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Prepared by  
and return to:  
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City: Signal Mountain, TN

**DECLARATION OF COVENANTS AND RESTRICTIONS FOR  
SIGNAL PLACE SUBDIVISION**

THIS DECLARATION made this 21<sup>st</sup> day of JANUARY, 2008, by  
SIGNAL MOUNTAIN PLACE, INC., a Tennessee corporation (herein "Developer").

**WITNESSETH:**

WHEREAS, Developer, as owner of certain real property located in Hamilton County, Tennessee, as more particularly described in Exhibit "A" attached hereto (herein "Property"), desires to create thereon a development known as Signal Place Subdivision; and

WHEREAS, Developer desires to provide for the preservation of the land values and home values when and as the Property is improved and desires to subject the Development to certain covenants, restrictions, easements, affirmative obligations, as hereinafter set forth, each and all of which are hereby declared to be for the benefit of the Development and each and every owner of any and all parts thereof; and

NOW, THEREFORE, the Developer subjects the real property described in Article II, and such additions thereto as may hereafter be made, to the terms of this Declaration and declares that the same shall be held, transferred, sold, conveyed, leased, occupied and used subject to the covenants, restrictions, conditions, easements, affirmative obligations and liens (sometimes referred to as the "Covenants") hereinafter set forth. These Covenants shall touch and concern and run with the Property and each Lot thereof.

**ARTICLE I  
DEFINITIONS**

The following words and terms, when used in this Declaration, or any Supplemental Declaration (unless the context shall clearly indicate otherwise) shall have the following meanings:

1.01 **Architectural Review Committee.** "Architectural Review Committee" shall mean and refer to Developer.

1.02 **Covenants.** "Covenants" shall mean the covenants, restrictions, conditions, easements, affirmative obligations and liens set forth in this Declaration.

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1.03 Declaration. "Declaration" shall mean this Declaration of Covenants and Restrictions for Signal Place Subdivision.

1.04 Developer. "Developer" shall mean SIGNAL MOUNTAIN PLACE, INC., its successors and assigns.

1.05 Dwelling Unit. "Dwelling Unit" shall mean any building situated upon the Properties designated and intended for use and occupancy by a single family.

1.06 First Mortgage. "First Mortgage" shall mean a recorded Mortgage with priority over other Mortgages.

1.07 First Mortgagee. "First Mortgagee" shall mean a beneficiary, creditor or holder of a First Mortgage.

1.08 Lot or Lots. "Lot" or "Lots" shall mean and refer to any improved or unimproved parcel of land located within the Property which is intended for use as a site for a single-family detached Dwelling Unit as shown upon any recorded final subdivision map of any part of the Property.

1.09 Mortgage. "Mortgage" shall mean a deed of trust as well as a Mortgage.

1.10 Mortgagee. "Mortgagee" shall mean a beneficiary, creditor, or holder of a deed of trust, as well as a holder of a Mortgage.

1.11 Owner. "Owner" shall mean and refer to the Owner as shown by the real estate records in the office of the Recorder, whether it be one or more persons, firms, associations, corporations, or other legal entities, of fee simple title to any Lot, situated upon the Property, but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the Mortgagee or holder of a deed of trust, its successors or assigns, unless and until such Mortgagee or holder of a deed of trust has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner. In the event that there is recorded in the office of the Recorder, a long-term contract of sale covering any Lot within the Property, the Owner of such Lot shall be the purchaser under said contract and not the fee simple title holder. A long-term contract of sale shall be one where the purchaser is required to make payments for the property for a period extending beyond twelve (12) months from the date of the contract, and where the purchaser does not receive title to the property until such payments are made although the purchaser is given the use of said property. The Developer may be an Owner.

1.12 Property. The "Property" shall mean and refer to the real property described in Section 2.01 hereof, and additions thereto, which is subjected to this Declaration or any supplemental declaration under the provisions hereof.

1.13 Record or To Record. "Record" or "To Record" shall mean to record pursuant to the laws of the State of Tennessee relating to the recordation of deeds and other instruments conveying or affecting title to real property.

1.14 Recorder. "Recorder" shall mean and refer to the Register of Deeds of Hamilton County, Tennessee.

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1.15 Name. The name SIGNAL PLACE SUBDIVISION being used for the purposes of the restrictions contained herein. If the name should change, these restrictions shall not be affected. The restrictions cover the property described in Exhibit "A."

