

DECLARATION OF COVENANTS AND RESTRICTIONS FOR
SPENCER PLACE SUBDIVISION

THIS DECLARATION made this 9th day of July, 1993, by the undersigned (herein "Developer").

W I T N E S S E T H:

FILE LAWYERS

WHEREAS, Developer, as owner of certain real property located in Hamilton County, Tennessee, as more particularly described below (herein "Property"), desires to create thereon a development known as SPENCER PLACE (sometimes herein "Development"); 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 and easements as hereinafter set forth:

NOW THEREFORE, Developer subjects the Property as shown on plat recorded in Plat Book 52, Page 21, in the Register's Office of Hamilton County, Tennessee and such additions thereto as may hereafter be made, to the terms of this Declaration and declares that the same is and shall be held, transferred, sold, conveyed, leased, occupied and used subject to the covenants, restrictions and easements hereinafter set forth.

COVENANTS, RESTRICTIONS AND EASEMENTS

1.01 Application. This Declaration applies solely to the Property and is not intended to apply to any other lots, tracts or parcels of land owned by Developer.

1.02 Residential Use.

1737-2.7.25

A. All of the Lots in the Development shall be residential lots and no structure shall be erected, altered, placed or permitted to remain on any Lot other than as provided in this Declaration as amended from time to time.

B. "Residential" refers to the type of occupancy as opposed to "business" or "commercial" or "mercantile" activity.

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, unless specifically consented to by Developer in writing.

1.03 No Multi-Family Residences, Business, Trucks. No residence shall be designed, patterned, constructed or maintained for the use of more than one single family, and no residence shall be used as a multiple family dwelling 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 parked in driveways or on the streets except for deliveries.

1.04 Minimum Square Footage. No residence shall be erected or permitted to remain on the Property unless it has the number of square feet of enclosed living area, exclusive of open porches or screened porches, carports, garages or basements. 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. In the case of any questions as to whether a sufficient number of square feet of enclosed living area have been provided, the decision of the Developer shall be final. The minimum number of square feet required is as follows:

(i) A single-level home shall contain not less than 1,100 square feet; and

(ii) A multi-level home shall contain not less than 1,200 square feet.

1.05 Set-backs. No building shall be erected on any lot nearer than twenty-five (25) feet to any front Lot line. For the purposes of these restrictions, steps, overhangs and 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 for a variance from such set-back requirements. If the Developer grants such petition, the Developer will not oppose such Owner's attempt to obtain a variance from applicable zoning laws and regulations.

1.06 Rearrangement of Lot Lines. Not more than one residence shall be erected or maintained on any one Lot. With the written approval of the Developer, contiguous Lots may be divided and combined if the Lots have the same Owner.

1.07 Temporary Structures. No part of any Lot shall be used for residential purposes until a completed residence conforming fully to the provisions of these 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.

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 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.

1.08 Rainwater Drainage. Each Lot must be landscaped so that rainwater will drain into the street adjoining the Lot or into a drainage easement that drains into a street. A Lot may not be landscaped so that rainwater runs into another Lot except across an established drainage easement.

1.09 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 without the written approval of the Developer.

1.10 Frontal Appearance. All dwelling houses shall have conventional and acceptable frontal appearance from the main street fronting said Lots.

1.11 Building Requirements. All buildings or structures of any kind constructed on any Lot shall have full masonry foundations, and no exposed block, concrete or plastered foundations shall be exposed to the exterior above grade level. All exposed concrete block or poured concrete foundations and retaining walls must be covered with stone, brick, or stucco or plaster to complement the house. All sheet metal work (roof

caps, flashings, vents, chimney caps) must be painted to match the roof. Gutters and downspouts must be painted in approved colors. All roof stacks and plumbing vents must be placed on rear slopes of roofs; provided, however, that for good cause shown, the Developer may make exceptions as to the placement of such roof stacks and plumbing vents.

1.12 Fences. No fences will be allowed on any Lot without the prior written consent of the Developer. Wire or chain link fences are prohibited. All proposed fences must be submitted to the Developer showing materials, design, height and location.

1.13 Driveways. Each Dwelling Unit constructed upon a Lot must be served by a driveway constructed of hard surface materials such as concrete, brick, exposed aggregate, or pre-cast pavers. All other hard surface materials must be approved by the Developer. Where a Lot borders on more than one street, the Lot shall be entered from the secondary street.

1.14 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.

1.15 Signs. One sign offering the lot for sale may be placed upon a Lot. Such signs must be in a form approved by the Chattanooga Association of Realtors or the Developer. No other signs shall be erected or maintained on any Lot.

