

RESTRICTIONS) FOR A VALUABLE CONSIDERATION, the receipt of
: which is hereby acknowledged,
THE MAGNOLIAS) RICK HYDE AND STEVE HYDE
SUBDIVISION : of Bradley County, Tennessee, being the owner
) of land known as THE MAGNOLIAS SUBDIVISION, a Plat
of which is recorded in Plat Book 16, page 97, have divided said property into building lots and/or tracts,
and in order to develop, protect and maintain a desirable community and high standards of property values
therein for the benefit of all purchasers, owners, or holders of lots or tracts within said subdivision, the
following special covenants and restrictive conditions to run with the land, whether or not they be
mentioned or referred to in subsequent conveyances of said lots or tracts, or portions thereof; and all
conveyances within said subdivision shall be accepted subject to said special covenants and restrictive
conditions and to the penalties hereinafter provided for their violation or attempted violation as fully as if
incorporated into and made a part of each conveyance in detail.

1. **LAND USE.** All lots or tracts shall be used for residential purposes only. There shall be no
business of any kind located upon any lot or tract, nor shall any business of any kind be operated out of
any home. At no time shall any lot or tract be used in whole or part as a street or right of way or for any
utility easement connecting from said street within the subdivision with any land outside the subdivision,
**EXCEPT WITH THE EXPRESS WRITTEN AND RECORDED APPROVAL OF THE
DEVELOPER, HIS HEIRS OR ASSIGNS.**

2. **ARCHITECTURAL CONTROL.** No construction of any building shall begin until the plans
and specifications and a plan showing the location of the structure shall have been approved by the
developer or an architecture control committee, or of a then property owners committee, should such
committee be created. **IT IS CLEARLY UNDERSTOOD AND PURCHASERS OF LOTS OR TRACTS
IN THIS SUBDIVISION AGREE** that the architectural control committee may require any changes, not
otherwise prohibited in these restrictions, concerning size, design, style, location, type of exterior, etc.,
with regard to the building. The committee shall not be unreasonable in its demands. The parties
understand and agree that no owner shall excavate or extract earth from any of the lots for any business or
commercial purpose. There shall be no elevation changes permitted, which will materially effect the
service grade of a lot, unless the express written consent of the developer and/ or the architectural review
committee is obtained.

3. **BUILDING TYPE AND LOCATION.** No structure shall be erected or maintained on any lot
or tract other than a detached single-family dwelling not to exceed two and one-half stories in height, and
no more than one (1) residence shall be permitted upon any one lot or tract. All dwellings shall have at
least a double car garage attached to the main dwelling.

All structures including garages and outbuildings shall be constructed of new materials, and
unless of brick or rock or of some non-fading material, the same shall be painted and maintained in a good
condition at all times, and all structures must be approved as noted in Paragraph 2 above. The front of all
dwellings shall be constructed of brick, natural stone, or stucco, unless otherwise approved in writing by
the developer.

There shall be no split foyer homes or split level homes erected.

There shall be no dwellings or buildings erected of a geodetic dome design, or of any extremely
unusual design without the express approval of the developer, his heirs and/or assigns. There shall be no
artificial or man-made stone materials used on any house or building or at any location on any lot or tract.
Seventy percent (70%) of all main roofs shall contain a pitch ratio of 7 to 12 or greater. All foundations
shall be of brick or mountain stone unless otherwise approved by the architectural control committee. The
use of wood windows shall be required unless waived by the architectural control committee. There shall
be no metal, wire, or chain link fencing in front of any dwellings (either along the side or front
boundaries) and all fences to the rear of the dwelling shall be of new materials and kept in good condition
at all times. Satellite dishes over 18 inches in diameter are prohibited upon all Lots within said
Subdivision. Satellite dishes shall be concealed from street view.

All roofs shall be constructed with dimensional shingles such as Timberline or similar materials.
Outbuildings of similar material and construction may be built behind the main structure. (There shall be
shingles used with a minimum of a 25 year life span.)

4. **COMPLETION.** Once construction has begun, all residences shall be completed in not
more than ten (10) months, otherwise it shall be considered a nuisance under the terms of these
restrictions.

5. DRIVEWAYS DURING CONSTRUCTION. Before any construction is begun, a temporary driveway with at least crusher-run stone thereon shall be installed and said drive shall be crowned and have proper drainage so that overflow, if any, from the building site shall not flow upon the main road. After construction is completed, the driveway shall be concrete with proper crowning and drainage and shall be installed within two (2) months after the initial occupancy of the dwelling.

All lot owners understand that all mud, rocks, dirt and/ or other debris shall be cleaned up in the street area in front of the lot owner's dwelling. This shall be especially true during the construction process. The lot owners understand and agree that it shall be their responsibility to clean or to have cleaned all streets and/ or paved areas within the subdivision caused by any labor or materialmen or supplier delivering materials or supplies or providing labor to a specific lot owner's lot. The lot owners further understand that it shall be their responsibility to clean or have cleaned all trash or debris blowing from their lot to any other lot or area within the subdivision. Furthermore, all lot owners understand and agree that all brick, block, wood and/ or any other construction related items and/ or materials shall be cleaned completely from the lot no later than sixty (60) days from the date of the filing of the Notice of Completion and/ or sixty (60) days from taking occupancy of the dwelling, whichever shall be first to occur.

During construction property owners shall remove all debris in a timely manner and shall take all steps necessary to prevent soil and debris from washing onto other lots or streets.

