tennessee and described more particularly as set forth in Exhibit A attached hereto; and

WHEREAS, Developer has developed certain residential neighborhood real property in Robertson County, Tennessee, known as PEBBLEBROOK (the "Development") with common area or open spaces for the mutual benefit of the future residents of the Development; and

WHEREAS, Developer intends to and does hereby submit the above described real estate together with all buildings, structures, improvements, and other permanent fixtures of whatsoever kind thereon whether now existing or constructed hereafter and all rights and privileges belonging or in anywise pertaining thereto to the provisions of this Declaration; and

WHEREAS, Developer further desires to establish for its own benefit and for the mutual benefit of all future owners and occupants of the Development or any part thereof and intends that all future owners, occupants, mortgagees, and any other persons hereinafter acquiring any interest in the Development shall hold said interest subject to certain rights, easements and privileges in, over and upon said premises and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof, hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the co-operative aspects of residence in the Development and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Development; and

WHEREAS, the Developer desires to make provisions concerning the maintenance and ownership of the common areas or open spaces located therein;

WHEREAS, the Developer has deemed it desirable, for the efficient preservation of the values and entities in said Development, and to fulfill the foregoing objects, purposes, and requirements, to create entities to which should be delegated and assigned the powers of maintaining and administering the common areas or open spaces, managing the affairs of the residential Development, administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Developer has caused, or will cause, to be incorporated under the laws of the State of Tennessee a certain nonprofit corporation having as its members owners of Lots within the Development for the purpose of exercising the aforementioned functions.

NOW, THEREFORE, for and in consideration of the foregoing premises, and the terms, conditions and restrictions hereinafter set forth, the Developer declares that the real property hereinafter described is and shall be held, transferred, sold, conveyed, and occupied subject to the following restrictions, covenants, conditions, easements, assessments, and liens all of which are to be construed as covenants running with the land and which shall be binding on all parties having or acquiring any right, title, or interest in the hereafter described property or any part thereof and which

shall inure to the benefit of each owner thereof. Every person or other party hereafter acquiring any of the within described property made subject to this Declaration, by acceptance of a deed to any interest in or to said property, shall take such property interest subject to this Declaration and to the terms and conditions hereof, and shall be deemed to have assented to same.

## **ARTICLE I DEFINITIONS**

The following words, when used herein, shall have the following meanings unless the context otherwise requires:

Section 1. The "Association" shall mean PEBBLEBROOK HOMEOWNERS' ASSOCIATION, INC., a Tennessee not-for-profit corporation, its successors and assigns organized by the Developer for the purpose of owning and maintaining the Common Areas and which has as its members every Lot Owner subject to assessment as hereinafter provided.

Section 2. "Board" means the Board of Directors of the Association.

Section 3. "By-laws" means the By-Laws of the PEBBLEBROOK HOMEOWNERS' ASSOCIATION attached hereto as Exhibit B and are incorporated herein by reference as amended from time to time.

Section 4. "Common Areas" shall mean all real property (including the improvements located thereon or attached thereto) owned and maintained by the Association for the common use and enjoyment of the Lot Owners and designated on any recorded plats or plans of the Development as "Open Space". The Common Areas to be owned by the Association at the Effective Date of this Declaration is described more fully on Exhibit C.

The Golf Course shall not at anytime be construed as part of the Common Areas without the written consent of the Pebblebrook Partnership.

Section 5. "Declaration" shall mean this instrument, as amended from time to time.

Section 6. "Developer" shall mean PEBBLEBROOK PARTNERSHIP, its successors and assigns as designated in writing by the Developer as a successor or assign of the rights of the Developer as set forth herein.

Section 7. "Lot" shall mean any lot shown on any recorded plats or plans of the Development. The term Lot shall not include Common Areas, or dedicated streets and roadways.

Section 8. "Lot Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. Unless specifically provided otherwise herein, Developer shall be deemed a Lot Owner so long as it is the legal titleholder of any Lot.

Section 9. "Unit" shall mean and refer to a building situated upon any Lot designated and intended for use and occupancy as a residence by a single family.

Section 10. "Plat" shall mean the plat of PEBBLEBROOK as same shall be placed of record in the Register's Office for Robertson County, Tennessee and such other plats as are submitted to this Declaration pursuant to the provisions of Article II hereof.

Section 11. "Development" shall mean the real property submitted to this Declaration and described on Exhibit A attached hereto and incorporated herein by reference, and such other property as may be submitted to this Declaration pursuant to the provisions of Article II hereof. The Development shall not include any public streets and roadways included within a Plat.

Section 12. "Building" means the buildings to be located on the parcel and forming part

of the property and contained within the lots.

Section 13. "Person(s) presently owning Lots within the Development" shall mean the record owner(s) as of the date of this Declaration, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 14. "Majority" or "majority of the lot owners" means the holders of more than fifty (50%) percent of the total votes in the Association.

Section 15. "Occupant" means a person or persons in possession of a lot regardless of whether said person is a Lot Owner.

Section 16. "Parcel" means the parcel or tract of real estate, described above in this Declaration.

Section 17. "Plat" means the plat or survey of the Parcel of record in Plat Book 14, Page 6-10, in the Register's Office for Robertson County, Tennessee and which may be amended from time to time to show where Lots are located, and showing the number of each Lot and other data necessary for identification.

Section 18. "Record or Recording" refers to the record or recording in the office of the Register of Deeds in Robertson County, Tennessee.

**ARTICLE II**  
**PROPERTY SUBJECT TO**  
**DECLARATION AND SUPPLEMENTAL DECLARATION**

Section 1. Property Subject to this Declaration. Developer hereby declares that the Development shall be held, sold and conveyed subject to the easements, restrictions, covenants, and conditions of this Declaration, which are for the purpose of protecting the value and desirability of the Development, and which shall run with the land and be binding on and inure to the benefit of all parties having any right, title, or interest in the Development or any part thereof, and their heirs, devisees, executors, administrators, successors, and assigns.

Section 2. Submission of Property to Declaration and By-Laws. The Developer, as legal title holder in fee simple of the Parcel, expressly intends to, and by recording this Declaration does hereby, submit and subject the Parcel and the Development to the provisions of this Declaration and By-Laws.

Section 3. Additions to the Lots. Additional number lots within the Subdivision other than those described on Exhibit A, may be added to and made subject to this Declaration, including the benefits and burdens hereof, (i) upon the written approval of Developer during the first three (3) years from the date hereof; and (ii) thereafter upon the approval of the Board of Directors of the Association. Additions so authorized shall be made by there being filed for record with the Register's Office of Robertson County, Tennessee, a Supplemental Declaration describing the Lot and providing that such Lot shall be subject to the terms and provisions of this Declaration, which Supplemental Declaration shall be signed by the owner of the numbered lot to be so added and by (i) Developer if recorded during the first three (3) years from the date hereof, and (ii) by the President of the Association, evidencing the approval of the Board of Directors of the Association, if recorded more than three (3) years from the date hereof.

