

Prepared by:
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RESTRICTIVE COVENANTS SOUTHERN MEADOWS ESTATES

SOUTHERN MEADOWS, LLC, a Tennessee limited liability company (hereinafter "Developer") being the owner in fee simple of the real estate that has been subdivided and named SOUTHERN MEADOWS ESTATES, according to survey and plat of record in Plat Book ____, page ____, Register's Office of Rutherford County, Tennessee, and which plats are made a part hereof by reference, does hereby agree and bind itself, its successors and assigns, that the following restrictions, limitations and covenants shall be binding on all purchasers of lots in said SOUTHERN MEADOWS ESTATES, Section One, their heirs and assigns.

Additional sections may be annexed by Developer and made subject to these restrictions from portions of the real property described in Record Book ____, page ____, of record in the Register's Office of Rutherford County, Tennessee, by execution of a document signed by Developer annexing additional sections and making them subject to these restrictions and recording same in the Register's Office of Rutherford County, Tennessee.

1. There is hereby appointed an Architectural Review Committee to be comprised of three people. The initial committee shall be composed of Mark E. McDaniel, Mark Baker and L. Keith Harmon. This Committee shall also compose the initial Board of Directors of the SOUTHERN MEADOWS HOMEOWNERS ASSOCIATION. Each committee member shall serve a three-year term, except for the initial terms, with the initial terms expiring on the following dates:

Mark E. McDaniel	January 1, 2006
Mark Baker	January 1, 2007
L. Keith Harmon	January 1, 2008

As each member's term expires, or if a member should resign or is removed, a new member shall be chosen by the Board of Directors of the Southern Meadows Homeowners Association to serve a three-year term. Committee members shall be eligible for re-election. All committee members will serve for three years or until their successors are elected by the remaining committee members. Any future committee member must either own in his own name, or jointly with his spouse, a subdivided lot in SOUTHERN MEADOWS ESTATES or be an officer in SOUTHERN MEADOWS, LLC, the Developer.

The Architectural Review Committee exists in order to assure maximum protection to all lot owners, to assure continuity and to have conformity to high aesthetic and environmental standards, and to have the initial but non-exclusive right to enforce these covenants. The Architectural Review Committee shall have the powers and duties necessary for the proper care and control of any common areas in said subdivision, such as entrances, undeveloped lots and buffer zones and may do all acts as set forth herein or as delegated by the lot owners of the subdivision. Such powers and duties of the Committee shall include, but not be limited to, the following:

(a) Construction plans and specifications for any improvements to be erected on any lot must be submitted to the Committee for its approval. No construction, reconstruction, remodeling, alteration or additions of any structure, building, fence, driveway, path, landscaping or other improvements of any nature shall be commenced or constructed prior to receiving approval by said Committee in writing. The Committee shall ascertain that the exterior design and exterior finishes of any structure are in harmony with the above-stated goals and standards to the end that the dwellings located in the subdivision are uniform and aesthetically pleasing, without the utilization of garish colors or architectural design. In fact, the Architectural

Review Committee shall be the sole arbitrator of said exterior design and finish and may withhold approval for any reason, including purely aesthetic considerations. The Committee shall designate any changes or alterations which shall be necessary for approval. Plan approval or a statement of changes or alterations shall be forwarded in writing to the lot owner. Failure by the Committee to approve or reject within a 30 day period of time shall constitute approval.

(b) Meetings of the Architectural Review Committee may be held at such time and place as the members shall determine, and provided a majority of the whole committee is present, no prior notice is necessary. At all meetings of the Committee, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute a decision of the Committee. Said Committee shall elect a chairman to preside and a secretary to take minutes and communicate with interested lot owners. *Robert's Rules of Order* will be followed in the conduct of business of the Committee.

(c) The members of the Architectural Review Committee shall not be liable to lot owners for any mistake of judgment, negligent or otherwise, except for their own individual and willful misconduct of bad faith.

(d) The members of the Architectural Review Committee shall not receive any compensation from the Committee or the lot owners for their services thereon.