1.16 Service Area. Each residence 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 and colors that are harmonious with the home it services.

1.17 Garages. Each residence shall have at least a double-car garage constructed at the same time as the residence. Detached garages will be allowed only with written approval from the Developer. No carports will be permitted. Garage doors may not be allowed to stand open.

1.18 Landscaping. A landscape plan shall accompany every new home application to the Developer. 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 shall not impede the vision of vehicle operators.

1.19 Windows. Aluminum awnings are not permitted. Window shutters must be sized to match window openings.

1.20 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".

1.21 Zoning. Each conveyance shall be subject to governmental zoning and subdivision ordinances or regulations.

1.22 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 with the 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. In the event that an Owner of a Lot in the Development fails to maintain his Lot in a neat and orderly condition, Developer, or Developer's duly appointed agent, may enter upon said Lot without liability and proceed to put said Lot into an orderly condition, billing the cost of such work to the Owner. All Owners in the Development are required to keep cars, trucks and delivery trucks off the curbs of the streets.

1.23 Offensive Activity. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance, discomfort, embarrassment or nuisance to the Development.

1.24 No Detached Buildings. There shall be no detached garages, outbuildings or servants quarters, without the prior written consent of the Developer.

1.25 Sewage Disposal. Before any residence 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 without written approval from the Developer.

1.26 Permitted Entrances. In order to implement and effect insect, reptile and woods fire control, and to maintain unsightly Lots, the Developer may enter upon any Lot on which a residence has not been constructed and upon which no landscaping plan has been implemented, such entry to be made by personnel with tractors or other suitable devices, for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth, which in the opinion of the Developer detracts from the overall beauty, setting and safety of the Property. Such entrance for the purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass. The provisions of this section shall not be construed as an obligation on the part of the Developer to mow, clear, cut or prune any Lots or to provide garbage or trash removal services. Expenses incurred for any of the foregoing shall be chargeable to and recoverable from the Owner of the Lot upon which such work is done.

1.27 Tree Removal. Except as required for the construction of improvements, no trees or shrubs shall be removed prior to obtaining approval of the Developer.

1.28 Tanks and Garbage Receptacles. No fuel tanks or similar storage receptacles may be exposed to view, and such tanks or receptacles may be installed only within a residence, within a screened area or buried underground. All garbage and trash containers must be placed in enclosed areas in the rear or side yard.

1.29 Wells. No private wells may be drilled or maintained on any Lot without the prior written consent of the Developer.

1.30 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 or other structure on any Lot without the prior written consent of the Developer, 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 Lot. Notwithstanding the foregoing, the provisions of this section shall not prohibit the Developer from installing equipment necessary for a master antenna system, security system, cable television, mobile radio system or other similar systems within the Development.

1.31 Excavation. No owner shall excavate or extract earth from any of the Lots 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 is obtained.

1.32 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. The playing of loud music from any balconies or porches shall be offensive activity constituting a nuisance.

1.33 Laundry. No Owner, guest or tenant shall hang laundry in or outside a residence if such laundry is in the public view. This provision may, however, be temporarily waived by the Developer during a period of severe energy shortages or other conditions where enforcement of this section would create a hardship.

1.34 Mailboxes. Mailboxes of a type consistent with the character of the property shall be selected and placed by the Owner of each Lot and shall be maintained by the Owner to complement the residences and the neighborhood.

1.35 Duty to Rebuild or Clear and Landscape Upon Casualty or Destruction. Each Owner 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.

1.36 Vehicle Parking. Cars owned by Lot Owners shall be parked only in the Owner's garage or driveway. No inoperable vehicle, tractor or other machinery shall be stored outside of the premises at any time, even if not visible from the street. No house trailer or such vehicle shall be stored on the premises. 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.

1.37 Maintenance. Each Lot Owner shall at all times maintain in good repair all structures on such Lot, including driveways and permitted fences. Each Lot Owner shall keep all vegetation and landscaping in good and presentable condition.

1.38 Occupancy Before Completion. No structure on any Lot shall be occupied until a residence and seasonal landscaping conforming fully to the provisions of this instrument shall have been erected and fully completed thereon. Once the footings of

any building 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.

1.39 Developer Reserves Right. Notwithstanding any other provisions herein to the contrary, the Developer reserves unto themselves their successors and assigns, the following rights, privileges and powers: to subdivide Lots, to combine Lots or parts of Lots, to rearrange boundaries of Lots, to grant such waivers or exemptions from these restrictions as Developer shall deem necessary or desirable.