**ARTICLE II**  
**PROPERTIES, COMMON PROPERTIES AND**  
**IMPROVEMENTS THEREON**

2.01 Property. The covenants and restrictions set forth in this Declaration, as amended from time to time, are hereby imposed upon the real property located in Hamilton County, Tennessee and more particularly described on Exhibit "A", attached hereto, and additions or amendments thereto, which shall hereafter be held, transferred, sold, conveyed, used, leased, occupied and mortgaged or otherwise encumbered subject to the Declaration. Every person who is or shall be a record Owner shall be deemed by the taking of such record title to agree to all the terms and provisions of this Declaration.

**ARTICLE III**  
**COVENANTS, USES AND RESTRICTIONS**

3.01 Application. It is expressly stipulated that the Restrictive Covenants and conditions set forth in this Article III apply solely to the Property described in Exhibit "A", which Property is intended for use as single-family residential Lots only. These Restrictive Covenants and Conditions are not intended to apply to any other lots, tracts or parcels of land in the area or vicinity, owned by the Developer. Specifically, the Developer, its successors or assigns, reserves the right to use or convey such other lots, tracts and parcels with different restrictions.

3.02 Residential Use.

A. All of the Lots in the Development shall be, and be known and described as, residential lots, and no structure shall be erected, altered, placed or permitted to remain on any Lot other than as provided in these Covenants and Restrictions, or except as provided for in a deed of conveyance from the Developer.

B. "Residential," refers to a mode of occupancy, as used in contradistinction to "business" or "commercial" or "mercantile" activity and, except where otherwise expressly provided, "residential" shall apply to temporary as well as to buildings constructed thereon.

C. No Lot may be used as a means of service to business establishments or adjacent property, including but not limited to supplementary facilities or an intentional passageway or entrance into a business or another tract of land, whether or not a part of the Property.

3.03 No Multi-Family Residences, Business Trucks. No residence shall be designed, patterned, constructed or maintained to serve, or for the use of more than one single family, and no residence shall be used as a multiple family Dwelling Unit at any time, nor used in whole or in part for any business service or activity, or for any commercial purpose; nor shall any Lot be used for business purposes, or for trucks or other equipment inconsistent with ordinary residential uses. No panel, commercial or tractor trucks shall be habitually parked in driveways or overnight on streets in front of any of the Lots.

3.04 Minimum Square Footage. No single-family detached Dwelling Unit shall be erected or permitted to remain in the Property unless it has the number of square feet of enclosed living area measured from the exterior walls, exclusive of open porches or screened

porches, carports, garages or basements, set forth in this section. For the purposes of this section, stated square footage shall mean the minimum floor area required, and floor area shall mean the finished and heated living area contained within the residence, exclusive of open porches, garages, and steps. In the case of any question as to whether a sufficient number of square feet of enclosed living area have been provided, the decision of the Developer or the Architectural Review Committee shall be final. The minimum number of square feet required may vary from phase to phase. The minimum number of square feet required is as follows:

- (I) A single-level home shall contain not less than 2,700 square feet and shall also contain a main level two car garage; and
- (II) Story and half level homes shall contain not less than 3,000 square feet and shall also contain a main level two-car garage; and
- (III) A two-level home shall contain not less than 3,000 square feet and shall also contain a main level two-car garage.

**3.05 Set-backs.** No building shall be erected on any Lot nearer to any street or adjacent lot line than (1) the minimum setbacks prescribed by the City of Signal Mountain, Tennessee shall prescribe and (2) those minimum setbacks prescribed by the Architectural Review Committee which may be more restrictive than those prescribed by the City of Signal Mountain, Tennessee, which may not be consistent from Lot to Lot. For the purposes of this covenant, steps and open porches shall not be considered as a part of the building, providing, however, this shall not be construed to permit any portion of the building on the Lot to encroach upon another Lot. No provision of this paragraph shall be construed to permit any structure to be constructed and erected upon any Lot that does not conform to the zoning laws and regulations applicable thereto; provided, however, that for good cause shown, an Owner may petition the Developer or the Architectural Review Committee for a variance from such set-back requirements. If the Developer or the Architectural Review Committee grants such petition, the Developer or the Association will not oppose such Owner's attempt to obtain a variance from applicable zoning laws and regulations.