(e) There shall be a general right-of-way and easement for the benefit of the Architectural Review Committee, its officers, agents and employees to enter upon lots or buildings to perform their respective duties and to exercise their powers as enumerated in these covenants.

(f) The Architectural Review Committee shall have the right to reasonably impose additional restrictions and requirements on any lot at time of the initial sale by the Developer whereby these additions shall enhance the subdivision. The Review Committee shall also have the right to waive any restrictions or covenants for any lot when such waiver is deemed necessary to enhance the subdivision. Any additional restrictions or waivers made shall apply to the lot upon which it is imposed and does not necessarily set a precedent for future construction.

2. No lot may be used for any purpose except for the construction and maintenance of a residential building, and no such residential structure on any such lot shall be designed, constructed or used for more than one family. Group homes of any kind are expressly prohibited.

3. No lot shall be resubdivided, but shall remain as shown on the recorded plat, and not more than one residence building may be constructed or maintained on any lot. A slight variance in the property lines may be made by adjacent owners, but not for the purpose of subdivision into more lots.

4. No noxious or offensive operation shall be conducted or maintained on any lot, and nothing shall be done on any lot which may constitute an annoyance or nuisance to the neighborhood. No guns or firearms of any kind shall be discharged or fired in the subdivision.

5. No animals of any kind shall be allowed or maintained on any lot, except that dogs, cats or other household pets may be kept, provided they are not kept for commercial or breeding purposes. Horses, fowl, and goats are expressly prohibited.

6. No trailer, basement house, tent, garage, barn or other outbuilding shall be erected or used as either a temporary or permanent residence on any lot; nor shall recreational vehicles or boats be used as a temporary or permanent residence on any lot.

7. No building shall be constructed or maintained on any lot closer to the street or side than the setback line as shown on the recorded plat; provided, however, unclosed porches, either covered

or uncovered, bay windows, steps, or terraces shall be permitted to extend across the setback lines; provided further, however, that the main structure does not violate the setback line.

8. The minimum interior heated living area of any single family dwelling, exclusive of open porches and garages, shall be 1,900 square feet. All dwellings shall be constructed with a brick foundation, and the exterior shall be constructed with at least 75% brick veneer. Concrete slab foundations are prohibited.

9. All dwelling houses shall have a garage designed for at least one and no more than 2 cars.

10. All outbuildings shall be constructed so as to blend and be comparable in structure to the residence on any lot. All outbuildings must be approved by the appropriate governmental authority and the Architectural Review Committee before construction may begin. All such outbuildings shall be "stick built" on site. No prefabricated outbuildings shall be permitted, nor shall any outbuilding be used as a residence.

11. No fence shall be permitted between any rear corner of the dwelling and the street. The use of hedges, shrubbery or evergreens as a fence, or in lieu of the fence, and extending to the front or sides of any lot is permitted provided that such hedges, shrubbery or evergreens are not in excess of forty-two (42) inches in height. All fences must be approved by the Architectural Review Committee as to materials, construction and location.

12. No lot shall be used as a dumping ground for rubbish or trash. All lots shall be kept in a clean and sanitary condition and free and clear of all litter. Each owner shall be responsible for the safe, clean and attractive maintenance of all land, buildings, improvements and landscaped areas of any lot. No inoperative or junk motor vehicles shall be permitted on any lot or street in the subdivision. No motor vehicle shall be parked in any area of the lot except in the driveway or garage.

13. The Developer, the Southern Meadows Homeowners Association, or their assigns may enter upon any lot for the purpose of cutting grass and cleaning up such lot if the same reasonably requires, charging the expense thereof to the lot owner, which expense shall become a lien upon the lot.

14. No sign of any kind shall be displayed on any lot without approval of the Architectural Review Committee, except for small realty signs (16 square feet maximum) advertising the property "For Sale."

15. Unlicensed vehicles shall not be parked in the driveway of any lot, parked on any street in the subdivision, or operated within the subdivision, nor shall they be in the open or visible from the street or another lot.