1.40 Chimneys. Chimneys must be constructed of brick, stone or stone or siding.

1.41 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.

1.42 Material Quality. Only good quality materials and design will be accepted on any structure built on any Lot. PermaStone and asbestos shingles are specifically prohibited. No concrete blocks shall be used above the finished ground elevation of any structure unless said blocks are covered with brick veneer, stone or other material acceptable to the Developer.

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

1.44 Sidewalks. It is the obligation of each lot Owner subsequent to Developer to install a sidewalk along his Lot frontage in accordance with Developer specifications by the time the residence is completed or within one (1) year from date of purchase of the Lot, whichever is earlier, and to install a sidewalk from the front entrance of the residence to the front Lot line prior to the occupancy of the residence.

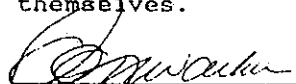
1.45 Sodding. Prior to occupancy of a residence, the front yard of the Lot must be sodded with an underground watering system. Prior occupancy may be approved by the Developer if weather conditions prohibit sodding and/or system installation.

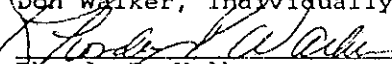
1.46 Exterior Siding. All exterior siding must be approved in writing by the Developer. All masonite siding must have laps no greater than six inches. Residences using masonite siding on all exterior sides must be true lap siding and not artificial laps.

1.47 Renting or Leasing. No residence may be rented or leased for period of time that is less than six (6) months.

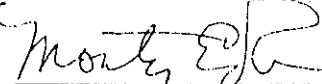
1.48 Violations and Enforcement. In the event of the violation, or attempted violation, of any one or more of the provisions of this Declaration, the Developer, their successors or assigns, including all parties hereinafter becoming Owners of any one or more of the Lots to which provisions of this Declaration applies, 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. Further, the Developer may grant variances of the restrictions set forth in these Restrictive Covenants if such variances do not, in the sole discretion of the Developer, adversely affect the purposes sought to be obtained hereby.

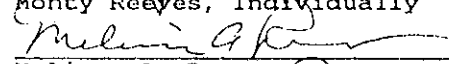
By reason of the rights of enforcement of the provisions of this section being given unto the Owners of Lots (subject to rights of variances reserved by the Developer), it shall not be incumbent upon the Developer to enforce the provisions of these Restrictive Covenants or to prosecute any violation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



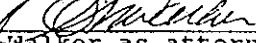
 Don Walker, Individually


 Rhonda P. Walker

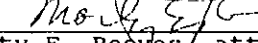


 Monty Reeves, Individually


 Melissa A. Reeves

By: 

 Don Walker as attorney in fact for Rhonda P. Walker through written Power of Attorney dated February 8, 1993, recorded in Book 4107, Page 192, Register's Office, Hamilton County, Tennessee

By: 

 Monty E. Reeves, attorney in fact for Melissa A. Reeves through written power of attorney dated December 7, 1992, recorded in Book 4080, Page 77, Register's Office, Hamilton County, Tennessee

STATE OF TENNESSEE

COUNTY OF HAMILTON

Before me, the undersigned Notary Public of the state and county aforesaid, personally appeared Don Walker, Individually and as attorney in fact for his wife, Rhonda P. Walker, to me known or proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument in behalf of said principal, and who acknowledged that he executed the same as the free act and deed of said principal and individually as his own free act and deed.

WITNESS my hand this 9th day of July, 1993.

Date of Expiration of Commission: February 7, 1996

Brenda J. Lewis
Notary Public (SEAL)

STATE OF TENNESSEE

COUNTY OF HAMILTON

Before me, the undersigned Notary Public of the state and county aforesaid, personally appeared Monty E. Reeves, Individually and as attorney in fact for his wife, Melissa A. Reeves, to me known or proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument in behalf of said principal, and who acknowledged that he executed the same as the free act and deed of said principal, and individually as his own free act and deed.

WITNESS my hand this 9th day of July, 1993.

Date of Expiration of Commission: February 7, 1996

Brenda J. Lewis
Notary Public (SEAL)

140321

SARAH DEPRISE
REGISTER
HAMILTON COUNTY
STATE OF TENNESSEE

07/09/93

MISS

49.00

***40.00 C

THIS INSTRUMENT PREPARED BY:
Robert L. Brown, Attorney
737 Market Street, Suite 400
Chattanooga, Tennessee 37402

93 JUL 9 PM 3 25

BY: Clive
DEPUTY

REPT. # 62262