**3.06 Rearrangement of Lot Lines.** Not more than one Dwelling Unit shall be erected or maintained on any one Lot. With the written approval of the Developer, contiguous Lots may be combined if the Lots have the same Owner, for the purpose of erecting an approved Dwelling Unit thereon, however, the assessments provided for herein will continue to be based upon the number of original Lots purchased. Except as provided in herein, Lots may not be resubdivided so as to create a smaller area than originally deeded to a Lot Owner and as shown on the subdivision plat.

**3.07 Temporary Structures.** No part of any Lot shall be used for residential purposes until a completed Dwelling Unit, conforming fully to the provisions of these Restrictive Covenants, shall have been erected thereon. The intent of this section is to prevent the use thereon of a garage, incomplete structure, trailer, barn, tent, outbuilding or other structure as temporary living quarters before or pending the erection of a permanent building. No structure of temporary character, including trailers and similar structures, shall be erected or permitted to remain on any Lot except during the period of construction. No house may be moved from another location to any Lot in this Development.

Neither the foregoing nor any other section of this Declaration shall prevent the Developer or any builder approved by the Developer from constructing a house for use as a model home that may contain office-type furniture and be used for conducting the business of either selling that house or other houses within the Development, nor shall the foregoing or any

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other section of this Declaration prevent the Developer from designating a Lot or Lots from time to time for the temporary placement of a trailer or other suitable structure for use as an office and/or sales center by the Developer and/or approved builders at the sole discretion of the Developer.

**3.08 Rainwater Drainage.** All side and rear property lines are dedicated drainage easements and may be used for drainage. Each Lot must be graded so as not to obstruct these easements. All drainage should be directed to these easements, and these easements must be graded so water flows to the street or to an adjoining drainage easement.

**3.09 Utility Easement.** A perpetual easement is reserved on each Lot, as shown on the recorded plat, for the construction and maintenance of utilities such as electricity, gas, water, sewerage, drainage, etc., and no structure of any kind shall be erected or maintained upon or over said easement.

**3.10 Frontal Appearance.** All Dwelling Units shall have a traditional appearance from the main street fronting said Lots, which shall be subject to the approval of the Developer or Architectural Review Committee as provided in Section 4.01 C.

**3.11 Building Requirements.** All buildings or structures of any kind constructed on any Lot shall have full masonry foundations and chimneys, and no exposed block, concrete or plastered foundations shall be exposed to the exterior above grade level. The front of a dwelling, excluding the foundation, must be brick, stone, and/or siding made of wood or hardiplank. Any other materials must be approved in writing by the Developer or the Architectural Review Committee. No vinyl siding shall be permitted on any portion of any dwelling. All exposed concrete block or poured concrete foundations and retaining walls must be covered with stone or brick to complement the house. All roof stacks and plumbing vents must be placed on rear slopes of roofs; provided, however, that for good cause shown, the Developer or the Architectural Review Committee may make exceptions as to the placement of such roof stacks and plumbing vents. Any swimming pool must be approved by the Developer or Architectural Committee prior to the commencement of the construction. Above ground level pools are not permitted.

**3.12 Fences.** No fences will be allowed on any Lot without the prior written consent of the Developer or the Architectural Review Committee. Wire or chain link fences are prohibited. Only the "back yard" of a Lot may be fenced. All proposed fences must be submitted to the Developer or the Architectural Review Committee showing materials, design, height, finish, and location.

**3.13 Driveways.** Each Dwelling Unit constructed upon a Lot must be served by a driveway constructed of concrete or brick. The Developer or the Architectural Review Committee must approve any other materials. The Developer or the Architectural Review Committee must approve the location of the driveway. No driveway shall be constructed on any Lot nearer than one (1) foot to any Lot line. It shall be obligatory upon all owners of Lots in this subdivision to construct or place any driveways, culverts, or other structures, or gradings, which are within the limits of any dedicated roadways, in strict accordance with the specifications therefore, as set forth on the recorded subdivision plat, in order that the roads or streets, which may be affected by such placement or construction, may not be disqualified for acceptance into the road system of Hamilton County, Tennessee.