Section 4. Lots. The legal description of each Lot shall consist of the identifying number or symbol of such Lot as shown on the Plat. Every deed, lease, mortgage, deed of trust or other instrument shall legally describe a Lot by its identifying number or symbol as shown on the Plat and every such description shall be deemed good and sufficient for all purposes. Except as provided by agreement of two-thirds (2/3rds) of the Lot Owners (including the affected Lot Owner), and the agreement in writing of the Developer and the consent in writing of all mortgagees of Lots, no Lot Owner shall by deed, plat, court decree or otherwise, subdivide or in any other manner cause his Lot

to be separated into tracts or parcels different from the whole Lot as shown on the Plat.

**ARTICLE III  
ASSOCIATION OF LOT OWNERS AND  
ADMINISTRATION AND OPERATION OF THE DEVELOPMENT**

Section 1. There has been formed an Association having the name "Pebblebrook Homeowners' Association, which Association shall be the governing body for all of the Lot Owners, for the maintenance, repair, replacement, administration, and operation of the Development, as provided in this Declaration and the By-Laws upon the Development obtaining sixty (60) percent occupancy. The By-Laws for the Association shall be the By-Laws attached to the Declaration as Exhibit B and made a part hereof. The Board of Directors of the Association shall be elected and shall serve in accordance with the provisions of the By-Laws. The fiscal year of the Association shall be determined by the By-Laws, 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 held and applied by it for the use and benefit of Lot Owners in accordance with the provisions of the Declaration and By-Laws. Each Lot Owner shall be a member of the Association so long as he is a Lot Owner. A Lot Owner's membership shall automatically terminate when he ceases to be a Lot Owner. Upon the conveyance or transfer of a Lot Owner's ownership interest to a new Lot Owner, the new Lot Owner shall simultaneously succeed to the former Lot Owner's membership in the Association.

Section 2. Non-Liability of the Directors, Board, and Officers. Neither the directors, Board, nor the officers of the Association, shall be personally liable to the Lot Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors, Board, or officers, except for any acts or omissions found by a court to constitute gross negligence or fraud. The Lot Owners shall indemnify and hold harmless each of the directors, Board, or officers, and their respective, heirs, executors, administrators, successors and assigns in accordance with the By-Laws.

Section 3. Board's Determination Binding. In the event of any dispute or disagreement between any Lot Owners relating to the Development, or any questions of interpretation or application of the provisions of the Declaration or By-Laws, the determination thereof by the Board shall be final and binding on each and all such Lot Owners.

Section 4. Maintenance, Repairs and Replacements. Each Lot Owner, at his own expense, shall furnish and be responsible for all maintenance of repairs to and replacements within his own Lot. Maintenance of, repairs to and replacements within the Common Areas shall be the responsibility of and shall be furnished by the Association. The cost of maintenance of, repairs to and replacements within the Common Area shall be part of the common expenses, subject to the By-Laws, rules and regulations of the Association. Notwithstanding the foregoing, any damage to curbs or pavement installed in connection with the access easements as shown on the plat, which damage was caused by or incurred in connection with the construction of any building on any Lot shall be the responsibility of the Lot Owner to repair.

**ARTICLE IV  
GENERAL PROPERTY RIGHTS**

Section 1. Owner's Easements of Enjoyment. Every Lot Owner shall have a right and easement of enjoyment in and to the Common Areas, as reasonably required for the purposes of access, ingress to, egress from, and the use, occupancy and enjoyment of the respective Lot owned by such person, and such right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) Such rights to use the Common Areas shall be subject to and governed by the provisions of the Declaration, By-Laws and rules and regulations of the Association.

(b) The right of the Association to suspend the voting rights of a Lot Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed

sixty (60) days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer is signed by two-thirds (2/3) of each class of members and recorded.

(d) The right of the Association to impose regulations for the use and enjoyment of the Common Areas and improvements thereon, which regulations may further restrict the use of the Common Areas.

(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 may deem necessary for the proper servicing and maintenance of the Common Areas and the structures in the Development.

Section 2. Developer's Easement. An easement, or open space buffer strip, (see recorded Plat) is retained by Developer along the perimeter boundary lines of the Parcel for the purpose of constructing and maintaining perimeter walls and screening. This easement is retained by Developer along said perimeter boundaries for the purpose of maintaining said screening purposes. This easement shall be included as part of the common areas and Developer agrees to convey its interest in same to the Association at the time other common areas are conveyed to it.

Section 3. Delegation of Use. Any Lot Owner may delegate, in accordance with the Bylaws of the Association, his right of enjoyment to the Common Areas and facilities to the members of his family, his tenants, or contract purchasers who reside on the Lot.

## ARTICLE V MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Lot Owner who is subject to assessment by the Association as hereinafter provided shall be a member of the Association. Membership shall be appurtenant to and may not be separated from, ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership.

Class A. Class A members shall be all Lot Owners, with the exception of the Developer, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Developer and any assignee of the Developer to whom such rights have been assigned as provided under this Declaration. The Class B member shall be entitled to four (4) votes for each Lot owned including any Lots added pursuant to the provisions of Article II, Section 3 hereof. The Class B membership shall be converted to Class A membership when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership. In the event the Developer annexes additional land as permitted under Article II, Section 3. The Developer will have four (4) votes for each Lot owned in the annexed Land and Developer will have four (4) votes for each Lot owned in the annexed Land and Developer's four (4) votes for each Lot owned in the land already subject to this Declaration will be reinstated for so long as the total votes of the Class B member (Developer) exceeds the total votes of the Class A member.

## ARTICLE VI COVENANT FOR ASSESSMENTS FOR THE ASSOCIATION

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Lot owned within the Development, and each Owner of any Lot by acceptance of a deed therefor, whether or not it is, shall be so expressed in such deed, is deemed to covenant and agrees

to pay to the capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable Attorney's fees as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each Assessment is made from the date when due until the same is paid in full or otherwise discharged. Each such assessment, together with personal obligation of the person who was the Lot Owner at the time when assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title of said person unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Lot Owners, to provide for the maintenance of the Common Areas (including, but limited to drainage facilities, lawn maintenance, walkways, landscaping, recreational facilities, etc.), to pay the fees of any management agent the Association may employ to manage the affairs of the Association. An adequate reserve fund for the maintenance, repair, and replacement of items maintained by the Association pursuant to this section shall be established and funded by regular monthly payments rather than by special assessments.

Section 3. Maximum Annual Assessment.

- (a) There shall be an initial assessment of \$300.00 per Lot at the time the Lot is purchased by Lot Owner.
- (b) The initial annual assessment for the year in which the Declaration is effective shall be 300.00.
- (c) The initial annual assessment for the year in which the Declaration is effective shall be pro-rated as set forth in Section 7 hereunder.
- (d) The Board of Directors of the Association may adjust the annual assessment by 2/3 majority vote of the Board.
- (e) There shall be an assessment of \$300.00 per Lot on any transfer of a Lot.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment to pay in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of the Association members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 of this Article shall be sent to all members not less than fifteen (15) days nor more than thirty (30) in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than ninety (90) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on an annual basis, or on any other such basis as the Board may from time to time deem appropriate.