6. SIDEWALKS. Upon completion of construction, the lot owners shall be responsible to build a sidewalk, which shall be located two (2) feet from the curb and shall be a width of four (4) feet and shall be constructed of concrete with proper crowning and drainage and constructed so as to connect to the sidewalk of the adjoining lots. No washed aggregate type concrete shall be permitted in this 4-foot sidewalk area. The space between the sidewalk and the street shall be maintained in grass only, except at the base of the mailbox which may be landscaped. The parties understand and agree that it shall be the homeowners' responsibility to maintain the sidewalk located upon their specific lot.

7. SUBDIVISION OF LOTS OR TRACTS. No lot or tract may be subdivided by anyone other than the original developer who shall have the authority to resubdivide any lot or tract, but in no event shall the re-subdivision of any lot or tract contain less than the minimum square footage in the City Zoning Laws. However, this does not preclude the addition of a portion of a lot to another lot, so long as the lot from which the portion is taken contains at least 51% of its original lot size. Furthermore, this provision does not preclude the building upon two or more lots, in which case said lots shall be considered one lot for this provision. No lot or tract shall be divided for the purpose of creating a new or separate lot for building purposes; each division, except as made by the subdivision developer, shall be for the purpose of adding to an adjacent tract of land.

8. DWELLING SIZE. All lot owners understand and agree that it is the Developers and/ or Architectural Control Committee's, in the event one has been formed, to maintain a minimum living area of 1,800 square feet of heated space for a single story dwellings, 2,000 square feet for a 1 ½ story dwelling, and 2,300 square feet for a 2 story dwelling. The footages are for heated and cooled space. These footages shall not include the attached garage, which shall be attached to the house and shall be a double car garage. In all cases, the decisions of the developer and/ or the architectural control committee, shall a committee have been designated shall be controlling.

9. FRONT PORCHES. All front porch foundations shall be enclosed and shall be of either brick or mountain stone construction. All steps located at the front of the house shall be of the same materials as the foundation.

10. UTILITY AND DRAINAGE EASEMENTS. There shall be imposed upon all lots, drainage and utility easements and setback line requirements. Those drainage and/ or utility easements and setback line requirements shall be the same as those set out on the recorded plat for this subdivision. All utility wires from streets to buildings upon each lot shall be buried and located underground. There shall be no exposed service wires and/ or connecting wires for electricity, telephone, cable or otherwise from streets to any structure. Owners reserve the right, without liability, to remove trees along lot lines for installation of any type utility and/ or sewer lines.

11. BUILDING SETBACK LINES. All structures shall be set back from the street as set out and/ or as shown on the recorded plat.

12. TEMPORARY STRUCTURE OR MOBILE HOMES. There shall be no mobile homes, double wides, house trailers, tents, shacks, or other buildings of a temporary character shall be erected or moved onto any lot within any phase or section of this subdivision. Specifically prohibited is the partial construction, such as a basement of a house, and moving into said partially constructed dwelling prior to its full completion. Such structure shall be considered temporary and prohibited.

13. NUISANCES. No noxious or offensive activity shall be carried out upon any lot, nor shall anything be done thereon which may be or may become an *annoyance to the neighborhood*. The having or allowing of trailers, debris or junk shall constitute a nuisance per se. Recreational vehicles or trailers may not be parked in the front or side of said lots for a period exceeding three (3) days. Furthermore, the leaving of automobiles upon the street, whether dismantled or otherwise, shall likewise constitute a nuisance per se. Also the non-removal for ninety (90) days after occupancy of a dwelling of all building materials, such as blocks, bricks, lumber, etc., from street view shall be a nuisance per se. Also any dwelling which has been destroyed or damaged to any degree which is extremely visible shall be repaired within six (6) months from such destruction or damage: The failure to do so shall be a nuisance per se. Satellite dishes over 18 inches in diameter are prohibited and to install one shall be considered a nuisance per se.

14. STREET DEDICATION. All streets and tree yard shown on the Plat are hereby dedicated to the public use.

15. HOLIDAY DECORATIONS. All lot owners understand and agree that any and all Christmas and/or other holiday decorations used upon any lot or within the subdivision boundaries shall not be put up more than 60 days prior to the holiday and furthermore all decorations shall be fully and completely removed by no later than 30 days from the holiday itself.

16. ON STREET PARKING. All parties understand and agree that there shall be no on street parking by anyone in said subdivision on a regular basis. A regular basis shall include a period in excess of two (2) consecutive days and/or on an ongoing basis.

17. TANKS AND GARBAGE RECEPTACLES. There shall be no above ground propane and/or fuel tanks of any type located above the ground upon any lot within the subdivision. Furthermore, any and all garbage and trash containers must be placed in enclosed areas of the rear or side lot and must not be visible from the adjoining sites, houses, or from any street. When garbage or trash is placed upon the curb for pick-up, it must be in containers with lids to prevent spillage. All garbage or trash containers should not be placed at the curb more than 24 hours prior to garbage pick-up, nor should the garbage container or receptacle be left at the curb more than 24 hours after garbage pick-up.

18. MAILBOXES. All mailboxes must be of the same materials and shall be purchased and installed by the homeowner at a place to be designated by the developer. All mailboxes must be approved by the developer and shall be the same color and maintained in that color by the homeowner.

19. SOUND DEVICES. There shall be no exterior speakers, horns, whistles, or other sound devices which are unreasonably or annoying except security devices exclusively for security purposes. The playing of loud music from any deck, porch, driveway, or yard shall be considered offensive and/or an obnoxious activity constituting a nuisance under the terms of the deed restrictions.