**3.14 Curbs.** No permanent cuts may be made in the curbs for any purpose other than driveways. Curb cuts shall be made with a concrete saw at the curb and along the gutter.

Irregular cuts using sledge hammers and the like are prohibited. Driveways shall be added so as to form a smooth transitional surface with the remaining curb at locations where the approved driveway locations meet the street. Damaged curbs shall be replaced by the Owner of the adjoining Lot unless the damage is caused by another who causes the damage to be corrected. Notwithstanding the foregoing, nothing herein shall permit any curb cuts where such cuts are prohibited by any applicable city, county or state regulation, ordinance or law.

**3.15 Signs.** One sign offering the Lot and/or Dwelling Unit for sale or re-sale and one sign reflecting the name of the builder may be placed upon a Lot. Such sign must be of a typical form used in the local area market. The Developer or the Architectural Review Committee must approve of any other type of sign and Owner desires to place upon a Lot or on a Dwelling Unit.

**3.16 Service Area.** Each Dwelling Unit shall provide an area or areas on the rear or side yard of the Lot to accommodate air conditioner compressors, garbage cans, the electrical service entrance, or other ancillary residential functions that by nature may present an unsightly appearance. Service areas shall be convenient to the utility services and screened from view by an enclosure that is an integral part of the site development plan, using materials, colors or landscaping that are harmonious with the home it serves.

**3.17 Garages.** Each Dwelling Unit shall have at least a double-car garage constructed at the same time as the Dwelling Unit. Detached garages will be allowed only with written approval from the Developer or the Architectural Review Committee. Front entry garages will be allowed only with written approval from the Developer or the Architectural Review Committee. Front entry garages must have architectural doors, and the Developer or the Architectural Review Committee must approve said doors. No carports will be permitted. The inside walls of garages must be finished and painted. Garage doors may not be allowed to stand open.

**3.18 Landscaping.** A landscape plan shall accompany every new home application submitted to the Developer or the Architectural Review Committee for approval. Landscaping in accordance with the approved landscape plan must be substantially completed within one year after commencement of construction of the house. Shrubbery plantings adjacent to roadways and sidewalks shall not impede the vision of vehicle operators.

**3.19 Windows.** All windows must be constructed of wood. No clad, metal or vinyl windows shall be permitted. The Developer or the Architectural Review Committee must approve the materials to be used in glass doors. The Developer or the Architectural Review Committee must approve the architectural style of all windows. Screens visible from the street are permitted on windows. Aluminum awnings are not permitted.

**3.20 Animals.** No poultry, livestock or animals shall be allowed or maintained on any Lot at any time except that the keeping of dogs, cats, or other household pets is permitted, providing that nothing herein shall permit the keeping of dogs, cats, or other animals for commercial purposes. Pet owners shall not allow pets to roam unattended. The pet owners shall also muzzle any pet which consistently barks. If the barking persists, the pet owner shall have the pet removed from the Development. If the pet owner refuses, it shall be deemed an "offensive activity". In addition, no dogs or other animals which evidence a propensity to bite or otherwise harm humans or other domestic pets which constitute a nuisance to the other residents in the development shall be allowed or maintained on any Lot.

**3.21 Zoning.** Whether expressly stated so or not in any deed conveying any one or more of said Lots, each conveyance shall be subject to existing governmental zoning and subdivision ordinances or regulations in effect thereon.

**3.22 Unsightly Conditions.** All of the Lots in the Development must, from the date of purchase, be maintained by the Owner in a neat and orderly condition (grass being cut when needed, as well as leaves, broken limbs, dead trees, and other debris being removed when needed). Tree limbs, rocks and other debris must be kept out of the streets. All Owners in the Development are requested to keep cars, trucks and delivery trucks off the curbs of the streets. Existing homes must be maintained in good repair, including being painted when necessary. Plant beds must be kept weed free.

**3.23 Offensive Activity.** No noxious or offensive activity shall be carried on upon any Lot.

**3.24 No Detached Buildings.** There shall be no detached garages, outbuildings or servants quarters, without the prior written consent of the Developer or the Architectural Review Committee.

**3.25 Sewage Disposal.** Before any Dwelling Unit on a Lot shall be occupied, a connection with the municipal sewer system meeting applicable municipal codes shall be made. There shall not be erected, permitted, maintained or operated on any Lot any privy, cesspool, vault or septic system.