Section 7. Date of Commencement of Annual Assessments Due Dates. The annual assessments provided for herein shall commence as to Lots not owned by the Developer on the first day of the first month following the recordation of this instrument. The first annual assessment shall

be adjusted according to the number of months remaining in the calendar year. The Board of Directors of the Association shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Lot Owner subject thereto. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

**Section 8. Effect of Non-Payment of Assessments: Remedies of the Association.** Any assessment not paid within thirty (30) days after the due date shall be subject to a late charge in an amount established by the Board of the Association and shall bear interest from due date at the maximum rate allowed by applicable law. The Association may bring an action at law against the Lot Owner personally obligated to pay the same, or foreclose the lien against the Lot, and there shall be added to the amount of such assessment the costs, including reasonable attorney's fees, of bringing such action or foreclosure. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

**Section 9. Subordination of the Lien to Mortgages.** The lien of the assessments on any Lot provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed on the Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

## **ARTICLE VII INSURANCE**

**Section 1. Common Areas.** The Association shall keep in force and maintain such hazard, public liability, or other insurance as it shall deem necessary relating to the Common Areas. The Association may also insure any other property, whether real or personal, owned by it, against such hazards as may be deemed desirable by the Association. Premiums for all insurance carried by the Association shall be part of the expenses covered by the annual assessments of the Association.

**Section 2. Lots.** Each Lot Owner shall obtain Insurance for his Lot, against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost thereof, and against such other hazards and for such amounts as the Board may deem advisable. Insurable replacement cost shall be deemed the cost of restoring the said Lot, or any part thereof to substantially the same condition in which it existed prior to damage or destruction. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, each Lot Owner and for the holders of mortgages on his Lot, if any. The policy of insurance should also contain, if possible, a waiver of subrogation rights by the insurer against individual Lot Owners. The premiums for such insurance shall be an individual expense.

In the event of damage to or destruction of any Building as a result of fire or other casualty covered by insurance proceeds, each directly affected Lot Owner shall arrange for the prompt repair and restoration of the damaged portions of all Lots, Buildings and Common Areas substantially in accordance with the original plans and specifications therefor. Where the insurance indemnity is insufficient to cover the cost of such repairs and restoration, the deficit shall be paid by the Lot Owner directly affected by the damage. The affected Lot Owners shall be deemed to be that Lot Owner who suffers damage from the aforementioned casualty.

The Board shall also have authority to and shall obtain comprehensive public liability insurance, in such amounts as it deems desirable, and workmen's compensation insurance and other liability insurance as it deems desirable, insuring each Lot Owner, any mortgagee of record, if any, the Association, its officers, directors, Board and employees from liability in connection with the Common Areas.

The Board shall also have authority to and may obtain such insurance as it deems desirable, in such amounts, from such sources and in such forms as it deems desirable, insuring the Development and each member of the Board and officer of the Association, and member of any committee appointed pursuant to the By-Laws of the Association from liability arising from the fact that said person is or was director or officer of the Association, or a member of such a committee. The premiums for such insurance shall be common expense.

Each Lot Owner shall be responsible for obtaining his own insurance on his own Lot, as well as his additions and improvements thereto, decorating, furnishing and personal property therein, and personal property stored elsewhere in the Development. In addition, in the event a Lot Owner desires to insure against his personal liability and loss or damage by fire or other hazards above and beyond the extent that his liability, loss or damage is covered by the liability insurance against loss or damage by fire and such other hazards obtained by the Board for all of the Lot Owners as part of the common expenses, as above provided, said Lot Owner may, at his option and expense, obtain additional insurance.

**Section 3. Fidelity Bonds.**

- (a) Blanket fidelity bonds will be maintained by the Association for all officers, directors, trustees, and employees of the Association handling, or responsible for, the funds of or administered by the Association. Further, in the event the Association delegates some or all of the responsibility for the handling of funds to a management agent, a blanket fidelity bond will be required for officers, employees, and agents of such management agent handling, or responsible for, the funds of or administered on behalf of the Association.
- (b) The total amount of fidelity bond coverage shall be based upon the best judgment of the officers of the Association and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bond be less than a sum equal to three (3) month's aggregate assessment on all Lots plus reserve funds.
- (c) All such fidelity bonds shall:
  - (i) Name the Association as an obligee;
  - (ii) Contain waivers by the issuers of the bonds of all defenses based upon the exclusion of person serving without compensation from the definition of "employees" or similar terms or expressions; and
  - (iii) Shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written notice to the Association.
- (d) Premiums on all such fidelity bonds (except premiums on fidelity bonds maintained by a management agent for its officers, employees, and agents) shall be paid by the Association as a common expense.

**Section 4. Other Insurance.** The Association may also obtain such other insurance as the Board of Directors deems desirable, in such amounts, from such sources and in such forms as it seems desirable, insuring the Common Areas owned and maintained by the Association and insuring each member of the Board and officer of the Association, and each member of any committee appointed pursuant to the Bylaws of the Association, from liability arising from the fact that said person is or was a director or officer of the Association, or a member of such a committee. The premiums for such insurance and bonds shall be a common expense of the Association.

Unpaid officers and Directors of the Association shall not be liable to any Lot Owner for any act or omission unless the same constitutes gross negligence or willful misconduct. If an unpaid

Director or officer of any of the Associations prevails in any legal action brought against him in his official capacity by a Lot Owner, that Lot Owner shall pay the director or officer all his reasonable legal fees.

#### **ARTICLE VIII REAL ESTATE TAXES**

Section 1. Real Estate Taxes. Each Lot Owner shall pay his proportionate share of real estate taxes on the common areas and in accordance with his respective percentage of ownership interest in the Association and such taxes shall be a common expense.

#### **ARTICLE IX MORTGAGES AND DEED OF TRUST**

Section 1. Mortgages and Deeds of Trust. Each Lot Owner shall have the right, subject to the provisions herein, to make separate mortgages and deeds of trust for his respective Lot together with his respective ownership interest in the Association. No Lot Owner shall have the right or authority to make or create, or cause to be made or created from the date hereof, any mortgage, deed of trust or other lien on or affecting the Common Areas or any part thereof, except only to the extent of his own Lot and the respective percentage interest in the Association.

#### **ARTICLE X NOTICES TO MORTGAGEES**

Upon written request to the Association identifying the name and address of the holder, insurer, or guarantor of any deed of trust lien on the Development, or a Lot located therein, and, in the case of a Lot, the Lot number or address, any such lien holder or eligible insurer or guarantor shall be entitled to timely written notice of:

- (a) Any condemnation loss or casualty loss which affects a material portion of the Development or a Lot located therein on which there is a first deed of trust lien held, insured, or guaranteed by such eligible deed of trust lien holder or eligible insurer or guarantor, as applicable;
- (b) Any delinquency in the payment of assessments or charges owned by an Owner subject to a first deed of trust lien held, insured, or guaranteed by such eligible holder or eligible insurer or guarantor, which remains uncured for a period of sixty (60) days;
- (c) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;
- (d) Any proposed action which would require the consent of a specified percentage of deed of trust lien holders.