20. LAUNDRY. There shall be no outdoor clothesline of any type on any lot within said subdivision. No owner, guest or tenant, shall hang laundry from any area within or outside a dwelling residence if such laundry is within the public view. Laundry shall not be placed in public view to dry, such as on a fence, balcony or deck railing. The developer or the Homeowner Association may however, temporarily waive this provision during a period of severe energy shortages or other conditions where enforcement of this section would create a hardship.

21. AIR CONDITION UNITS. There shall be no window air conditioners allowed in any dwelling located within the subdivision. Zone units such as used in hotels/motels shall be allowed provided consent is given by the developer and/or homeowners association and such unit shall not be visible from the street and screened so as not to be seen from other houses located in the subdivision. Central heating and air conditioning systems shall be located to the side or the rear of the dwelling unit and screened so as not to be visible from the street.

22. GARAGE SALES AND/OR MOVING SALES. There shall be no more than two (2) yard sales and/or moving sales conducted upon any one lot located within the subdivision in any twelve (12) month period. Any sign used for such sale should not be more than five (5) square feet and must be promptly removed at the completion of said sale.

23. SIGNS. There shall be no sign of any kind displayed to the public view on any lot except one (1) sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by the builder to advertise to be under construction and sale.

24. MOTOR HOME, BOATS, CAMPER TRAILERS AND TRAVEL TRAILERS. There shall be no motor home, boat, traveler trailer, camper trailer, or other similar travel vehicles, whether motorized or not parked for longer than a three (3) day time limit in any driveway in front of the structure or to the side of any dwelling, nor on any vacant lot so as to be exposed to the street. Such vehicle and/or trailer should be parked in the garage, basement, or to the rear of any residence so as to be out of the normal view of any street within the subdivision.

25. ANIMALS. No animals, livestock or poultry in the form of any kind or swine of any kind shall be raised, bred or kept on any lot except for dogs and cats provided that they are not kept, bred or maintained for commercial purposes. No more than two (2) outside pets are permitted upon any one (1) lot. No animal shall be permitted to run free and must be confined by leash or fence to the property of the owner.

26. LANDSCAPING. Upon completion of construction of the main dwelling, the owners of each lot or tract in this subdivision shall expend for landscaping a minimum of one (1) percent of the total cost of the land and buildings. This one (1) percent figure shall be exclusive of any sodding or seeding. Upon the occupancy of the dwelling, the front yard of each lot shall be sodded by the lot owner. However, prior occupancy prior to sodding may be approved by the developer and/ or the architectural review committee if weather conditions prohibit sodding until a later date. All parties understand and agree that the lot owners shall be responsible for the regular and ongoing maintenance of the lawn and landscaping upon their specific lot.

27. DRILLING. No oil drilling or oil development operation or refining, coring, or mining operation of any kind shall be permitted upon any lot, nor shall oil wells, tanks, etc., be permitted upon any lot.

28. WATER SUPPLY SYSTEM. No individual water supply system shall be permitted upon any lot unless than system is located and/or constructed, in accordance with the requirements, standards, recommendations of both state and local health authorities and approved by the subdivision developer, his heirs and/or assigns. Approval of such system as installed shall be obtained from such authority as well as the developer of the subdivision, or, his heirs and/or assigns. All parties understand and agree that it shall be the lot owners responsibility to hook on to the public water and/ or sewer system during the construction of the home.

All parties understand and agree that there shall be no boats and/ or other crafts of any type used for human occupancy in any drainage and/ or retention pond located within the subdivision. All parties further understand and agree that their shall be no garbage, trash or other refuse ever dumped into any drainage and/ or retention ponds located within the subdivision. The parties understand and agree that in the event an owner is found to be in violation of either of these provisions that the lot owner shall be fined a minimum of \$500.00 for each violation of this provision, in addition to any other fines and/ or assessments by public officials as well as in addition to the cost for having the trash and/ or refuse removed.

29. SWIMMING POOLS. No above ground swimming pool shall be permitted. Any pool constructed shall be covered on all sides so that it is only exposed at the top and must be located to the rear of the house or suitably fenced to blend with the house as approved by the architectural control committee and/or the subdivision developer, his heirs and/or assigns. Swimming pools shall conform to the side yard setback requirements as set out in these restrictions, unless all abutting landowners waive, in writing, this requirement.

30. MAINTAINING OF CURBING. The owner of each lot particularly during construction shall maintain and keep in good repair the curbing and streets adjacent to said lot(s) and shall replace and/or repair the curbing and/or any streets that are damaged by himself, his builders, agents, and/or servants during the construction process and/ or post construction. The parties understand and agree that the curbs in said subdivision are mountable curbs and it is preferable that said curbs not be cut. However, in the event, any curb is cut it must be cut with a concrete saw and must be done uniformly and neatly.

31. SPECIAL RADIO EQUIPMENT. There shall be no type radio or equipment using airwaves, which will interfere with the normal reception of radio, and television or other appliances used or maintained in the subdivision.

32. WINDOWS. All dwellings constructed in this subdivision shall have wood frames, double-paneled insulated windows and/or be of a top quality unless approved in al cases by the subdivision developer and/or the Homeowners Association.

33. SUBDIVISION MAINTENANCE. To maintain the beauty and property values; each lot owner shall be responsible for keeping his entire land area, including the tree yard in front of owner's lot, in a neat and attractive condition by mowing, trimming, etc., The developer's responsibility, other than as a land owner, shall terminate upon the "final approval" of the appropriate Planning Commission of this subdivision.

