

PREPARED BY LARRY K. TOLBERT, ATTY.
425 W. COLLEGE STREET
MURFREESBORO, TN 37130 (RF)

**RESTRICTIVE COVENANTS APPLYING TO
HARVEST GROVE, SECTION IV**

The undersigned, HARVEST GROVE, LLC, a Tennessee Limited Liability Company, being the Owner and Developer in fee simple of the real estate that has been subdivided and named HARVEST GROVE, SECTION IV, according to survey and plat, which plat is of record in Plat Book 31, page 67, of the Register's Office of Rutherford County, Tennessee, and which plat is 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 subdivision, their heirs, successors and assigns, as follows:

1. **RESTRICTIVE COVENANTS.** ORIGINAL AND SUCCESSOR LOT OWNERS SHALL BE RESPONSIBLE FOR FURNISHING NEW OWNERS A COPY OF THE HEREOF RESTRICTIVE COVENANTS.

2. **ARCHITECTURAL REVIEW COMMITTEE.** There is hereby appointed an Architectural Review Committee (hereafter Committee") to be comprised of three people. The initial committee shall be composed of HOWARD D. WALL, JOHN C. JONES, III, and LARRY K. TOLBERT. Each committee member shall serve a three-year term, with the initial terms expiring on the following dates:

HOWARD D. WALL	January 1, 2008
JOHN C. JONES, III	January 1, 2009
LARRY K. TOLBERT	January 1, 2010

As each member's term expires, a new member shall be chosen by the three remaining members 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 HARVEST GROVE, SECTION IV, or be a member in HARVEST GROVE, LLC, the Developer.

3. **PURPOSE OF ARCHITECTURAL REVIEW COMMITTEE.** The Committee exists in order to assure maximum protection to all lot Owners, to assure continuity and conformity to high aesthetic and environmental standards, and to have the initial but non-exclusive right to enforce these covenants. The Committee shall have the powers and duties necessary for 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, fencewall, driveway, path, landscaping or other improvements of any nature shall be commenced or constructed prior to receiving approval by said Committee in writing or by verbal permission. 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 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 act within thirty (30) days of receipt of proposed plans and specifications, and in the event of disapproval, the Committee shall designate any changes or alterations which shall be necessary for approval. 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 said 30-day period of time shall constitute approval.

b) Complete landscaping shall be required with each dwelling house by closing, unless specific written approved by the Architectural Review Committee is given.

c) Meetings of the 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.

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

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

f) At such time as there is a validly incorporated Harvest Grove Homeowners Association whose members own 100% of the platted lots of HARVEST GROVE, SECTION IV, and all future sections, then from that point forward the Committee members shall be elected as their term expires or the office is vacated by the Board of Directors of the said Harvest Grove Homeowners Association.

g) The operation, care, beautification, upkeep and maintenance of the entrance areas, walls and adjacent landscaped areas of the subdivision is initially charged to and the responsibility of the Committee. Once a Harvest Grove Homeowners Association is formed, these duties, responsibilities and privileges are to be vested in that body. The Committee (and the Harvest Grove Homeowners Association, once formed) is hereby specifically authorized to charge and collect a maintenance fee from all lot owners in order to pay the expenses of said operation, care, beautification, upkeep and maintenance. This maintenance fee as charged shall be the same amount for each lot in Harvest Grove, regardless of size or sales price.

h) For good cause shown, the Committee shall have the authority to waive all or any part of the hereinafter set forth restrictive covenants as to minimum square footage where the proposed improvement, because of unusual or extraordinary shape or design, does not meet said minimums, but such improvement will in the sole discretion of said Committee be a complementary asset to the Development. The Committee shall also have the authority to waive such other restrictive covenants, hereafter set forth, upon good cause shown, where such waiver, in the opinion of the

Committee, shall not compromise the high esthetic standards of the development.

i) By way of example, and not in limitation, the power and authority of the Committee shall include approval/rejection/enforcement of the following items:

1. General construction plans
2. General construction specifications
3. Exterior paint colors
4. Roof materials/color
5. Roof pitch
6. Exterior materials/colors
7. General landscape plans
8. LANDSCAPE MATERIALS - ALL HOUSES MUST BE LANDSCAPED UPON COMPLETION OF HOUSE FOR OCCUPANCY.
9. Landscape plantings/size/quantity
10. Yard or exterior ornaments/size/color
11. Exterior lighting/size/location
12. Lot topography recontouring
13. Location of any improvement upon lot
14. Off street parking of any motorized vehicle (including boats) not housed within the dwelling
15. Fences - materials/colors/locations/dimension - (wrought iron and/or brick will be encouraged)
16. Grass cutting/Landscape maintenance - enforcement
17. Satellite dishes - Permission on each lot is at the discretion of the Architectural Review Committee.
18. Restrictive covenants - enforcement
19. Exterior maintenance of all improvements

4. **ARCHITECTURAL REVIEW COMMITTEE EASEMENT.** There shall be a general right-of-way and easement for the benefit of the Committee, its officers, agents and employees to enter upon the lots or buildings to perform their respective duties and to exercise their powers as enumerated in these covenants.

In addition to the foregoing, the following restrictions, limitations and covenants shall be binding on each lot purchaser, their heirs, successors and assigns:

5. **LOT USE.** No lot may be used for any purpose except for the construction and maintenance of a residential building of traditional design. No such residential structure on any such lot shall be designed, constructed or used for more than one family. Group homes are expressly prohibited.

6. **RESUBDIVISION.** 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 one lot. A slight variance in the property lines may be made by adjacent owners, but not for the purpose of subdividing into more lots. The foregoing notwithstanding, two or more lots may be combined (with approval of the Rutherford County and the Architectural Review Committee) to accommodate a single dwelling house or a slight variation of the property line separating adjacent lots.

7. **NUISANCE/ANIMALS.** No noxious or offensive operations 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 poultry of any kind or description shall be allowed or maintained on any lot at any time for any purpose. No animals or livestock of any kind shall be allowed or maintained on

any lot except that dogs, cats or other household pets may be kept, provided that they are not kept for commercial purposes. The Committee shall have authority over all animals and shall have the right to order the removal or any special control measures as to any animal which becomes, in the sole opinion of the Committee, a nuisance or hazard to the health and welfare of the development.

8. **TRAILERS, ETC.** No trailer, basement house, tent, garage, barn or other outbuilding shall be erected or used as either a temporary or permanent residence.

9. **SETBACK LINES.** No building shall be constructed or maintained on any lot closer to the street 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.

10. **RUTHERFORD COUNTY.** All owners of lots in the development shall consult with the appropriate officials of Rutherford County before installation of any driveway, culvert or other structure within the dedicated roadway and such placement or construction shall be done in accordance with the rules and regulations of said Rutherford County.

11. **DRIVEWAYS.** All driveways shall be either exposed aggregate or smooth finished concrete and completed not later than the initial occupancy of the dwelling house. All driveways shall be graveled when footings for initial construction are installed.

12. **FENCES.** The only fences which shall be permitted on lots shall be those erected with the express written permission of the Committee, which is charged to ensure that said fences conform to the general character and atmosphere of the neighborhood. The Committee may require, as a condition of approval, the use of hedges or other greenery as screening for the fence. All fences must be maintained in good repair, and owners agree to abide by reasonable requests for repairs and maintenance as may be made by the Committee. Chain link fences are expressly prohibited.

As to corner lots: No fence may be closer than 40 feet from any street (measured from the back of the street curb).

On all fences, the exact description and material of the fence, showing the exact location of the lot, house and fence must be submitted to the Committee for approval. **No fence** shall be located upon or within a dedicated easement (public utility, sewer, access, drainage, etc.).

13. **UNDERGROUND UTILITY SERVICE.** All utility service of any kind (electrical, gas, cable, telephone, etc.) extending from the roadway to any improvement located upon the building lot shall be underground and installed in compliance with applicable requirements for underground service.