16. No tractor-trailers, semis or school buses shall be parked upon any lot or any subdivision street.

17. No recreational vehicles, boats, motor homes, campers, trailers, or hobby vehicles shall be placed upon any lot unless kept in a garage or screened so as not to be visible from the street. All such vehicles shall be located on poured concrete pads.

18. Developer reserves a perpetual easement for utility installation, maintenance and drainage five feet in width along each side and rear lot line. Developer further reserves unto itself, its successors and assigns, the following easements and rights of way in, on, over, under and through all lots, and each building primarily for the purpose of sale, to-wit:

(a) For the installation, construction and maintenance of conduits, lines and necessary or property attachments in connection with the transmission of electricity, gas, water, telephone, community antenna, television cables and other utilities;

(b) For the construction of buildings and related improvements;

(c) For the installation, construction and maintenance of storm water drains, public and private sewers and any other public or quasi-public utility facility;

(d) For the use of any sales office, model units or buildings and parking spaces in connection with its efforts to market lots and/or dwelling houses;

(e) For the maintenance of such other facilities and equipment as in the sole discretion of Developer may be reasonably required, convenient or incidental to the completion, improvement and sale of lots and/or dwelling houses.

19. Exterior television and radio antennas shall not extend more than two feet in height above the ridge line of the dwelling house roof. Satellite dishes shall not exceed twenty-four inches in diameter. Any installation and placement must be pre-approved by the Architectural Review Committee within practical limits so long as, by doing so, such placement does not render the satellite dish non-functional.

20. Exposed metal fireplace chimneys are prohibited.

21. No outside clotheslines or other apparatus for the drying of clothes shall be permitted.

22. All building setback lines required by the controlling governmental authority shall be strictly observed and followed.

23. Lot owners are prohibited from obstructing the free flow of storm surface water drainage and/or diverting, and/or changing such drainage flow in any manner resulting in damage, hazard or nuisance to any other lot owner.

24. All driveways shall be surfaced with poured concrete with a width of no less than 10 feet, and no more than 15 feet; and all turn-around areas shall be no larger than 25 feet by 25 feet. Turn-around areas must be located on the side or in the rear of the lot. There shall be no circular or semi-circular driveways in the front of any residence.

25. All common areas of the Southern Meadows Estates, all of which are, and shall remain, private amenities owned and maintained solely by the Southern Meadows Homeowner's Association as shown on the plat in Plat Book ____, page ____, and any additional sections of the Subdivision added hereto and made subject to these restrictions, or as otherwise amended, shall be reserved for the exclusive use of the owners of the lots and their immediate families or guests. Each lot owner is responsible for the safety, care and actions of their families and guests, as well as themselves. Each lot owner shall hold the Architectural Review Committee, the Southern Meadows Homeowners Association and all other owners and guests harmless for any damages caused by said lot owner, his or her family and/or guest. The Southern Meadows Homeowners Association, either by majority vote of the members or by its Directors, may establish additional rules and regulations governing the use of the common areas, and for the maintenance thereof; and the association has authority to enforce said rules and regulations in accordance with these restrictive covenants and the By-Laws of the Association.

26. All motorized vehicles or equipment, except for the purpose of maintenance or repair by the Developer or the Southern Meadows Homeowners Association, are strictly prohibited from use in any common area of the subdivision including, but not limited to, motorbikes, motorcycles, motor scooters, all-terrain vehicles, four-wheelers, three-wheelers, etc.

27. Developer shall construct a fence, which is, and shall remain, privately owned and maintained solely by the Southern Meadows Homeowner's Association. The fence shall be situated around the perimeter of the lake and the fence shall be in strict compliance with any government regulations related thereto, but in no event less than 6 feet in height. The Southern Meadows Homeowners Association shall maintain the fence and keep it in a good state of repair.

28. These protective covenants and the By-Laws attached hereto shall be enforced by the Architectural Review Committee herein created, or any individual lot owner in said subdivision, or the Southern Meadows Homeowners Association, by proceeding at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain the violation or

to recover damages. In the event litigation is implemented for the enforcement of these covenants or the By-Laws attached hereto, the prevailing party shall be entitled to an award of attorney fees as additional damages.