**3.27 Tanks.** No fuel tanks or similar storage receptacles may be exposed to view, and such tanks or receptacles may be installed only within a Dwelling Unit, within a screened area or buried underground.

**3.28 Wells.** No private wells may be drilled or maintained on any Lot.

**3.29 No Antennas.** No television antenna, dish, radio receiver or sender or other similar device shall be attached to or installed on the exterior portion of any Dwelling Unit or other structure on the Property or any Lot within the Development without the prior written consent of the Developer or the Architectural Review Committee; nor shall radio, television signals, nor any other form of electromagnetic radiation be permitted to originate from any Lot which may unreasonably interfere with the reception of television or radio signals upon any other of such properties. Notwithstanding the foregoing, the provisions of this section shall not prohibit the Developer or the Architectural Review Committee from approving the installation of a satellite dish no more than eighteen (18) inches in diameter at an approved location on the Lot.

**3.30 Excavation.** No owner shall excavate or extract earth from any of the Lots subject to this Declaration for any business or commercial purpose. No elevation changes shall be permitted which will materially affect the surface grade of a Lot unless the consent of the Developer or the Architectural Review Committee is obtained.

**3.31 Sound Devices.** No exterior speaker, horn, whistle, bell or other sound device which is unreasonably loud or annoying, except security devices used exclusively for security purposes, shall be located, used, or placed upon Lots within the Development. The playing of loud music from any balconies or porches shall be offensive, obnoxious activity constituting a nuisance.



**3.32 Laundry.** No Owner, guest, or tenant, shall hang laundry from any area within or outside a Dwelling Unit if such laundry is within the public view, or hang laundry in full public view to dry, such as on balcony or terrace railings. This provision may, however, be temporarily waived by the Developer or the Architectural Review Committee during a period of severe energy shortages or other conditions where enforcement of this section would create a hardship.

**3.33 Mailboxes.** The Developer will select a mailbox for use by all Homeowners, and each Lot Owner must install such mailbox for use by the Homeowner.

**3.34 Duty to Rebuild or Clear and Landscape Upon Casualty or Destruction.** In order to preserve the aesthetic and economical value of all Lots within the Development, each Owner and Developer (with respect to improved Property owned by Developer) shall have the affirmative duty to rebuild, replace, repair, or clear and landscape, within a reasonable period of time, any building, structure, and improvement or significant vegetation which shall be damaged or destroyed by fire, or other casualty. Variations and waivers of this provision may be made only upon Developer establishing that the overall purpose of these Restrictive Covenants would be best affected by allowing such a variation. Variations to this section are to be strictly construed and the allowance of a variance by the Developer shall not be deemed to be a waiver of the binding effect of this section upon all other Owners.

**3.35 Vehicle Parking.** Cars owned by Lot Owners shall not be parked on the street, but shall be parked only in the Owner's garage or driveway. No inoperable vehicle, tractor, or other machinery shall be stored outside on the premises at any time, even if not visible from the street. No house trailer or such vehicle shall be stored on the premises. Recreational vehicles, vacation trailers, campers and boats must be stored and hidden from view within the garage. Such vehicles may not be stored anywhere else on the Lot without written permission from the Developer and the decision of approval will be based upon the location of the lot and its visibility to the road.

**3.36 Maintenance.** Each Lot Owner shall, at all times, maintain all structures located on such Lot, including driveways and permitted fences, in good repair which shall include exterior painting as needed, and each Lot Owner shall keep all vegetation and landscaping in good and presentable condition.

**3.37 Approved Builders.** Only builders that have been approved by the Developer shall be permitted to construct Dwelling Units in the Development. The Developer shall maintain a list of approved builders which list shall be made available to Lot Owners and prospective purchasers. The Developer may from time to time, at the request of a Lot Owner or in its discretion add builders to the approved list of builders and the Developer may remove approved builders from the list. An owner shall be permitted to contract with a particular builder for construction of a Dwelling Unit only if that builder is on the approved builders list or is subsequently approved by Developer.

**3.38 Occupancy Before Completion.** An owner shall not occupy a Dwelling Unit until the Dwelling Unit and seasonal landscaping conforming fully to the provisions of this instrument shall have been erected and fully completed thereon. Once the footings of any Dwelling Unit or other structure are poured, construction must progress continuously (with allowance for weather conditions, labor conditions and availability of materials) until the building is fully completed. The exterior (including landscaping) must be completed within twelve (12) months after commencement of construction.