14. **ACCESSORY VEHICLES.** All commercial and/or recreational vehicles, such as trucks, boats, golf carts, campers, motor homes and/or yard mowing equipment, must be garaged. The storage of said vehicles is subject to the approval of the Committee. The foregoing notwithstanding, no commercial vehicle of any kind which weighs in excess of 12,000 pounds shall be permitted upon any lot. No inoperable nor junk vehicles shall be parked on any lot, nor on

the street. All licensable vehicles shall have current license plates and registration.

15. **SIDE SETBACK LINE.** No dwelling shall be constructed on any lot closer than 10 feet to either side lot line.

16. **MINIMUM SQUARE FOOTAGE.** The minimum square feet of heated living area in any residence with an attached two-car garage shall be 2,200 square feet of living space.

17. **GARAGES.** All attached garages shall enter from the side or rear (except the Committee has authorization to waive this requirement where the shape of the lot and the design of the residence necessitates a variance, provided, however, that if this requirement is waived, the garage door must be of the highest esthetic quality and design and the owner shall be required to install and maintain an operational garage door opener), and all (side, front and rear) garage doors shall remain closed, except for actual ingress or egress therein. There shall be no detached garages or other accessory buildings constructed or located on the premises unless prior approval in writing is granted by the Committee. All dwelling houses shall have an attached garage of a size adequate to accommodate a minimum of two full size automobiles.

18. **EXTERIOR MATERIALS.** All dwellings or other buildings constructed on any lot shall have a full masonry foundation. Any dwelling constructed on any lot shall have an exterior construction of not less than 70% brick, stone, wood or drivet (stucco) or hardie plank type wood product, to grade, unless expressly approved otherwise by the Committee due to the type or style of the house.

Any variance must be pre-approved by the Committee.

19. **ACCESSORY BUILDINGS.** Any detached garage or other accessory building shall not exceed one story in height and shall be subject to the pre-approval of the Committee. Said building shall be to the rear of the lot, but not less than 20 feet from the rear lot line, nor less than 10 feet from any side lot line, and in no case closer than the house is to any street. Said garage or accessory building shall be erected as one building and no garage shall contain room for more than three cars. Any accessory building must be of a design and material as would be compatible with the main residence and in compliance with local building codes as approved by the controlling governmental authority.

20. **EXTERIOR MAINTENANCE/EASEMENT RESERVED.** The Developer of the subdivision, or its successors and assigns, reserves the right to enter upon any lot for the purpose of cutting grass and/or clearing up such lot, as same may be reasonably required, charging any expenses incurred thereof to the owner of the lot and creating a lien on the lot. Grass or growth shall not exceed 12 inches in height on vacant lots or 6 inches on improved lots.

21. **EXTERIOR MAINTENANCE.** Each owner shall be responsible for safe, clean and attractive maintenance of all lands, buildings, improvements and landscaped areas on any lot. All lots must be kept clear and clean of all litter. No inoperable or junk automobiles shall be parked on any lot. All motor vehicles, including campers, motor homes, boats and other recreational

vehicles and equipment must be stored and otherwise parked off street at all times.

22. **SATELLITE DISHES.** Satellite dishes shall be permitted provided that the overall diameter does not exceed 24" and the location of the dish shall be subject to approval and/or requirements of Committee at its sole discretion on each improved lot.

23. **VOIDABILITY.** If any of the provisions of this instrument are at any time declared void or inoperative by any court of competent jurisdiction, the remaining provisions shall continue in full force and effect and shall not be otherwise affected thereby.

24. **LANDSCAPE EASEMENT.** A perpetual easement, as shown on the referenced plat, shall be reserved for the purpose of the construction and maintenance of common area entrance walls, signage, fences, landscaping, lighting, center roadway median and irrigation. Such improvements shall be maintained by Harvest Grove, LLC, (the Developer) until such time that the Developer assigns responsibility for this maintenance to the Harvest Grove Homeowners Association. The costs of such maintenance shall be borne by the lot owners of this section and any existing or future sections of Harvest Grove.

25. **DEVELOPER EASEMENT.** Developer hereby reserves unto itself, its successors and assigns, the following easements and rights-of-way in, on, over, under and through all lots, and each unit or building located thereon, for so long as Developer owns any lot, unit or building primarily for the purpose of sale:

a) For the installation, construction and maintenance of conduits, lines and necessary or proper 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 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.