29. Unless otherwise provided herein, amendment of these restrictions shall be the exclusive right of the Developer, so long as the Developer owns at least two (2) lots in the original Sections One and/or Two or any additional sections added hereto. Thereafter, amendments may be made by an instrument signed by not less than 75% of the owners of the lots in the development, one vote per lot, subject to these restrictions and shall include any additional sections added hereto and made subject to these restrictions.

30. Each owner of a lot, which shall include this section of the subdivision and any additional sections added hereto and made subject to these restrictions, shall be a member of the Southern Meadows Homeowners Association and shall derive all benefits from, and be subject to, the By-Laws of said association which are attached hereto as Exhibit A. Membership in the Homeowner's Association is mandatory. Each lot owner must promptly pay all assessments levied by the Homeowner's Association. Said association shall be incorporated pursuant to the laws of the State of Tennessee. Notwithstanding the provisions of Paragraph 29, this Paragraph 30 shall not be amended or modified so as to permit a lot owner to withdraw or be excluded from the Homeowner's Association or be relieved of the responsibility of the payment of any assessment.

31. Each and every one of the preceding covenants and restrictions shall be binding and obligatory upon the present and all succeeding lot owners until January 1, 2033, at which time these protective covenants and restrictions shall be automatically renewed for successive periods of ten (10) years.

IN WITNESS WHEREOF, the undersigned have affixed their signatures on this the _____ day of _____, 2004.

Southern Meadows, LLC

By: _____
Mark E. McDaniel, Chief Manager

By: _____
Mark Baker, Member

By: _____
L. Keith Harmon, Member

STATE OF TENNESSEE

COUNTY OF RUTHERFORD

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, MARK E. McDANIEL, MARK BAKER AND L. KEITH HARMON, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged themselves to be the Chief Manager and Members, respectively, of SOUTHERN MEADOWS, LLC, the within named bargainor, a corporation, and as such officers of the corporation, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the company by themselves as such Chief Manager and Members.

WITNESS MY HAND and official seal at my office on this the _____ day of _____, 2004.

Notary Public
My commission expires: _____

EXHIBIT A

**BY-LAWS
OF
SOUTHERN MEADOWS HOMEOWNERS ASSOCIATION**

ARTICLE I

PURPOSE

These By-Laws are established for the benefit of the Southern Estates Homeowners Association, a Tennessee non-profit corporation, to provide for the enforcement of the Restrictive Covenants of Southern Meadows Subdivision and to administer and maintain the common areas of a subdivision (hereinafter referred to as "Common Areas") known as **SOUTHERN MEADOWS ESTATES**, in Rutherford County, Tennessee, and more particularly as shown on the Plat of record in Plat Book ____, page ____, and any additional sections added thereto, and amendments thereof, of the Register's Office of Rutherford County, Tennessee.

ARTICLE II

APPLICATION AND ACCEPTANCE

All present or future owners are subject to the regulations set forth in these By-Laws. The acquisition or rental of any of the lots of the subdivision or occupancy of any of said lots shall signify that these By-Laws are accepted, ratified, and obligatory, and will be complied with.

These By-Laws, and each change made in accordance herewith, are and shall be covenants running with each lot and binding on each successive co-owner, lessee, or mortgagee of each lot in Southern Meadows Estates.

ARTICLE III

VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. There shall be one person with respect to each lot ownership who shall be entitled to vote at any meeting of the lot owners. The lot owner may be the owner, or one of a group composed of all of the owners of a lot. Each owner or group of Owners shall be entitled to (1) vote for each lot owned.

Section 2. Majority of Owners. As used in these By-Laws, and unless otherwise stated, the term "majority of owners" shall mean those owners holding over fifty percent (50%) of the votes.

Section 3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of 25% of the lot owners shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE IV

ADMINISTRATION

Section 1. Association Responsibilities. The owners of the lots will constitute the Association. The Association, by and through its Board of Directors, shall have the responsibility of approving the annual budget, establishing and collecting assessments, enforcing the Restrictive Covenants of the Subdivision, and arranging for the management and maintenance of the Common Areas as well as any fences surrounding the Common Areas as required by the Rutherford County or Murfreesboro Planning Commission. Except as otherwise provided, decisions and resolutions required to be approved by members of the Association shall require approval by a majority of owners.