**3.39 Developer Reserves Right.** Notwithstanding any other provisions herein to the contrary, the Developer reserves unto itself, its successors and assigns, the right to subdivide Lots, to combine Lots or parts of Lots, and to rearrange boundaries of Lots.

**3.40 Lawn Care.** All unimproved Lots (except those owned by the Developer) and all improved Lots must be kept fully seeded with grass (except where other provisions hereof require sodding) and regularly fertilized, cut and weeded.

**3.41 Roofs.** Roof pitches must be a minimum of 10/12, unless otherwise approved by the Developer or the Architectural Review Committee. All roofs shall be covered with dimensional shingles. The Developer or the Architectural Review Committee must approve the material, style, and color of all shingles.

**3.42 Chimneys.** Chimneys must be constructed of brick, stone or stone on the front and sides of the home. On the back of the home, chimneys may have siding. Chimneys, on the exterior, must have a foundation.

**3.43 Adjoining Lot Damage.** Any damage done to any adjacent or adjoining Lot or by a contractor employed to build improvements on any Lot will be repaired immediately at the expense of the Owner or contractor. Temporary construction support must be provided for the curbs and sidewalks by the Owner or contractor during the time of construction. All construction debris shall be removed weekly and the street must be kept clean during construction.

**3.44 Material Quality.** Only good quality materials and design will be accepted on any structure built on any Lot. No concrete blocks shall be used above the finished ground elevation of any structure unless said blocks are covered with brick veneer or stone. No masonry stucco will be allowed. Other materials must be accepted in writing by the Developer or the Architectural Review Committee.

**3.45 Air Conditioning and Heating Units.** Air conditioning and heating units shall be architecturally screened or landscaped so as not to be visible from any street.

**3.46 Sidewalks.** It is the obligation of each Lot Owner subsequent to Developer to install a sidewalk which shall be constructed and installed in accordance with the zoning and subdivision ordinances and regulations of the Town of Signal Mountain, with said sidewalk being located along the lines of the Lot which front a road. The sidewalk shall be installed and complete within one year of the date of the commencement of construction of a Dwelling Unit upon a Lot.

**3.47 Sodding and Irrigation.** Prior to occupancy of a Dwelling Unit, a permanent, in-ground irrigation system must be installed in the front and side yards of the Lot, and the front and side yards of the Lot must be sodded. For corner lots, the Developer or Architectural Review Committee will dictate, on a lot-by-lot basis, which areas are to be sodded and which portion of the Lot must have a permanent irrigation system. The Developer or the Architectural Review Committee may approve prior occupancy if weather conditions prohibit sodding. Sod is to go down the sides of the house to rear of home. Sod is to go to property line on side of house unless Developer or Architectural Review Committee gives written permission to deviate.

**3.48 Exterior Siding.** The Developer or the Architectural Review Committee must approve all exterior siding in writing. All wood or hardiplank siding must have exposed laps

six (6) inches. Dwelling Units using hardplank siding on all exterior sides must be true lap siding and not artificial laps. Aluminum, masonite, and vinyl siding are prohibited.

**3.49 Decks.** The Developer or the Architectural Review Committee must approve the material and location of all decks, porches, and patios. All front porches must be covered.

**3.50 Renting or Leasing.** No Dwelling Unit may be rented or leased provided, however, a Dwelling Unit may be rented or leased for a period of up to six (6) months during any twenty-four (24) month period in order to facilitate the sale of the Dwelling Unit.

**3.51 Violations and Enforcement.** In the event of the violation, or attempted violation, of any one or more of the provisions of these Restrictive Covenants, the Developer, its successors or assigns; the Architectural Review Committee; and/or all parties hereinafter becoming Owners of any one or more of the Lots to which provisions of these Restrictive Covenants apply, may bring an action or actions against the Owner in violation, or attempting violation, and the said Owner shall be further liable for such damages as may accrue, including any court costs and reasonable attorneys fees incident to any such proceeding, which costs and fees shall constitute liquidated damages. In the event of a violation of set-back lines, side, rear or front, which may be minor in character, a waiver thereof may be made by the Developer, its successors or assigns or the Architectural Review Committee. Further, the Developer or the Architectural Review Committee may grant variances of the restrictions set forth in these Restrictive Covenants if such variances do not, in the sole discretion of the Developer or the Architectural Review Committee, adversely affect the purposes sought to be obtained hereby.