#### **ARTICLE XI EASEMENTS**

Section 1. Easements. In addition to, and without limitation of, any other easements or rights reserved elsewhere in this Declaration, the following rights and easements are hereby reserved:

1. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on any Plat and as otherwise shown by the public records. Within these easements, no structure, planting, or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements shall be maintained continuously by the Lot Owner, except for those improvements

- for which a public authority or utility company is responsible.
2. Easements are reserved as shown on any plat and as otherwise shown by the public records for the purpose of permitting underground wires or cables of public utilities, such as, and without limitation, electric, telephone, telegraphs, and cable television.
  3. Easements are reserved for the Golf Club, to be constructed as part of the Development, its agents and employees and for the members of the Golf Club and their guests for reasonable access to permit the doing of every act necessary and reasonably incident to the playing of golf on the golf course adjacent to the Lots and the Development and the maintenance thereof, provided, however, this shall not include the intrusion of golf carts upon any Lot. These acts shall include, but not be limited to, the recovery of but not the play of golf balls from Lots, the flight of golf balls over and upon Lots, the use of the necessary and usual equipment upon the golf course, the creation of the usual and common noise level associated with the playing of the game of golf and with all the normal and usual activities associated with the operation and maintenance of a golf club. "Out of Bounds" stakes shall not be permitted and the U.S.G.A. Rules of Golf, as modified by the Golf Club, shall control play.
  4. Each Lot Owner shall grant such easements upon his Lot as are necessary to serve the Development for water, sewer, telephone, gas, electricity and other utilities, and the erection and maintenance of the necessary poles and other equipment, wires and conduits, sewer and water lines, on, above or below any Lot; provided, however, no Lot Owner shall be required to grant any easement which would interfere with the use and enjoyment of his Lot or Unit and any easement granted hereby shall impose on the grantee of said easement the obligation to (a) maintain said easement so that the use thereof will not interfere with the use and enjoyment of any Lot or Unit and (b) repair and restore that portion of any Lot upon which the easement is located to its original condition or as near as possible to its original condition.
  5. An easement is granted and reserved to the Association, its officers, agents, employees, including employees of any management company having a contract with the Association, over and upon the Common Areas to perform the duties of maintenance and repair of the Common Areas, to maintain any utilities for which an easement has been granted, and to prevent damage to the Common Areas or any Lot or Unit situated thereon.
  6. Each Lot and the Common Areas shall be subject to, and there is hereby reserved, an easement for encroachments created by construction, settling, shifting, engineering errors or overhangs for all buildings or other improvements constructed by the Developer, its agent, contractors, employees, and any maintenance, repair, correction, or alteration of the same.
  7. The right of the Developer to subject the Common Areas to such easements for access, ingress, egress, and utilities as may be necessary, or as may be required by any governmental body or agency having jurisdiction over the Development, to sever other phases or sub-phases of the Development.
  8. If access, ingress, or egress to or from any Lot is necessary through any of the Common Areas, an easement across the Common Areas at reasonable places is reserved to the Lot Owner for the purpose of access, ingress, or egress to or from the Lot in question.
  9. No Lot may be re-subdivided to form lots of smaller area than those shown on the recorded Plat.

**ARTICLE XII  
ARCHITECTURAL REVIEW BOARD**

Section 1. Architectural Committee. With this Declaration there is hereby established an Architectural Committee which shall consist of three (3) members appointed by the Board of Directors of the Association, which is empowered to appoint their successors should a vacancy occur, or may remove members and replace them at its sole discretion.

Section 2. Approval of Plans. No construction, reconstruction, remodeling, alteration or addition to any structure, building, fence, wall, driveway, path or other improvement of any nature shall be undertaken without obtaining the prior written approval of the Developer, for so long as Developer shall own any Lot, or by the Architectural Committee to which Developer may delegate such authority, as to the location of the same on the Lot, its frontage on adjacent streets, and as to its plans and specifications. As a prerequisite to consideration for such approval and prior to commencement of the contemplated work, a complete set of building plans and specifications must be submitted to the Developer or the Architectural Committee, whichever the case may be, for approval. The Developer or the Architectural Committee shall be the sole arbiter of same and may withhold approval for any reason including purely aesthetic considerations. Upon approval being given, construction shall be in compliance with the approved plans and specifications; otherwise, the approval shall be void. If any Lot Owner deviates from the approved plans and specifications in any material respect, Developer or the Architectural Committee may withdraw its approval of such plans and specifications, in which event construction shall stop until all areas of noncompliance have been corrected. The failure of Developer or the Architectural Committee to act upon any set of plans and specifications within thirty (30) days from the date of the submission of the same shall constitute the approval of such plans and specifications. A reasonable fee not exceeding \$100 may be charged by the Association to defray its costs incurred in considering and acting upon any proposed plans and specifications requiring changes to secure approval.

In addition to the approval of Plans and other matters herein set forth, Developer or the Architectural Committee shall have the right to waive minor violations and allow minor variances where the same resulted unintentionally or without gross carelessness on the part of any Lot Owner and are not materially harmful to the surrounding Lots. If such waiver is granted in writing, then, thereafter, such matters waived shall no longer be deemed a violation of these restrictions.

The approval of Developer or the Architectural Committee of the Plans and completed improvements as required above is not intended to be an approval of the structural stability, integrity, or design or a completed improvement or of the safety of any component therein, but is required solely for the purpose of insuring compliance with the covenants contained in this Declaration, and further, to insure the harmonious and orderly architectural development and improvement of the Lots. Notice is hereby given to any future occupant of any such completed improvement and all invitees, business guests and other persons who may from time to time enter or go on or about such completed improvements that no permission or approval granted by the Architectural Committee or Developer with respect to construction pursuant to this Declaration shall constitute or be construed as an approval by Developer, the Association, the Board of Directors, or the Architectural Committee, of the structural stability, design of any building, structure or other improvement and no liability shall accrue to Developer, the Association, the Board of Directors or the Architectural Committee in the event that any such construction shall subsequently prove to be defective. No structure of a temporary nature shall be allowed on any Lot at any time except that of Lot Owner's contractors and subcontractors during the period of construction of improvements.

**ARTICLE XIII  
RESTRICTIONS ON LOT USE, MAINTENANCE, ETC.**

Section 1. Restrictions on use of Lots. The following restrictions shall apply to Lots as indicated. The term "Lots" indicates applicability to all.

Section 2. Master Builders Program. Construction of each Single-Family Residence is subject to the PEBBLEBROOK Builders Program.

Section 3. Floor Area. Minimum square footage of each Single-Family Residence shall be as follows:

For all Lots, the residence shall contain not less than 2,500 square feet of living space on the first floor excluding porches, garages, carports, patios, and terraces. A two-story residence shall contain not less than 2,500 square feet with a minimum of 1,500 square feet on the ground floor excluding porches, garages, carports, patios, and terraces.