34. HOMEOWNERS ASSOCIATION. Every owner of a lot shall be a member of the Association and shall be entitled to attend, participate, and vote in all meetings of the Association. Each owner shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall constitute one (1) owner. All decisions of the Association shall be decided by a majority of the vote represented at any meeting at which. a quorum is in attendance.

The purpose of the Association is to carry out the terms of these Covenants, to adopt such roles and regulations as *may* be appropriate, to set and collect assessments, and to do and perform any and all other things, matters, or acts required by or permitted by the Owners or the laws of the State of, Tennessee which are necessary and desirable to carry out the purposes and intentions expressed herein. .

The annual meeting of the Association shall be held at 1:00 o'clock p.m. on the first Saturday in April of each year in Bradley County, Tennessee, unless agreed otherwise by a Majority In Interest, for the purpose of adopting a budget and determining an assessment for the following year, and of transacting any other business authorized to be transacted. Special meetings of the Association shall be called by the Chairman or, by written request of any five (5) or more of the owners.

In addition to the rights, powers, and duties conferred upon the Association by the Covenants and the laws of the State of Tennessee, the Association shall have the following additional and cumulative rights, powers, and duties:

- (a) To hold title and possession to funds and property, including the maintenance funds and other assessments, and including title to any *part* of the property, as trustee for the use and benefit of the owners;
- (b) To make and collect maintenance fund assessments against owners to defray the costs of the Association, including, without limitation, all costs and expenses of carrying out the provisions of the Declaration, and of engaging all necessary services and employees therefore;
- (c) To oversee the maintenance, repair, replacement, operation and administration of the property, as provided herein, and other matters covered by the Declaration;
- (d) To make and amend reasonable regulations for the use of the property;
- (e) To enforce the provisions of the Declaration and the rules and regulations for the use of the property;
- (f) To carry insurance for the protection of owners against casualty and liabilities;
- (g) To pay the cost of any power, water, sewer and other utility services rendered to the Association and not billed to individual lots;
- (h) To employ personnel to perform the services required for proper administration of the Association, including, without limitation, auditors, attorneys, bookkeepers, and managers;
- (i) To incorporate the Association if found to be desirable.

35. PERMITTED ENTRANCES. All parties understand and agree that in order to implement and effect insect, reptile, rodent and fire control and/ or to maintain any unsightly lots or common areas, the developer or the board or their respected agents may enter upon any lot on which a dwelling unit is not being constructed and upon which no landscaping plan has been implemented. Such entry shall be made by personnel with tractors and/ or other suitable equipment for the purpose of cleaning and/ or maintaining the property in the event the developer or the board determines that the property is being kept in such manner as to detract from the overall beauty and/ or quality of the neighborhood and/ or subdivision. Such entrance upon these properties shall not be deemed a trespass and is specifically permitted under the terms of these restrictions to the developer and/ or to the board and/ or its designated agents. Nothing contained in this paragraph shall be deemed an obligation on the part of the developer and/ or the board and/ or their agents to provide this clean up and/ or trash removal and/ or debris removal service. In the event any expenses are incurred, pursuant to the terms of this paragraph, these expenses shall be chargeable to and/ or recoverable from the individual lot owner upon which said work is done.

36. TERM. The covenants herein shall be binding upon all parties and all persons claiming under them until 1 March 2024, at which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless by a vote of a majority of the then owners of the lots within said subdivision and each phase or section thereof, it is agreed to change such covenants in whole or in part. For the purpose of voting, each lot as originally sold shall have one vote.

37. INVALIDATION. The invalidation of any of these covenants or any word; phrase or clause therein by judgment, court order, or otherwise, shall not affect any other provision, all of which shall remain in full force and effect.

38. ENFORCEMENT. In the event that any one or more of the foregoing restrictive covenants be violated by any party, either owner or tenant, then the party guilty of such violation shall be subject and liable at the suit of any interested owner or holder or of any group of owners or holders of any lots or of the then constituted public authorities to be enjoined by proper process from such violation, and shall be liable for the payment of all costs and reasonable attorney fees incident to such injunctive proceedings, which costs and attorney fees are prescribed as liquidated damages; and shall also be liable for such other and additional damages as may accrue. the remedies provided in this paragraph shall not be exclusive, but shall be in addition to any other remedies allowed by law in such cases at the time or times of violation of said Restrictions.

THESE RESTRICTIONS SHALL BE BINDING ONLY UPON THE LOTS AND TRACTS SHOWN ON THE AFOREMENTIONED PLAT. THESE RESTRICTIONS ARE NOT MEANT TO AFFECT NOR INTENDED TO AFFECT ANY OTHER LAND(S) WHETHER ADJOINING OR OTHERWISE OWNED NOW OR IN THE FUTURE BY THE OWNER/DEVELOPER OF THE MAGNOLIAS SUBDIVISION.

WITNESS our signatures this

17th day of March, 2004.

RICK HYDE

STEVE HYDE

STATE OF TENNESSEE)
COUNTY OF BRADLEY)

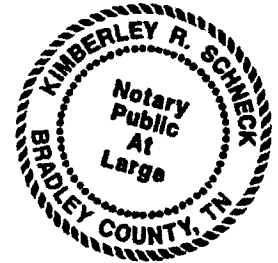
Before me personally appeared **RICK HYDE**, to me known to be the persons described in (or proved to me on the basis of satisfactory evidence) and who executed the foregoing instrument, and acknowledged the execution of the same as their free act and deed.