By reason of the rights of enforcement of the provisions of this section being given unto Owners of Lots (subject to rights of variances reserved by the Developer and the Architectural Review Committee), it shall not be incumbent upon the Developer or the Architectural Review Committee to enforce the provisions of these Restrictive Covenants or to prosecute any violation thereof. Developer shall not be responsible or liable for any violation of these Restrictive Covenants by any person other than itself.

ARTICLE IV

ARCHITECTURAL CONTROL

4.01 Architectural and Design Review.

A. In order to preserve, to the extent possible, the natural beauty of the Property and its setting, to maintain a pleasant and desirable environment, to establish and preserve a harmonious design for the development, and to promote and protect the value of the Property, the Developer may create a body of rules and regulations covering details of Dwelling Units, which shall be available for all Owners or prospective Owners of Lots.

B. The Developer and any Architectural Review Committee created by the Developer shall have the architectural and design reviewing authority for the Development until the completion of construction of the last Dwelling Unit in the Subdivision (the "Turnover Date"). On the Turnover Date, the Developer shall appoint an Architectural Review Committee consisting of three (3) members. The Three (3) members shall be Owners of Lots within the Subdivision. One member shall serve for a term of three (3) years. One member shall serve for a term of two (2) years. One member shall serve for a term of one (1) year. Each member of the Architectural Review Committee shall be a Lot Owner. All terms shall expire on the first Wednesday in May of the applicable year. At 7:00 p.m. on the first Wednesday of May after the Turnover Date, and at 7:00 p.m. on the first Wednesday of May of each year thereafter, the Owners of Lots within the Subdivision shall meet in the cul-de-sac of the Subdivision to elect a member of the Architectural Review Committee to replace the member whose term is expiring (the "Annual Meeting"). Each Lot Owner shall have one vote. If a Lot is owned by more than one person, those Lot Owners shall cast only one vote. Members shall be elected by a plurality of the votes cast, such that the candidate receiving the largest number of votes shall be elected. In the case of a tie vote, the winner shall be determined by a run-off election between those candidates that are tied.

C. No Dwelling Unit, other building, structure, fences, exterior lighting, walls, swimming pools, children's play areas, decorative appurtenances, or structures of any type, shall be erected, placed, added to, remodeled or altered and not trees or shrubs shall be cut or removed and no grading shall be commenced until the proposed building plans and specifications (including height, and composition of roof, siding, or other exterior materials and finish), plot plan (showing the proposed location of such Dwelling Unit, building or structure, drives and parking areas), drainage plan, landscape plan or construction schedule, as the case may be, shall have been submitted to the Developer or the Architectural Review Committee for approval at least thirty (30) days prior to the proposed date of construction. In addition, any repainting of a substantial portion of the exterior of any structure in a manner not previously approved by the Developer or the Architectural Review Committee shall be subject to prior approval of the Developer or the Architectural Review Committee as provided in the preceding sentence. The Developer or the Architectural Review Committee shall give written approval or disapproval of the plans within 30 days of submission. However, if written approval or disapproval is not given within 30 days of submission, the plans shall be deemed to have been approved. Developer or the Architectural Review Committee may, by written notice given from time to time to the Owners of Lots, exempt certain matters of a non-essential nature from the review requirements subject to the terms and conditions and for the time periods established by Developer or the Architectural Review Committee. In the event of the completion of any Dwelling Unit on any Lot, without any proceedings having been instituted in the courts of Hamilton County, Tennessee to enjoin the construction thereof, the said Dwelling Unit shall be conclusively presumed to have had such approval.

D. Architectural and landscape design review shall be directed toward preventing excessive or unsightly grading, indiscriminate clearing of property, removal of trees and vegetation of the surrounding property and improvements thereon, and insuring that plans for landscaping provide visually pleasing settings for structures on the same Lot and on adjoining or nearby Lots.