The design of all floor areas are subject to Architectural Review Board (hereinafter "A.R.B.") approval. The calculation of square footage shall not include: garages, covered walks, open and/or screen porches, patios, and pool areas. Square foot measurements shall be taken from outside exterior walls of Single-Family Residences. The A.R.B. may grant variances as regards first floor minimum footage for designs to fit the particular topography of any building site.

Section 4. Garages. Each Single-Family Residence shall have sufficient enclosed garage space for any and all family-owned or leased vehicles, and each garage shall contain at least two (2) spaces for said vehicles. Garage doors shall generally be kept in closed position. No carports will be permitted. The A.R.B. shall be the sole judge of whether detached or attached garages shall be permitted in each case. The A.R.B. may waive the requirements of this Section where the topography of the particular building site make compliance therewith impracticable. No front entry garages.

Section 5. Clearing and Removal of Trees. In reviewing building plans, Developer (for so long as Developer shall own any Lot, or by such A.R.B. to which Developer may delegate such authority, and thereafter by the Board) shall take into account the natural vegetation, such as trees and shrubs, located on or near a Lot, and shall encourage the Owner to incorporate them in his landscaping plan. No lot may be cleared for any reason without the prior written approval of Developer or the A.R.B. No trees of four (4) or more inches in diameter at two (2) feet above the natural grade shall be cut or removed without the prior written approval of Developer or the A.R.B. When such a tree is removed the Owner will replace it with a similar tree of equal value on another portion of the Lot, if so directed by Developer or the A.R.B.

Section 6. Exterior Decoration, Trees and Shrubs. Any exterior decorating and maintenance, and the use of exterior surfaces shall be subject to the rules and regulations of the Association. Any disturbance or removal on any part of the property, including all Lots and common areas, of trees and shrubbery, whether now existing or hereafter planted, shall be subject to the provisions of Section 5 above.

Section 7. Construction Phase. During construction of a Single-Family Residence or other Improvement, the Lot shall be kept in a neat and orderly condition so as not to cause an unsightly condition of the Lot. In the event the Owner or his agent or employee (including, without limitation, any contractor or subcontractor) shall fail to maintain the construction site as specified herein and such failure continues for at least seven (7) days following delivery of written notice thereof from the Association, the Association shall have the right, exercisable in its sole discretion, to remove any rubbish, refuse, unsightly debris and/or growths from the Lot. In the event the Association, after such notice, causes the subject work to be done, then, and in that event, the costs of such work, together with interest thereon at the maximum rate permitted by the usury laws of the State of Tennessee, shall be charged to the Owner as an "Individual Assessment", and shall become a lien on the subject Lot, which lien shall be effective, have priority and be enforceable pursuant to the procedures set forth in Article VI of this Declaration.

Temporary Structures. No structure or object of a temporary character, such as, but not limited to, trailers, construction trailers, tents, shacks, sheds and garages, barns, or other temporary or other outbuildings shall be erected, kept or maintained on any Lot for any use whatsoever, either temporarily or permanently, except that a temporary construction office may be used on a Lot when approved, in advance by the A.R.B. The architectural site plan shall indicate the location of such temporary structure and shall include drawings reflecting the appearance of same.

Maintenance of Lots. All Lots shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate or any fire hazard allowed to exist. Any dead shrubbery shall be removed and replaced in a timely manner. All Lots and all areas between Lot lines and pavements shall be maintained by the Owners in the manner required by the Association. In the event an Owner fails to maintain his Lot as aforesaid, the Association shall have the right, exercisable in its sole discretion, to mow, burn or clear any weeds, grass, underbrush or unsightly debris and/or growths from any Lot deemed by the Association to be a health menace, fire hazard, or detraction from the aesthetic appearance of the Development provided, however, that at least seven (7) days prior notice shall be given by the Association to the Owner of such Lot before such work is done by the Association. In the event the Association, after such notice, causes the subject work to be done, then, in that event, the costs of such work, together with interest thereon at the maximum rate permitted by the usury laws of the State of Tennessee shall be charged to the Owners and shall become a lien on the subject Lot, which lien shall be effective, have priority and be enforceable pursuant to the procedures set forth in this Declaration. Such entry by the Association shall not be deemed a trespass. The Association may also, at the request of any Lot Owner, including the Declarant, and for an agreed charge to the Lot Owner, maintain any undeveloped Lots, so as to prevent such undeveloped Lots from becoming unsightly as defined hereinabove. The costs of such work, together with interest thereon at the maximum rate permitted by the usury laws of the State of Tennessee, shall be charged to the owner and shall become a lien on the subject Lot, which lien shall be effective, have priority and be enforced pursuant to the procedures set forth in this Declaration.

Fences, Walls, Hedges, and Netting. The composition, location, and height of any fence, wall, hedge, or netting to be constructed on any Lot shall be approved in advance by the A.R.B. The A.R.B. shall require the composition of any fence, wall, hedge, or netting to be consistent with the material used in the surrounding Single-Family Residences and other fences, if any. Chain link fencing may not be used except for the outer perimeter fencing around the Development, fencing around tennis courts, and the Club Maintenance area, as determined by the Developer or Association. Fencing may be allowed for pets with 250 square feet maximum, provided same is shielded with landscaping, and approved by the A.R.B. Fencing design, including pet fencing, must accompany the final working drawings submitted to the A.R.B. for any proposed Single-Family Residence.

No Lot Owner may screen the course from his or her backyard with netting or other similar material.

Air conditioning and heating units on building sides and roofs shall be architecturally screened so as not to be visible from any street.

Swimming Pools. Any swimming pool or jacuzzi to be constructed on any Lot shall be constructed in the ground, below ground level, and shall be subject to the requirements of the A.R.B., which shall include, but not be limited to, the following:

Composition to be of material thoroughly tested and accepted by the industry for such construction.

Swimming pools, pool decks, fencing, screen enclosures, patio and terrace slabs may not extend into the minimum yard setback areas, except by special permit from A.R.B.

Landscape, pool, recreation, and security lighting shall be designed so as to not be an annoyance to the surrounding residents. Such lighting shall not be controlled by light sensitive switches. Time clock controls may be used but in no event shall such lighting (other than low level lighting) be permitted to be on after ten-thirty (10:30) p.m. Central Standard or Daylight Savings (whichever shall then be in effect) Time.

Pools may be heated only through methods approved by the A.R.B.

Purchase of adjoining Lots. If an Owner elects to purchase two (2) adjoining Lots and to use one (1) of those Lots for recreational purposes, the Lot used for recreational purposes must be adequately screened by landscaping and/or walls or fences on both the front and sides, as required

by the A.R.B. It shall be the intent of the A.R.B. to screen any such recreational facilities from the public view.

Driveway. All driveways and parking areas shall have hard impervious, dustless surfaces, such as, concrete, brick or uncrushed stone. However, in no event will asphalt be permitted. Driveways may connect to Streets at only two (2) points for each Lot and such connection shall provide continuity of any drainage swale or curb and shall blend into Street pavement. No curbside parking areas may be created by extending any portion of Street pavement. The design and location of all driveways shall be approved in advance by the A.R.B.