In the event that an owner of a lot is a corporation or partnership, then that entity shall designate one of the partners, shareholders, officers, or directors as that entity's representative and member of the Association.

Section 2. Place of Meetings. Meetings of the Association shall be held at the principal office of the development or such other suitable place convenient to the owners as may be designated by the Board of Directors.

Section 3. Annual Meetings. The annual meetings shall be held on the second Monday of June, unless a holiday, and then on the following Tuesday, of each succeeding year. At such meetings there shall be elected by ballot of the owners a Board of Directors in accordance with requirements of Section 5 of Article V of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the owners as directed by resolutions of the Board of Directors, or upon a petition signed by a majority of the owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall

be transacted at a special meeting except as stated in the notice unless by consent of all of the owners present, either in person or by proxy.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to mail or hand-deliver a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each owner of record, at least five (5) but not more than ten (10) days prior to such meeting. The mailing or hand-delivery of a notice in the manner provided in this Section shall be considered notice served.

Section 6. Adjourned meetings. If any meeting of the owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days from the time the original meeting was called. Notice of the rescheduled meeting shall be given in writing to all lot owners. The quorum of such meeting shall be 15% of the lot owners.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of three (3) persons, each member being a lot owner.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these By-Laws prohibited.

Section 3. Other Duties. In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep, operation, and maintenance of the Common Areas.
- (b) Establishment and Collection of assessments from the co-owners.
- (c) Designation and dismissal of the personnel necessary for the maintenance of the Common Areas.
- (d) Enforcement of the Restrictive Covenants of the Subdivision.
- (e) Establishment of an annual budget.
- (f) Enter into contracts for the Association, including loan agreements.
- (g) Establish enforcement mechanisms, including fines.

(h) Obtain fidelity bonds for the performance of the duties of the Directors and Officers of the Association, and liability insurance for all common areas of the subdivision upon such terms and in amounts deemed reasonable by the Board.

Section 4. Management Agent. The Board of Directors may employ for the Association a Management Company or Management Agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in items (a) through (d) of Section 3 of this Article.

Section 5. Election and Term of Office. The initial Board of Directors shall be composed of the members of the Architectural Review Committee. At each annual meeting of the Association, any vacancy in the Board of three (3) Directors shall be elected for a period of three (3) years, or until their successors are elected, whichever is later, except the terms of the initial Board shall coincide with the initial terms of the Architectural Review Committee. Board members shall serve without compensation.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall take office immediately and serve the remainder of the expired term.

Section 7. Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of all of the owners (i.e., not just those owners present at the meeting), and a successor may then and there be elected to fill the vacancy thus created and serve the remainder of the term of the removed Director. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section 8. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election, at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, providing a majority of the whole Board be present.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of Directors, but at least

two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, or telegraph, at least three (3) days prior to the day named for such meeting.

10. Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the president on two (2) days' notice to each Director, given personally or by mail, telephone, or telegraph, which notice shall state the time, place (as hereinabove provided), and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice, on the written request of any one (1) Director.

Section 11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

Section 12. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the co-owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The co-owners shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Subdivision unless any such contract shall have been made in bad faith or contrary to the provisions of these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Subdivision. It is also intended that the liability of any co-owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to such proportion of the total liability

thereunder, as his interest in the common elements bears to the interest of all the co-owners in the common elements. Every agreement made by the Board of Directors or by the Managing Company or Managing Agent on behalf of the Subdivision shall provide that the members of the Board of Directors or the Managing Company or Managing Agent, as the case may be, are acting only as agents for the council of co-owners and shall have no personal liability thereunder (except as co-owners), and that each co-owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Subdivision bears to the interest of all owners in the Subdivision.