26. **MAXIMUM BUILDING TIME.** Every dwelling house shall be constructed and completed, start to finish, within 180 days of visible commencement of construction.

27. **ENFORCEABILITY/ATTORNEY FEES.** These protective covenants shall be enforced by the Committee herein created, or any individual lot owner in said subdivision by proceedings 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, the prevailing party shall be entitled to an award of attorney fees as additional damages.

28. **CLOTHES LINES.** No outside clotheslines shall be permitted.

29. **MAILBOXES.** All houses shall have a wrought iron mailbox holder of a style and design designated by the Architectural Review Committee. The expense of such mailbox holder shall be the responsibility of the home owner.

30. **RESTRICTIVE COVENANTS.** ORIGINAL AND SUCCESSOR LOT OWNERS SHALL BE RESPONSIBLE FOR FURNISHING NEW OWNERS A COPY OF THE HEREOF RESTRICTIVE COVENANTS.

31. **SUCCESSORS BOUND.** Each and every one of the preceding covenants and restrictions shall be binding and obligatory upon the present and all succeeding owners of lots or any part thereof, until January 1, 2027, at which time these protective covenants and restrictions shall be automatically renewed for successive periods of ten (10) years; however, said protective covenants and restrictions may be changed in whole or in part by a two-thirds (2/3) majority vote of the owners of the lots in said subdivision at any time, each owner having one vote per lot owned.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed this 30th day of JANUARY, 2007.

HARVEST GROVE, LLC, a
Tennessee Limited Liability Company

By: John C. Jones
JOHN C. JONES, Chief Manager

STATE OF TENNESSEE)
 ss.
RUTHERFORD COUNTY)

Before me, the undersigned authority, a Notary Public in and for said County and State aforesaid, personally appeared JOHN C. JONES, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the Special Agent for HARVEST GROVE, LLC, a Tennessee Limited Liability Company, the within named bargainer, and that he as such Special Agent executed the foregoing (RESTRICTIVE COVENANTS) instrument for the purposes therein contained.

WITNESS MY HAND and official seal at office in Murfreesboro, Tennessee, this 30th day of JANUARY, 2007.

Notary Public
My commission expires MAY 18 2008



Record Book
711 Pg 1146

BY-LAWS

Of

HARVEST GROVE, SECTION IV HOMEOWNERS ASSOCIATION, INC.

Prepared by:
Larry K. Tolbert, Attorney
425 W. College St.
Murfreesboro, TN 37130
615/893-9125 FAX 615/893-4266

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BY-LAWS

OF

HARVEST GROVE, SECTION IV HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME, PRINCIPAL OFFICE, AND DEFINITIONS

Section 1. Name. The name of the Association shall be Harvest Grove, Section IV Homeowners Association, Inc. (hereinafter sometimes referred to as the "Association").

Section 2. Principal Office. The principal office of the Association in the State of Tennessee shall be located in the County of Rutherford. The Association may have such other offices, either within or outside the State of Tennessee, as the Board of Directors may determine or as the affairs of the Association may require.

Section 3. Definitions. The words used in these By-Laws shall have the same meaning as set forth in that Declaration of Covenants, Conditions, and Restrictions for Harvest Grove, Section IV, (said Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context shall prohibit.

ARTICLE II

ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, AND PROXIES

Section 1. Membership. The Association shall have two (2) classes of membership; Class "A" and Class "B", as is more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors either within the Properties or as convenient thereto as possible and practical.

Section 3. Annual Meetings. The first annual meeting of the Association shall be held within thirty (30) days from date control of Association passes from Class B to Class A Members. Meetings shall be of the Members or their proxies. Subsequent regular annual meetings shall be set by the Board so as to occur at least ninety (90) but not more than one hundred twenty (120) days before the close of the Association's fiscal year on a date and at a time set by the Board of Directors.

Section 4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by the resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least fifty (50%) percent of the total votes of the Association. The notice of any special meetings shall state the date, 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.