WITNESSED this 17th day of March, 2004.

NOTARY PUBLIC:

Kimberley R. Schneck

My Commission Expires: 02-21-07



STATE OF TENNESSEE)
COUNTY OF BRADLEY)

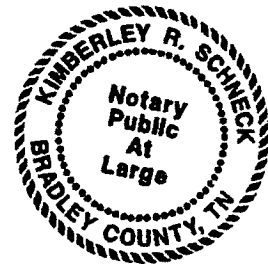
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Kimberley R. Schneck

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State of Tennessee, County of BRADLEY
Received for record the 19 day of
MARCH 2004 at 8:30 AM. (REC# 152203)
Recorded in official records
Book 1417 pages 923- 928
State Tax \$.00 Clerks Fee \$.00,
Recording \$ 32.00, Total \$ 32.00.
Register of Deeds RAYMOND SWAFFORD
Deputy Register MELISSA MATHEWS

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and in order to develop, protect and maintain a desirable community and high standards of property values
therein for the benefit of all purchasers, owners, or holders of lots or tracts within said subdivision, the
following special covenants and restrictive conditions to run with the land, whether or not they be
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utility easement connecting from said street within the subdivision with any land outside the subdivision,
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or tract other than a detached single-family dwelling not to exceed two and one-half stories in height, and
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There shall be no split foyer homes or split level homes erected.

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unusual design without the express approval of the developer, his heirs and/or assigns. There shall be no
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shingles used with a minimum of a 25 year life span.)

4. **COMPLETION.** Once construction has begun, all residences shall be completed in not
more than ten (10) months, otherwise it shall be considered a nuisance under the terms of these
restrictions.

5. DRIVEWAYS DURING CONSTRUCTION. Before any construction is begun, a temporary driveway with at least crusher-run stone thereon shall be installed and said drive shall be crowned and have proper drainage so that overflow, if any, from the building site shall not flow upon the main road. After construction is completed, the driveway shall be concrete with proper crowning and drainage and shall be installed within two (2) months after the initial occupancy of the dwelling.

All lot owners understand that all mud, rocks, dirt and/ or other debris shall be cleaned up in the street area in front of the lot owner's dwelling. This shall be especially true during the construction process. The lot owners understand and agree that it shall be their responsibility to clean or to have cleaned all streets and/ or paved areas within the subdivision caused by any labor or materialmen or supplier delivering materials or supplies or providing labor to a specific lot owner's lot. The lot owners further understand that it shall be their responsibility to clean or have cleaned all trash or debris blowing from their lot to any other lot or area within the subdivision. Furthermore, all lot owners understand and agree that all brick, block, wood and/ or any other construction related items and/ or materials shall be cleaned completely from the lot no later than sixty (60) days from the date of the filing of the Notice of Completion and/ or sixty (60) days from taking occupancy of the dwelling, whichever shall be first to occur.

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6. SIDEWALKS. Upon completion of construction, the lot owners shall be responsible to build a sidewalk, which shall be located two (2) feet from the curb and shall be a width of four (4) feet and shall be constructed of concrete with proper crowning and drainage and constructed so as to connect to the sidewalk of the adjoining lots. No washed aggregate type concrete shall be permitted in this 4-foot sidewalk area. The space between the sidewalk and the street shall be maintained in grass only, except at the base of the mailbox which may be landscaped. The parties understand and agree that it shall be the homeowners' responsibility to maintain the sidewalk located upon their specific lot.

7. SUBDIVISION OF LOTS OR TRACTS. No lot or tract may be subdivided by anyone other than the original developer who shall have the authority to resubdivide any lot or tract, but in no event shall the re-subdivision of any lot or tract contain less than the minimum square footage in the City Zoning Laws. However, this does not preclude the addition of a portion of a lot to another lot, so long as the lot from which the portion is taken contains at least 51% of its original lot size. Furthermore, this provision does not preclude the building upon two or more lots, in which case said lots shall be considered one lot for this provision. No lot or tract shall be divided for the purpose of creating a new or separate lot for building purposes; each division, except as made by the subdivision developer, shall be for the purpose of adding to an adjacent tract of land.

8. DWELLING SIZE. All lot owners understand and agree that it is the Developers and/ or Architectural Control Committee's, in the event one has been formed, to maintain a minimum living area of 1,800 square feet of heated space for a single story dwellings, 2,000 square feet for a 1 ½ story dwelling, and 2,300 square feet for a 2 story dwelling. The footages are for heated and cooled space. These footages shall not include the attached garage, which shall be attached to the house and shall be a double car garage. In all cases, the decisions of the developer and/ or the architectural control committee, shall a committee have been designated shall be controlling.

9. FRONT PORCHES. All front porch foundations shall be enclosed and shall be of either brick or mountain stone construction. All steps located at the front of the house shall be of the same materials as the foundation.

10. UTILITY AND DRAINAGE EASEMENTS. There shall be imposed upon all lots, drainage and utility easements and setback line requirements. Those drainage and/ or utility easements and setback line requirements shall be the same as those set out on the recorded plat for this subdivision. All utility wires from streets to buildings upon each lot shall be buried and located underground. There shall be no exposed service wires and/ or connecting wires for electricity, telephone, cable or otherwise from streets to any structure. Owners reserve the right, without liability, to remove trees along lot lines for installation of any type utility and/ or sewer lines.

11. BUILDING SETBACK LINES. All structures shall be set back from the street as set out and/ or as shown on the recorded plat.