ARTICLE VI

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President and a Secretary/Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint such other officers as in their judgment may be necessary, and they need not be members of the Board of Directors. All officers shall serve without compensation.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization and meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all the general powers and duties which are usually vested in the office of the president of an association, including but not limited to, the power to appoint committees from among the owners from time to time as he may in his discretion decide to be appropriate to assist in the conduct of the affairs of the Association.

Section 5. Secretary/Treasurer. The Secretary/Treasurer shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general,

perform all the duties incident to the office of the Secretary. He shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. Day-to-day record keeping may be delegated by the Board of Directors to the Management Company

ARTICLE VII

OBLIGATION OF THE OWNERS

Section 1. Assessments and Creation of Liens: Except as otherwise provided in the Restrictive Covenants applying to the subdivision, all owners shall be obligated to pay any annual and special assessments imposed by the Association to meet the common expenses, including, but not limited to, taxes, insurance, management fees, maintenance and professional fees, and payment thereof shall be made not later than 15 days of the date of the assessment. All such assessments, as set by the Board pursuant to the Restrictive Covenants, Articles of Incorporation and these By-Laws, shall be due and payable advance either monthly or quarterly as established by the Board. The Board has a right to levy special assessments as the need arises. Notwithstanding anything to the contrary contained herein, assessments shall not commence as to any unimproved Lots until the earlier of (i) one year following the closing date for the purchase of said Lot from Developer or (ii) the date of receipt of a certificate of occupancy for a single family residence on the Lot. A member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of members, within the meaning of these By-Laws, if, and only if, he shall have fully paid all assessments made or levied against him. All assessments, together with interest, costs and reasonable attorney's fees, shall be a continuing lien upon the Lot from the date when each assessment is due until such assessment is paid in full. Such lien shall be subordinate to the lien of any first mortgage now or hereafter placed on the Lot.

Section 2. Materialsmen's, Judgment, or Tax Liens: Each owner agrees to indemnify and to hold each of the other owners harmless for his proportionate share of any and all Materialsmen's, judgment or tax liens filed against the Common Areas for labor, materials, services or other products incorporated in the Common Areas. In the event suit for foreclosure for a materialsmen's lien, judgment or tax lien is commenced, then within ninety (90) days thereafter, such owner shall be

required to deposit with the association cash or appropriate bond equal to the amount of his proportionate share of such claim plus interest for one (1) year. Such sum shall be held by the Association pending final adjudication or settlement of the claim for litigation. Disbursements of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid by the owners, and his failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the owner and a lien against his property.

Section 3. Access to Lot: An owner shall permit the Managing Company or Managing Agent or the person authorized by the Board of Directors the right of access to the owner's lot from time to time during reasonable hours that may be necessary for the enforcement of the Restrictive Covenants or for the maintenance of the Common Areas or at any time deemed necessary by the managing agent or Board of Directors for the making of emergency repairs to prevent damage to any of the Common Areas.

ARTICLE VIII

AMENDMENTS

Section 1. These By-Laws may be amended by the Association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by owners representing more than seventy-five (75%) of the total voting power of all lots in the development.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Restrictive Covenants and these By-Laws, the Restrictive Covenants shall control.

ARTICLE IX

MISCELLANEOUS

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

APPROVED BY:

SOUTHERN MEADOWS HOMEOWNERS
ASSOCIATION

By: _____
President

By: _____
Secretary/Treasurer

STATE OF TENNESSEE

COUNTY OF RUTHERFORD

Before me, the undersigned, personally appeared MARK E. McDANIEL, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), to be the President of Southern Meadows Homeowners Association, a Tennessee non-profit corporation, and executed the foregoing instrument for the purposes contained therein.

WITNESS MY HAND, at office, this _____ day of _____, 2004.

Notary Public
My commission expires: _____

STATE OF TENNESSEE

COUNTY OF RUTHERFORD

Before me, the undersigned, personally appeared L. KEITH HARMON, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), to be the Secretary/Treasurer of Southern Meadows Homeowners Association, a Tennessee non-profit corporation, and executed the foregoing instrument for the purposes contained therein.

WITNESS MY HAND, at office, this _____ day of _____, 2004.

Notary Public
My commission expires: _____