Section 5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meetings of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meetings, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

Section 6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business, which might have been transacted at the meeting originally called, may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that Members or their alternates representing at least fifteen (15%) percent of the total votes of the Association remain in attendance, and provided further that any action taken is approved by at least a majority of the Members required to constitute a quorum.

Section 8. Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 9. Proxies. Members may vote by proxy, provided the proxy is signed, dated and filed with the Secretary prior to the meeting for which it is valid.

Section 10. Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty (50%) percent of the total number.

Section 11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence in person or by proxy of Members representing 15% of the total vote of the Association shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions

adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 13. Action Without A Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if written consent setting forth the action so taken is signed by all of the Members entitled to vote with respect to the subject matter thereof, and any such consent shall have the same force and effect as a unanimous vote of the Members.

ARTICLE III
BOARD OF DIRECTORS: NUMBER, POWERS, AND MEETINGS

A. Composition and Selection

Section 1. Governing Body, Composition. A Board of Directors, each of whom shall have one (1) vote shall govern the affairs of the Association. Except with respect to directors appointed by the Declarant, the Directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of an Owner who is a corporation or partnership, the person designated in writing to the secretary of the Association as the representative of such corporation or partnership shall be eligible to serve as a director.

Section 2. Directors During Class "B" Control. The Directors shall be selected by the Class "B" Member acting in its sole discretion, subject only to Article III, Section 6, hereof, and shall serve at the pleasure of the Class "B" Member until the first to occur of the following:

(a) When one hundred (100%) percent of the Units planned for the property have certificates of occupancy issued thereon and have been conveyed to Persons other than the Declarant or builders holding title solely for purposes of development and sale; or

(b) December 31, 2018

Within thirty (30) days thereafter, the Class "B" Member shall cause the Board to call a meeting, as provided in Article II, Section 4, of these By-Laws for an annual meeting, to advise the membership of termination of the Class "B" Control Period and to elect Directors from Class "A" Members.

Section 3. Declarant Participation. This Section 3 may not be amended without the express, written consent of the Declarant.

After termination of the Class "B" Control Period, the Declarant shall have the right to participate in the decision-making process and the right to disapprove all actions of the Board and the Architectural Review Committee, as is more fully provided in this Section. These rights shall be exercisable only by the Declarant, its successors, and assigns who specifically take this power in a recorded instrument, and shall terminate one (1) year from the date of termination of the Class "B" Control Period. Declarant participation shall be as follows:

No action authorized by the Board of Directors or Modifications Committee shall become effective, nor shall any action, policy, or program be implemented until and unless:

(a) The Declarant shall have been given written notice of all meetings and proposed actions approved at meetings of the Board or any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time, which notice complies as to the Board of Directors meetings with Article III, Sections 8, 9, and 10, of these By-Laws and which notice

shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth in reasonable particularity the agenda to be followed at said meeting; and

(b) The Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program to be implemented by the Board, any committee thereof, or the Association, The Declarant, its representatives or agents shall make its concerns, thoughts and suggestions known to the members of the subject committee and/or the Board. The Declarant shall have the right to disapprove any policy or program authorized by the Board of Directors or any committee thereof, and any action to be taken by the Board, any committee thereof, the Association, or any individual member of the Association, if Board, committee, or Association approval is necessary for such action. This right may be exercised by the Declarant, its representatives, or agents at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof. Notwithstanding any provision herein to the contrary, the Declarant shall not have the right to require any action or counteraction on behalf of any committee, the Board or the Association, and shall not exercise its rights hereunder to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 4. Number of Directors. The number of directors in the Association shall be not less than three (3) nor more than five (5), as provided in Section 6 below. The initial Board shall consist of three (3) members as identified in the Articles of Incorporation.

Section 5. Nomination of Directors. Except with respect to directors selected by the Class "B" Member, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association. The nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the Members to serve a term of one (1) year or until their successors are appointed, and such appointment shall be announced at each such 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 in no event less than the number of positions to be filled. Nominations shall also be permitted from the floor.