12. TEMPORARY STRUCTURE OR MOBILE HOMES. There shall be no mobile homes, double wides, house trailers, tents, shacks, or other buildings of a temporary character shall be erected or moved onto any lot within any phase or section of this subdivision. Specifically prohibited is the partial construction, such as a basement of a house, and moving into said partially constructed dwelling prior to its full completion. Such structure shall be considered temporary and prohibited.

13. NUISANCES. No noxious or offensive activity shall be carried out upon any lot, nor shall anything be done thereon which may be or may become an *annoyance to the neighborhood*. The having or allowing of trailers, debris or junk shall constitute a nuisance per se. Recreational vehicles or trailers may not be parked in the front or side of said lots for a period exceeding three (3) days. Furthermore, the leaving of automobiles upon the street, whether dismantled or otherwise, shall likewise constitute a nuisance per se. Also the non-removal for ninety (90) days after occupancy of a dwelling of all building materials, such as blocks, bricks, lumber, etc., from street view shall be a nuisance per se. Also any dwelling which has been destroyed or damaged to any degree which is extremely visible shall be repaired within six (6) months from such destruction or damage. The failure to do so shall be a nuisance per se. Satellite dishes over 18 inches in diameter are prohibited and to install one shall be considered a nuisance per se.

14. STREET DEDICATION. All streets and tree yard shown on the Plat are hereby dedicated to the public use.

15. HOLIDAY DECORATIONS. All lot owners understand and agree that any and all Christmas and/or other holiday decorations used upon any lot or within the subdivision boundaries shall not be put up more than 60 days prior to the holiday and furthermore all decorations shall be fully and completely removed by no later than 30 days from the holiday itself.

16. ON STREET PARKING. All parties understand and agree that there shall be no on street parking by anyone in said subdivision on a regular basis. A regular basis shall include a period in excess of two (2) consecutive days and/or on an ongoing basis.

17. TANKS AND GARBAGE RECEPTACLES. There shall be no above ground propane and/or fuel tanks of any type located above the ground upon any lot within the subdivision. Furthermore, any and all garbage and trash containers must be placed in enclosed areas of the rear or side lot and must not be visible from the adjoining sites, houses, or from any street. When garbage or trash is placed upon the curb for pick-up, it must be in containers with lids to prevent spillage. All garbage or trash containers should not be placed at the curb more than 24 hours prior to garbage pick-up, nor should the garbage container or receptacle be left at the curb more than 24 hours after garbage pick-up.

18. MAILBOXES. All mailboxes must be of the same materials and shall be purchased and installed by the homeowner at a place to be designated by the developer. All mailboxes must be approved by the developer and shall be the same color and maintained in that color by the homeowner.

19. SOUND DEVICES. There shall be no exterior speakers, horns, whistles, or other sound devices which are unreasonably or annoying except security devices exclusively for security purposes. The playing of loud music from any deck, porch, driveway, or yard shall be considered offensive and/or an obnoxious activity constituting a nuisance under the terms of the deed restrictions.

20. LAUNDRY. There shall be no outdoor clothesline of any type on any lot within said subdivision. No owner, guest or tenant, shall hang laundry from any area within or outside a dwelling residence if such laundry is within the public view. Laundry shall not be placed in public view to dry, such as on a fence, balcony or deck railing. The developer or the Homeowner Association may however, temporarily waive this provision during a period of severe energy shortages or other conditions where enforcement of this section would create a hardship.

21. AIR CONDITION UNITS. There shall be no window air conditioners allowed in any dwelling located within the subdivision. Zone units such as used in hotels/motels shall be allowed provided consent is given by the developer and/or homeowners association and such unit shall not be visible from the street and screened so as not to be seen from other houses located in the subdivision. Central heating and air conditioning systems shall be located to the side or the rear of the dwelling unit and screened so as not to be visible from the street.

22. GARAGE SALES AND/OR MOVING SALES. There shall be no more than two (2) yard sales and/or moving sales conducted upon any one lot located within the subdivision in any twelve (12) month period. Any sign used for such sale should not be more than five (5) square feet and must be promptly removed at the completion of said sale.

23. SIGNS. There shall be no sign of any kind displayed to the public view on any lot except one (1) sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by the builder to advertise to be under construction and sale.

24. MOTOR HOME, BOATS, CAMPER TRAILERS AND TRAVEL TRAILERS. There shall be no motor home, boat, traveler trailer, camper trailer, or other similar travel vehicles, whether motorized or not parked for longer than a three (3) day time limit in any driveway in front of the structure or to the side of any dwelling, nor on any vacant lot so as to be exposed to the street. Such vehicle and/or trailer should be parked in the garage, basement, or to the rear of any residence so as to be out of the normal view of any street within the subdivision.

25. ANIMALS. No animals, livestock or poultry in the form of any kind or swine of any kind shall be raised, bred or kept on any lot except for dogs and cats provided that they are not kept, bred or maintained for commercial purposes. No more than two (2) outside pets are permitted upon any one (1) lot. No animal shall be permitted to run free and must be confined by leash or fence to the property of the owner.

26. LANDSCAPING. Upon completion of construction of the main dwelling, the owners of each lot or tract in this subdivision shall expend for landscaping a minimum of one (1) percent of the total cost of the land and buildings. This one (1) percent figure shall be exclusive of any sodding or seeding. Upon the occupancy of the dwelling, the front yard of each lot shall be sodded by the lot owner. However, prior occupancy prior to sodding may be approved by the developer and/ or the architectural review committee if weather conditions prohibit sodding until a later date. All parties understand and agree that the lot owners shall be responsible for the regular and ongoing maintenance of the lawn and landscaping upon their specific lot.