Utilities. Each Owner shall connect his water line and his sewer line to the public utilities providing such service for the lots and shall pay all availability charges, connection charges, periodic charges, and the like in connection therewith. Each Owner shall maintain and repair his water sewer lines up to the point of delivery and connection. No individual water supply system shall be permitted. No water shall be obtained from any lake, stream, or water body.

Lot Filling. No Lot may be cleared, graded, cut, or filled for any reason until the A.R.B. has reviewed and approved the preliminary application for the Single-Family Residence. The site plan, along with the tree survey and other documents required by the A.R.B., must clearly delineate the extent of clearing, grading, cutting, and filling.

Lots Bordering on Lakes (if applicable). Lots bordering on lakes shall be required to provide shoreline gradings, using swale and earthen berm design, to detain a minimum of one (1) inch of surface water run-off from all impervious paved surfaces. Such design shall appear on the landscaping plan for the Lot, and shall be evidenced by grade elevations and profile drawings showing typical cross-sections. A combination of the above-alternatives shall be responsible for providing to the A.R.B. sedimentation control plans and devices to insure that the development of all Improvements shall not cause filling or damage to the Lakes. No docks, piers, or suspended walkways of any kind shall be constructed in or out over any of the Lakes within the Development, except by Declarant.

Restrictions on Lots and the Development. The following restrictions shall apply to all Lots and the Development, as indicated.

Residential Use. All residences shall be used only as single-family, private residential dwellings and for no other purpose. No business or commercial buildings may be erected on any Lot and no business may be conducted on any part thereof, except as specifically reserved herein. All owners, by purchase of a Lot in the Development, acknowledge that the Golf Club and all other social and recreational structures and activities located in the Common Areas and permitted under the rules and regulations of the Association and the Golf Club are allowed under the terms of this paragraph.

Clotheslines and Basketball Goals. No clothesline or outside drying area shall be located on any Lot. No basketball goals shall be installed or erected on any Lot without the prior written consent of the A.R.B. which consent shall be at the sole and absolute discretion of the A.R.B. Further, no painted nor unpainted sculptures or statues, including but not limited to statues depicting animals, human-like figures, or plant life, shall be permitted on any Lot.

Residence Graphics. The size and design of all signs, numbering for the Lot, mailboxes and other such materials shall be approved by the A.R.B. and shall display continuity and conformity throughout the Development. Except in connection with development or sales of property, no signs, billboards, advertisements or notices of any kind, including, without limitation, "For Sale" or "For Rent" signs, shall be displayed for public view on any Lot in the Development without the prior consent of the A.R.B. If such permission is granted, the A.R.B. reserves the right to restrict size, color, content, and location of such sign(s). However, in no event shall any permitted sign exceed three (3) square feet nor shall it be larger than 18" x 24". No sign shall be nailed or attached to any tree. Additionally, the A.R.B. shall have the right to adopt reasonable rules regarding signs to be used during construction of residences and other buildings, such as Owner identification, name of contractor, or architect, etc.

Garbage and Trash Containers. No Lot shall be used or maintained as a dumping ground for rubbish, trash, or other waste. All trash, garbage, and other waste shall be kept in sanitary containers and except as required during trash collection, all containers shall be kept within an enclosure which the A.R.B. shall require to be constructed on each Lot.

Antenna and other Rooftop Accessories. No radio, television, or other electronic antenna, aerial or satellite receiving dish, or other reception or transmission device may be erected or maintained anywhere in the Development or on the exterior of any residence (unless installed by the Declarant or the Association) without the prior written approval of the A.R.B. In no event shall any satellite-receiving dish be larger than 18 inches in diameter.

Nuisances. No use or practice which is either an annoyance to Owners or an interference with the peaceful possession and use of the Development by Owners shall be allowed. No Owner shall commit or permit any nuisance or any immoral or illegal activity in or about the Development. For greater clarification, no Owner shall knowingly or willfully make or create any unnecessary, excessive or offensive noise or disturbance which destroys the peace, quiet, and/or comfort of the Owners, or allow any such noise or disturbance to be made on or about his Lot. Without limiting the generality of the foregoing, no go-carts or recreational all-terrain vehicles shall be operated at anytime in the Development.

Boats, Trailers, and Motor Vehicles. Except as specifically allowed and approved in advance by the Association, no commercial vehicles, boats, boat trailers, buses, house trailers, motor homes, trucks, camping trailers, vans, motorcycles, motor scooters, go-carts, motorbikes, or other similar vehicles ("Nonpermitted Vehicles"), whether of a recreational nature or otherwise, with the exception only of four-wheel passenger automobiles and pickup trucks, shall be placed, parked, or stored upon any Lot. The Association may grant an Owner permission to bring onto his Lot a Nonpermitted Vehicle upon application by the Lot Owner if the Association finds, in its sole and absolute discretion, that an A.R.B. approved garage is available for storage of the Nonpermitted Vehicle and the Nonpermitted Vehicle is owned by the Lot Owner. Upon showing written evidence of such approval at the entry, the Owner may bring such Nonpermitted Vehicle onto his Lot and park it inside the approved garage. The Owner shall be permitted to have a boat outside for up to, but no more than twenty-four (24) hours preparing it for storage.

Vehicles of repairmen, delivery men, moving vans, temporary guest or vehicles owned or leased by member of the Owner's family may be parked temporarily at curbside or on the driveways and private parking areas of a Lot. In no event shall any vehicles be allowed to block traffic flow. The Association shall have the right to authorize the towing of any vehicles which are in violation of these provisions, or the Traffic Regulations promulgated by the Association, if any, and to collect the cost thereof from Owner, as an "Individual Assessment."

Single-Family Occupancy. The residence of each Lot shall be limited to the members of one (1) family. For purpose of this section, "family" shall mean and refer to a group of persons, each of whom is related to each other member of the group through blood or marriage either as siblings or in direct lines of ancestry or descent. Any Improvement occupied by a single family as defined above is a "Single Family Residence."