Section 6. Election and Term of Office. Notwithstanding any other provision contained herein:

(a) Within thirty (30) days after the termination of the Class "B" Control Period, the Association shall call an annual meeting to be held at which Class "A" Members shall elect five (5) directors, who shall serve as at-large directors. The directors elected by the Class "A" Members shall not be subject to removal by the Declarant acting alone and two (2) shall be elected for a term of three (3) years and two (2) for a term of two (2) years and one (1) for a term of one (1) year.

(b) At the first annual meeting of the membership after the termination of the Class "B" Control Period and at each annual meeting of the membership thereafter, the directors shall be selected by vote of the membership. Each Class "A" Member shall be entitled to cast one (1) vote with respect to each vacancy to be filled.

At the expiration of the initial term of office of each member of the Board of Directors, a successor shall be elected to serve for a term of two (2) years. The Directors elected by the Members shall hold office until their respective successors have been

elected by the Association. Directors may be elected to serve any number of consecutive terms.

Section 7. Removal of Directors and Vacancies. Any director elected by the Class "A" Members may be removed, with or without cause, by the vote of Class "A" Members representing a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. A director who was elected at large solely by the votes of Class "A" Members may be removed from office prior to the expiration of his or her term only by the votes of a majority of Class "A" Members. Upon removal of a director, a successor shall then and there be elected by the Class "A" Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Class "A" Members who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting, at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board and it may appoint a successor.

B. Meetings

Section 8. Organization Meetings. The first meeting of the Board of Directors following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

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 the directors. Notice of the time and place of the meeting shall be communicated to directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by a majority of directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set up for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

Section 11. Waiver of Notice. The transactions of any meetings of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without

protesting before or at its commencement about the lack of adequate notice.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business, which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 13. Compensation. No director shall receive any compensation from the Association for acting as such unless a proved by Members representing a majority of the total vote of the Association at a regular or special meeting of the Association; provided, any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 14. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings.

Section 15. INTENTIONALLY LEFT BLANK

Section 16. Action Without a Formal Meeting. An action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties

Section 17. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as directed by the Declaration Articles, or these By-Laws to be done and exercised exclusively by the Members or the membership generally.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and shall be responsible for the following, in way of explanation, but not limitation:

(a) Preparation and adoption of annual budgets in which there shall be established the contribution of each Owner to the common expenses;

(b) Making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual

assessment; provided, unless otherwise determined by the Board of Directors, the annual assessment for each Unit's proportionate share of the Common Expenses shall be payable in equal quarterly installments, each such installment to be due and payable in advance on the first day of each quarter (January/April/July/October);

(c) Providing for the operation, care, upkeep, and maintenance of all of the Area of Common Responsibility;

(d) Designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association, its property, and the Area of Common Responsibility and, where, appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) Collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;

(f) Making and amending rules and regulations;

(g) Opening of bank accounts on behalf of the Association and designating the signatories required;

(h) Making or contracting for the making of repairs, additions, and improvements to or alterations of the common Area in accordance with the other provisions of the Declaration and these By-Laws after damage or destruction by fire or other casualty;

(i) Enforcing by legal means the provisions of the Declaration, these By-Laws and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) Obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(k) Paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

(l) Keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(m) Making available to any prospective purchaser of a Unit, any Owner of a Unit, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Unit, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules governing the Unit and all other books, records, and financial statements of the Association; and

(n) Permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties.

Section 18. Management Agent.

(a) The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by

these By-Laws, other than the powers set forth in subparagraphs (b) and (f) of Section 17 of this Article. The Declarant, or an affiliate of the Declarant, may be employed as managing agent or manager.