27. DRILLING. No oil drilling or oil development operation or refining, coring, or mining operation of any kind shall be permitted upon any lot, nor shall oil wells, tanks, etc., be permitted upon any lot.

28. WATER SUPPLY SYSTEM. No individual water supply system shall be permitted upon any lot unless than system is located and/or constructed, in accordance with the requirements, standards, recommendations of both state and local health authorities and approved by the subdivision developer, his heirs and/or assigns. Approval of such system as installed shall be obtained from such authority as well as the developer of the subdivision, or, his heirs and/or assigns. All parties understand and agree that it shall be the lot owners responsibility to hook on to the public water and/ or sewer system during the construction of the home.

All parties understand and agree that there shall be no boats and/ or other crafts of any type used for human occupancy in any drainage and/ or retention pond located within the subdivision. All parties further understand and agree that their shall be no garbage, trash or other refuse ever dumped into any drainage and/ or retention ponds located within the subdivision. The parties understand and agree that in the event an owner is found to be in violation of either of these provisions that the lot owner shall be fined a minimum of \$500.00 for each violation of this provision, in addition to any other fines and/ or assessments by public officials as well as in addition to the cost for having the trash and/ or refuse removed.

29. SWIMMING POOLS. No above ground swimming pool shall be permitted. Any pool constructed shall be covered on all sides so that it is only exposed at the top and must be located to the rear of the house or suitably fenced to blend with the house as approved by the architectural control committee and/or the subdivision developer, his heirs and/or assigns. Swimming pools shall conform to the side yard setback requirements as set out in these restrictions, unless all abutting landowners waive, in writing, this requirement.

30. MAINTAINING OF CURBING. The owner of each lot particularly during construction shall maintain and keep in good repair the curbing and streets adjacent to said lot(s) and shall replace and/or repair the curbing and/or any streets that are damaged by himself, his builders, agents, and/or servants during the construction process and/ or post construction. The parties understand and agree that the curbs in said subdivision are mountable curbs and it is preferable that said curbs not be cut. However, in the event, any curb is cut it must be cut with a concrete saw and must be done uniformly and neatly.

31. SPECIAL RADIO EQUIPMENT. There shall be no type radio or equipment using airwaves, which will interfere with the normal reception of radio, and television or other appliances used or maintained in the subdivision.

32. WINDOWS. All dwellings constructed in this subdivision shall have wood frames, double-paneled insulated windows and/or be of a top quality unless approved in al cases by the subdivision developer and/or the Homeowners Association.

33. SUBDIVISION MAINTENANCE. To maintain the beauty and property values; each lot owner shall be responsible for keeping his entire land area, including the tree yard in front of owner's lot, in a neat and attractive condition by mowing, trimming, etc., The developer's responsibility, other than as a land owner, shall terminate upon the "final approval" of the appropriate Planning Commission of this subdivision.

34. HOMEOWNERS ASSOCIATION. Every owner of a lot shall be a member of the Association and shall be entitled to attend, participate, and vote in all meetings of the Association. Each owner shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall constitute one (1) owner. All decisions of the Association shall be decided by a majority of the vote represented at any meeting at which. a quorum is in attendance.

The purpose of the Association is to carry out the terms of these Covenants, to adopt such roles and regulations as *may* be appropriate, to set and collect assessments, and to do and perform any and all other things, matters, or acts required by or permitted by the Owners or the laws of the State of, Tennessee which are necessary and desirable to carry out the purposes and intentions expressed herein. .

The annual meeting of the Association shall be held at 1:00 o'clock p.m. on the first Saturday in April of each year in Bradley County, Tennessee, unless agreed otherwise by a Majority In Interest, for the purpose of adopting a budget and determining an assessment for the following year, and of transacting any other business authorized to be transacted. Special meetings of the Association shall be called by the Chairman or, by written request of any five (5) or more of the owners.

In addition to the rights, powers, and duties conferred upon the Association by the Covenants and the laws of the State of Tennessee, the Association shall have the following additional and cumulative rights, powers, and duties:

- (a) To hold title and possession to funds and property, including the maintenance funds and other assessments, and including title to any *part* of the property, as trustee for the use and benefit of the owners;
- (b) To make and collect maintenance fund assessments against owners to defray the costs of the Association, including, without limitation, all costs and expenses of carrying out the provisions of the Declaration, and of engaging all necessary services and employees therefore;
- (c) To oversee the maintenance, repair, replacement, operation and administration of the property, as provided herein, and other matters covered by the Declaration;
- (d) To make and amend reasonable regulations for the use of the property;
- (e) To enforce the provisions of the Declaration and the rules and regulations for the use of the property;
- (f) To carry insurance for the protection of owners against casualty and liabilities;
- (g) To pay the cost of any power, water, sewer and other utility services rendered to the Association and not billed to individual lots;
- (h) To employ personnel to perform the services required for proper administration of the Association, including, without limitation, auditors, attorneys, bookkeepers, and managers;
- (i) To incorporate the Association if found to be desirable.