Home Occupation. Home occupations may be practiced on any Lot subject to the following limitations:

The home occupation shall be located and conducted inside dwelling units only;

The principals and any other persons employed on the property in furtherance of the home occupation shall be residents of the dwelling unit in which it is located; provided, however, that where the A.R.B. finds that a hardship exists, one (1) nonresident of the property may be employed on the property in furtherance of the home occupation on a temporary basis for a period not to exceed twelve (12) months; Not more than ten percent (10%) of the total floor area in the dwelling unit shall be devoted to the home occupation;

The dwelling unit shall not be used as a primary or incidental storage facility for a business, industrial, commercial, or agricultural activity conducted elsewhere;

No articles, materials, goods, or equipment indicative of the home occupation shall be visible from any street or stored outside the dwelling unit;

The home occupation shall not be advertised by the display of goods or signs on the Lot on which it is located;

The proposed uses shall not generate noise, odor, fumes, or smoke, nor create a nuisance of any kind which would adversely affect the residential character of the Development;

No traffic shall be generated by the home occupation in greater volume than would normally be expected in a residential neighborhood;

Teaching, including but not limited to tutoring and art, music and dance lessons, shall be permitted provided that it is limited to one (1) pupil at any given time;

Barber shops, beauty shops, gift shops, gun sales, florist shops, or other retail activities that are traditionally conducted in a commercial zoning district shall not be permitted under any circumstances;

The following home occupations, when deemed to be non-traffic generating uses posing no threat to the health, safety, and welfare of the residents of the Development, shall be permitted subject to application by the occupant and approval by the A.R.B.;

artist, sculptor, author, and song writer; designer, planner, architect, Engineer, draftsman, and graphic artist; and accountant, lawyer, information, processing, traveling salesperson, manufacturer's representative, insurance agent, real estate agent, and financial consultant.

Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot or on the common areas. However, dogs, cats, and other common household pets may be kept on Lots subject to such rules and regulations as may be adopted by the Association, so long as they are not kept, bred, or maintained for commercial purposes. No animals shall be allowed to run loose on the Common Areas at any time.

Commencement of Construction. Construction of the primary residence on a Lot shall be completed within two (2) years of the initial purchase of such Lot from the Developer.

Use of the Common Areas. The Common Areas shall be used only by the Lot Owners and their agents, servants, tenants, family members, customers, invitees and licensees for access, ingress to and egress from the respective Lots and for such other purposes incidental to use of the Lots. The use, maintenance and operation of the Common Areas shall not be obstructed, damaged or unreasonably interfered with by any Lot 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 of all of said Common Areas.

Use of the Golf Course. As defined in Article One, Common Areas does not include, nor is it intended to include, the Golf Course. As such, the Golf Course is not to be used as a walking or jogging path, for bicycling, as a playground, or for any other recreational activity other than golf. Furthermore, Lot Owners much check in at the course to play golf at anytime, and Lot Owners may

not use any hole on the Golf Course for a practice facility.

Remedies. In the event of any violation of the provision of this Declaration, Bylaws or rules and regulations of the Board or Association by any Lot Owner (either by his own conduct or by the conduct of any other occupant of his Lot) the Association, or its successors or assigns, or the Board, or its agent, and any aggrieved Lot Owner shall have each and all of the rights and remedies which may be provided for in this Declaration, Bylaws, or said rules and regulations, or which maybe available at law or equity, and may prosecute an action or other proceedings against such defaulting Lot Owner and/or others for enforcement of any lien and the appointment of a receiver for the Lot and ownership interest of such Lot 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 Lot and to sell the same as provided hereinafter in this Paragraph, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such action or proceedings, including court costs, and attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the highest lawful rate per annum until paid, shall be charged to and assessed against such defaulting Lot Owner, and shall be added to and deemed part of his respective assessment, and the Board shall have a lien for all of the same, as well as for nonpayment of his respective assessment as provided in Article V, Section 1.

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 Declaration (a) to enter (without liability to such Lot Owner for such entry) upon the Lot, or upon any portion of the property upon which, or as to which such violation or breach exists and by appropriate proceedings to abate and remove, at the expense of the defaulting Lot 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) 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 Lot Owner for such entry) of such Lot Owner's interest in the Lot and to maintain an action for possession of such Lot in the manner provided by law.

If any Lot Owner (either by his own conduct or by the conduct of any other occupant of his Lot) shall violate any applicable law or ordinance, or any of the covenants or restrictions or provisions of this Declaration or the regulations adopted by the Board, and if such default or violation shall continue for ten (10) days after notice to the Lot Owner in writing from the Board, or shall occur repeatedly during any ten (10) days after the Lot Owner is given a written notice or request to cure such violation by the Board, then and thereupon an action in equity may be filed by the Board against said defaulting Lot Owner or occupant, or in the alternative, for a decree declaring the termination of said defaulting Lot Owner's right to occupy, use or control the Lot owned by him on account of said violation, in ordering that all the right, title and interest of said defaulting Lot Owner in and to the Lot and in his membership interest in the Association shall be sold (subject to the lien of a first 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 Lot Owner from reacquiring his interest at judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against such defaulting Lot 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 Lot Owner. Upon the confirmation of such sale, the Purchaser shall thereupon be entitled to a deed to the Lot and the Lot Owner's corresponding interest in the Association, and to immediate possession of the Lot 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 Lot sold subject to this Declaration.

**ARTICLE XIV  
GENERAL PROVISIONS**

Section 1. Enforcement. The Association, or any Lot Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, or by any Lot Owner, to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by at least seventy-five percent (75%) of those Owners then owning the Lots has been recorded prior to the expiration of said 30-year period or any said 10-year period. This Declaration may be amended at any time and from time to time by an instrument signed by not less than seventy-five percent (75%) of the Owners. Any amendment must be recorded in the Register's Office for Robertson County, Tennessee.

Section 4. Annexation. Additional residential property and open area may be annexed to the Development with the consent of two-thirds (2/3) of each class of members of the Association.

Section 5. ROBERTSON County Governmental Restrictions. Anything herein to the contrary notwithstanding, the Association shall not be dissolved nor shall it dispose of all or any portion of the Common Areas, by sale or otherwise (except to an organization conceived and established to own and maintain the Common Areas), without first offering to dedicate the same to the government of Robertson County, Tennessee, and said dedication be approved by the Robertson County Planning Commission. Provided, however, the conditions of any transfer shall conform to the final master development plan of the Development as adopted by the Robertson County Planning Commission.

In the event the Association or its successor shall at any time fail to maintain the Common Areas in reasonable order and condition in accordance with the adopted master development plan, the Zoning Administrator of Robertson County, Tennessee, may serve written notice upon the Association and/or the members and hold a public hearing. After thirty (30) days when deficiencies of maintenance are not corrected, the Zoning Administrator shall call upon any public or private agency to maintain the Common Areas for a period of one year. When the Zoning Administrator determines that the organization is not prepared for the maintenance for yearly periods.

The cost of such maintenance by such agency shall be assessed against the Lot Owners proportionately and shall become a lien against the Development. Provided, however, said lien shall be subordinate to the lien of any first mortgage or deed of trust. However, the sale or transfer of any Lot pursuant to any mortgage or deed of trust foreclosure or any proceeding in lien thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer.

IN WITNESS WHEREOF, the undersigned, being the Developer herein and all persons presently owning Lots within the Development have hereunto set their hands this 30<sup>th</sup> day of Jan, 2007

**PEBBLEBROOK PARTNERSHIP**

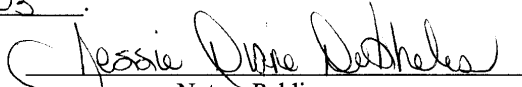
By: Johnny Baggett GENERAL PARTNER  
JOHNNY BAGGETT, GENERAL PARTNER  
"Developer"

STATE OF TENNESSEE        )  
  )  
COUNTY OF MONTGOMERY    )

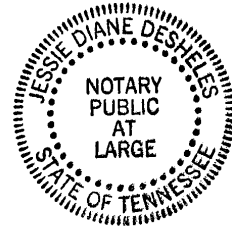
Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared **JOHNNY BAGGETT**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be a **GENERAL PARTNER** of **PEBBLEBROOK PARTNERSHIP**, the within named bargainor, a Tennessee Limited Liability Company, and that he as such officer, executed the foregoing instrument for the purposes therein contained by signing the name of the Limited Liability Company by himself as such officer.