Section 19. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

(a) Accounting as defined by generally accepted accounting principles, shall be employed;

(b) Accounting and controls should conform to generally accepted accounting principles;

(c) Cash accounts of the Association shall not be commingled with any other accounts;

(d) No remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finders fees, service fees, prizes, gifts, or otherwise, unless first disclosed and approved by the Board;

(e) Any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;

(f) Commencing at the end of the month in which the first Unit is sold and closed, financial reports shall be prepared for the Association at least quarterly containing:

(i) An income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) A statement reflecting all cash receipts and disbursements for the preceding period;

(iii) A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) A balance sheet as of the last day of the preceding period; and

(v) A delinquency report listing all Owners who are delinquent in paying the monthly installments of assessments at the time of the report and describing the status of any action to collect such installments which remain delinquent (A monthly installment of the assessment shall be considered to be delinquent on the fifteenth (15th) day of each month unless otherwise determined by the Board of Directors);

Section 20. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Area of Common Responsibility or any capital improvement without the approval of the Members of the Association.

Section 21. Rights of the Association. With respect to the Area of Common Responsibility, and in accordance with the Articles of Incorporation and By-Laws of the Association, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, or cooperatives, and other owners or residents associations, both within and without the Properties.

Section 22. Enforcement. The Board shall have the power to impose reasonable fines against Owners or occupants, which shall be an assessment on the Unit, shall constitute a lien upon the property of

the violating Owner, and may be collected in the same manner provided for the collection of assessments in Article IV of the Declaration. The Board also shall have the authority to suspend an Owner's right to vote, or to use the Common Area, for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Unit. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right, of the Board to do so thereafter.

(a) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these By-Laws, or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

ARTICLE IV OFFICERS

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election, Term of Office, and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

Section 4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. Resignation. Any officer may resign at any time given written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the 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.

ARTICLE V COMMITTEES

Section 1. General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Each committee shall operate in

accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

**ARTICLE VI
MISCELLANEOUS**

Section 1. Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of such a resolution, the fiscal year shall be the calendar year.

Section 2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Tennessee law, the Articles of Incorporation, the Declaration, or these By-Laws.

Section 3. Conflicts. If there are conflicts between the provisions of Tennessee law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Tennessee law, the Declaration, the Articles of Incorporation, and the ByLaws (in that order) shall prevail.

Section 4. Books and Records.

(a) Inspection by Members and Mortgagees. The Declaration and By-Laws, membership register, books of account, and minutes of meetings of the Members, the Board and committees shall be made available for inspection and copying by any Mortgagee, Member of the Association, or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a Member at the office of the Association or at such other place within the Properties as the Board shall prescribe.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

(i) Notice to be given to the custodian of the records;

(ii) Hours and days of the week when such an inspection may be made;

and

(iii) Payment of the cost of reproducing copies of the documents requested.

(c) Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and a copy of relevant documents at the expense of the Association.

Section 5. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing, and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

(a) If to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member; or

(b) If to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be

designated by notice in writing to the Members pursuant to this Section.

Section 6. Amendment. Prior to the conveyance of the first Unit, Declarant may unilaterally amend these By-Laws. After such conveyance, the Declarant may unilaterally amend these By-Laws so long as it has the unilateral right to annex property in "Harvest Grove" to the Declaration for development as part of the Properties and so long as the amendment has no material adverse effect upon any right of any Owner; thereafter and otherwise, these By-laws may be amended only by the affirmative vote (in person or by proxy) or written consent, or any combination thereof, of Class "A" Members representing sixty-seven (67%) percent of the total votes of the Association, and the written approval of the Class "B" Member, so long as the Class "B" membership exists. So long as the Class "B" membership exists, any amendment to these By-Laws shall also require the written consent of the U.S. Veteran administration ("VA") if the VA has guaranteed the Mortgage on any Unit. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. No amendment shall be effective until recorded in the public records of Rutherford County, Tennessee.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Harvest Grove, Section IV Homeowners Association, Inc., a Tennessee non-profit Corporation.

That the foregoing By-Laws constitutes the original By-Laws of said association, as duly adopted at a meeting of the Board of Directors thereof held on the 30th day of JANUARY, 2007.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this the 30th day of JANUARY, 2007.

Secretary, pro tem

Jennifer M Gerhart, Register
Rutherford County Tennessee

Rec #: 504399
Rec'd: 105.00 Instrument #: 1473054
State: 0.00
Clerk: 0.00 Recorded
EDP: 2.00 2/5/2007 at 11:26 AM
Total: 107.00 in
Record Book 711 Pgs 1139-1159