4.02 Approval Standards. Approval of any proposed building plan, location, specifications or construction schedule submitted under this Article will be withheld unless such plans, location and specifications comply with the applicable Restrictive Covenants and Conditions of this Declaration and unless such construction schedule complies with the provisions of this Article. Approval of the plans and specifications by the Developer or the Architectural Review Committee is for the mutual benefit of all Owners and is not intended to be, and shall not be construed as, an approval or certification that the plans and specifications are technically sound or correct from an engineering or architectural viewpoint. Each owner shall be individually responsible for the technical aspect of the plans and specifications.

4.03 Licensing. All contractors, landscape architects and others performing work on any Lot must be licensed as may be required by the State of Tennessee or any other governmental authority having jurisdiction in order to construct a residence on a Lot or perform services for an Owner.

**ARTICLE V**  
**GENERAL PROVISIONS**

**5.01 Duration.** The Covenants of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Developer, the Architectural Review Committee, or any Lot Owner, their respective legal representatives, heirs, successors and assigns, in perpetuity, unless amended or terminated as provided herein.

**5.02 Amendments.** This Declaration may be amended, modified or revoked in any respect from time to time by the Developer prior to the Turnover Date. Thereafter, this Declaration may be amended in accordance with the following procedure:

A. An amendment to this Declaration may be considered at the Annual Meeting; provided, however, that, written notice of consideration of the proposed amendment and a general description of the terms of such amendment shall be given to all Owners at least thirty (30) days prior to the Annual Meeting.

B. At the Annual Meeting, the amendment must be approved by an affirmative seventy-five percent (75%) vote of those Owners who are in attendance.

C. An amendment adopted under Paragraph B of this Section shall be come effective upon its being signed by seventy-five (75%) of the then Lot Owners (all signatures must be notarized by a notary public) and then recorded with the Recorder.

**5.03 Severability.** Should any covenant or restriction herein contained, or any Article, Section, Subsection, sentence, clause, phrase or term of this Declaration be declared void, invalid, illegal, or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable, and which shall remain in full force and effect.

**5.04 Captions.** The captions herein are inserted only as a matter of convenience and for reference and are in no way intended to define, limit or describe the scope of this Declaration nor any provision hereof.

**5.05 Use of Terms.** Any use herein of the masculine shall include the feminine, and the singular the plural, when such meaning is appropriate.

**5.06 Interpretation.** The provisions of this Declaration shall be liberally construed to effectuate their purpose. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

**5.07 Law Governing.** This Declaration is made in the State of Tennessee, and any question pertaining to its validity, enforceability, construction or administration shall be determined in accordance with the laws of that State.

**5.08 Effective Date.** This Declaration shall be come effective upon its recording in the office of the Register of Hamilton County, Tennessee.

IN WITNESS WHEREOF, the Developer has executed, or caused to have executed by its duly authorized officers this Declaration on the date first written above.

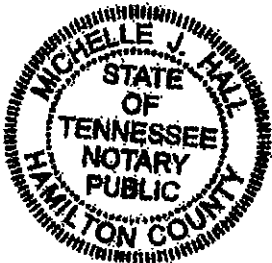
SIGNAL MOUNTAIN PLACE, INC.

BY: Robert E. White II

STATE OF TENNESSEE  
COUNTY OF HAMILTON

Before me the undersigned Notary personally appeared Robert E. White II with whom I am personally acquainted or proved to me on the basis of satisfactory evidence and who upon oath acknowledged such person to be the ~~President~~ PRES. of SIGNAL MOUNTAIN PLACE, INC., the within named bargainor, a limited liability company, and that such he as such PRES. executed the foregoing instrument for the purposes therein contained by personally signing the name of SIGNAL MOUNTAIN PLACE, INC., as ~~pres.~~ PRES.

Witness my hand and seal this 21<sup>st</sup> day of January, 2008.



Michelle J. Hall  
NOTARY PUBLIC

My Commission Expires: 08/05/09

**EXHIBIT "A"** Book and Page: GI 8589 224

Lots One (1) through Eleven (11), Signal Place Subdivision, as shown by Final Plat of record in Plat Book 88, Page 61, in the Register's Office of Hamilton County, Tennessee.

For prior title, see Deed recorded in Book 8103 Page 633, in the Register's Office of Hamilton County, Tennessee.

Tax Map/Parcel Nos.: 107N-A-012 & 012.01