Witness my hand and seal at office this the 30<sup>th</sup> day of Jan, 2004.

My Commission Expires: 9-30-2003.

  
Notary Public

j:\chadwick\pebblebrook.restrictions



**EXHIBIT "A"**  
**(THE DEVELOPMENT)**

The Real Estate shown on the Plat of Pebblebrook Subdivision of record in Plat Book 14, Page, 6 - 10, Plat \_\_\_\_\_, in the Register's Office for Robertson County, Tennessee.

**EXHIBIT "C"**

See Master Plan drawing attached hereto for Common Areas.

**EXHIBIT "B"**  
**BY LAWS**  
**OF**  
**PEBBLEBROOK HOMEOWNERS' ASSOCIATION**

**ARTICLE I**  
**DEFINITIONS**

The following words, when used herein, shall have the following meaning:

Section 1. "Association" shall mean Pebblebrook Homeowners' Association, a Tennessee not-for-profit corporation, its successors and assigns, which has as its members all owners of Lots in the Development. "Charter" shall mean the Articles of Incorporation of the Association as filed with the Office of the Secretary of State for Tennessee.

Section 2. "Board of Directors" shall mean the Board of Directors of the Association as described in Article IV hereof.

Section 3. "Declaration" shall mean the instrument headed "Declaration of Covenants, Conditions, and Restrictions" recorded simultaneously herewith in the Register's Office for Robertson County, Tennessee, as hereafter amended.

Section 4. "Developer" shall have the meaning given it in the Declaration.

Section 5. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration. The membership of each Lot Owner shall terminate when he ceases to be a Lot Owner, and upon the sale, transfer or other disposition of his ownership interest in the Development, his membership in the Association shall automatically be transferred to the new Lot Owner succeeding to such ownership interest.

Section 6. "Common Areas" shall have the meaning given it in the Declaration.

Section 7. "Lot" shall have the meaning given it in the Declaration.

Section 8. "Lot Owner" shall have the meaning given it in the Declaration.

Section 9. "Plat" shall have the meaning given it in the Declaration.

Section 10. "Development" shall have the meaning given it in the Declaration.

**ARTICLE II**  
**NAME AND LOCATION**

The name of the Association is Pebblebrook Homeowners' Association. The principal office of the Association shall be at ~~2050 PEBBLEBROOK WAY~~. Meetings of members and directors may be held at such places within the State of Tennessee, County of Robertson, as may be designated by the Board of Directors.

**ARTICLE III**  
**MEETING OF MEMBERS**

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held within fifteen days of the anniversary of the first regular annual meeting each year thereafter, at the hour of 7:30 o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time

by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote at the meeting, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to vote, or of proxies entitled to vote, forty percent (40%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Charter, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

#### **ARTICLE IV BOARD OF DIRECTORS**

Section 1. Number. The affairs of the Association shall be managed by a Board of Directors. The initial Board of Directors of the Association shall consist of three (3) persons, who need not be Members of the Association, who shall be appointed by the Developer. From the first annual meeting of the Members and thereafter, the Board of Directors shall consist of three (3).

Section 2. Term of Office. At the first annual meeting, the Members shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years. Thereafter, at each annual meeting the Members shall elect directors for a term of three years for the vacancies that are to be filled.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association, or in the case of the initial Board, by the Developer. In the event of death, resignation, or removal of a Director, his successor shall be selected by the remaining Members of the Board, or in the case of the initial Board, by the Developer, and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation from any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

#### **ARTICLE V NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nomination may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman who shall be a member of the Board of

Directors and two or more Members of the Association. The Nominating Committee shall be

appointed by the Board of Directors prior to each annual meeting until the close of the next annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nomination may be made from among Members or non-Members.

**Section 2. Election.** Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## **ARTICLE VI MEETING OF DIRECTORS**

**Section 1. Regular Meetings.** Regular meetings of the Board of Directors shall be held at intervals established by the Board without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. The Board shall meet at least monthly for the first year and thereafter at least quarterly.

**Section 2. Special Meetings.** Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

**Section 3. Quorum.** A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

## **ARTICLE VII POWERS AND DUTIES**

**Section 1. Powers.** The Board of Directors shall have power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Charter or the Declaration;
- (c) Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.
- (d) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

**Section 2. Duties.** It shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote.
- (b) Supervise all officers, agents, and employees of the Association, and to see that their duties are properly performed;

- (c) As more fully provided in the Declaration, to:
  - (1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; and
  - (2) Send written notice of each assessment to every Lot Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
  - (3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Lot Owner personally obligated to pay the same.
- (d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) Procure and maintain adequate liability, hazard, and other insurance on property owned by the Association;
- (f) Cause all officers or employees having fiscal responsibilities to be bonded, as required by the Declaration;
- (g) Cause the Common Areas to be maintained.

## ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board, a secretary, and a treasurer, and such other officers as the Board may from time to time by Resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4, of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice-President. The vice-president shall act in the place and stead of the president in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Members; serve notice of meetings of the Board and Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

## **ARTICLE IX COMMITTEES**

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board shall appoint other committees as deemed appropriate in carrying out its purpose.

## **ARTICLE X BOOKS AND RECORDS**

The books, records, papers of the Association and the Declaration, Charter and Bylaws shall be available for inspection by any Member or to the holder, guarantor or insurer of any first mortgage at the principal office of the Association, during normal business hours where copies may be purchased at reasonable cost.

## **ARTICLE XI ASSESSMENTS**

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments is not paid within thirty (30) days after the due date, the assessment shall be subject to late charge in an amount established by the Board and shall bear interest from the date of delinquency at the maximum rate allowed by applicable law. The Association may bring an action at law against the Lot Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

## **ARTICLE XII AMENDMENTS**

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person, or by proxy.

Section 2. In the case of any conflict between the Charter and these Bylaws, the Charter shall control; and in the case of any conflict between the Declaration and these Bylaws, the

Declaration shall control.

**ARTICLE XIII  
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end on the 31st of December of every year, except that the first fiscal year shall begin on the date of incorporation.

**CERTIFICATE**

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of PEBBLEBROOK HOMEOWNERS' ASSOCIATION, a Tennessee not-for-profit corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board thereof, held on the \_\_\_ day of \_\_\_\_\_, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 30 day of Jan, 2002.

Johnny Baggett  
Secretary

Witness signature this 30<sup>th</sup> day of Jan, 2002

Jessie Diane Deshelles  
Notary at Large

My Commission Expires - 9-30-2003