35. PERMITTED ENTRANCES. All parties understand and agree that in order to implement and effect insect, reptile, rodent and fire control and/ or to maintain any unsightly lots or common areas, the developer or the board or their respected agents may enter upon any lot on which a dwelling unit is not being constructed and upon which no landscaping plan has been implemented. Such entry shall be made by personnel with tractors and/ or other suitable equipment for the purpose of cleaning and/ or maintaining the property in the event the developer or the board determines that the property is being kept in such manner as to detract from the overall beauty and/ or quality of the neighborhood and/ or subdivision. Such entrance upon these properties shall not be deemed a trespass and is specifically permitted under the terms of these restrictions to the developer and/ or to the board and/ or its designated agents. Nothing contained in this paragraph shall be deemed an obligation on the part of the developer and/ or the board and/ or their agents to provide this clean up and/ or trash removal and/ or debris removal service. In the event any expenses are incurred, pursuant to the terms of this paragraph, these expenses shall be chargeable to and/ or recoverable from the individual lot owner upon which said work is done.

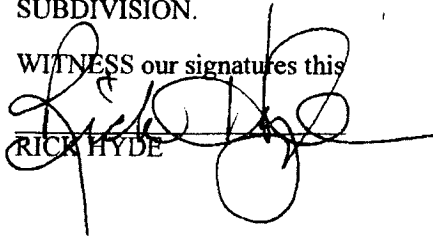
36. TERM. The covenants herein shall be binding upon all parties and all persons claiming under them until 1 March 2024, at which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless by a vote of a majority of the then owners of the lots within said subdivision and each phase or section thereof, it is agreed to change such covenants in whole or in part. For the purpose of voting, each lot as originally sold shall have one vote.

37. INVALIDATION. The invalidation of any of these covenants or any word, phrase or clause therein by judgment, court order, or otherwise, shall not affect any other provision, all of which shall remain in full force and effect.

38. ENFORCEMENT. In the event that any one or more of the foregoing restrictive covenants be violated by any party, either owner or tenant, then the party guilty of such violation shall be subject and liable at the suit of any interested owner or holder or of any group of owners or holders of any lots or of the then constituted public authorities to be enjoined by proper process from such violation, and shall be liable for the payment of all costs and reasonable attorney fees incident to such injunctive proceedings, which costs and attorney fees are prescribed as liquidated damages; and shall also be liable for such other and additional damages as may accrue. The remedies provided in this paragraph shall not be exclusive, but shall be in addition to any other remedies allowed by law in such cases at the time or times of violation of said Restrictions.

THESE RESTRICTIONS SHALL BE BINDING ONLY UPON THE LOTS AND TRACTS SHOWN ON THE AFOREMENTIONED PLAT. THESE RESTRICTIONS ARE NOT MEANT TO AFFECT NOR INTENDED TO AFFECT ANY OTHER LAND(S) WHETHER ADJOINING OR OTHERWISE OWNED NOW OR IN THE FUTURE BY THE OWNER/DEVELOPER OF THE MAGNOLIAS SUBDIVISION.

WITNESS our signatures this 17th day of March, 2004

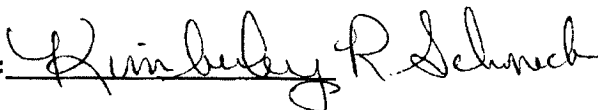

RICK HYDE


STEVE HYDE

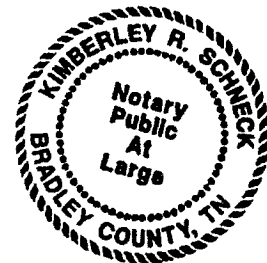
STATE OF TENNESSEE)
COUNTY OF BRADLEY)

Before me personally appeared **RICK HYDE**, to me known to be the persons described in (or proved to me on the basis of satisfactory evidence) and who executed the foregoing instrument, and acknowledged the execution of the same as their free act and deed.

WITNESSED this 17th day of March, 2004.

NOTARY PUBLIC: 

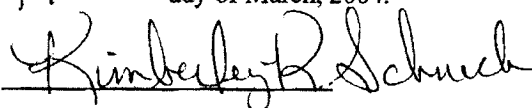
My Commission Expires: 02-21-07



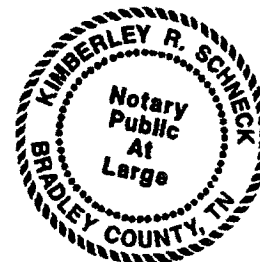
STATE OF TENNESSEE)
COUNTY OF BRADLEY)

Before me personally appeared **STEVE HYDE**, to me known to be the persons described in (or proved to me on the basis of satisfactory evidence) and who executed the foregoing instrument, and acknowledged the execution of the same as their free act and deed.

WITNESSED this 17th day of March, 2004.

NOTARY PUBLIC: 

My Commission Expires: 02-21-07



State of Tennessee, County of BRADLEY
Received for record the 19 day of
MARCH 2004 at 8:30 AM. (REC# 152203)
Recorded in official records
Book 1417 pages 923- 928
State Tax \$.00 Clerks Fee \$.00,
Recording \$ 32.00; Total \$ 32.00.
Register of Deeds RAYMOND SWAFFORD
Deputy Register MELISSA MATHEWS

RESTRICTIONS) FOR A VALUABLE CONSIDERATION, the receipt of
: which is hereby acknowledged,
THE MAGNOLIAS) RICK HYDE AND STEVE HYDE
SUBDIVISION : of Bradley County, Tennessee, being the owner
) of land known as THE MAGNOLIAS SUBDIVISION, a Plat
of which is recorded in Plat Book 16, page 97, have divided said property into building lots and/or tracts,
and in order to develop, protect and maintain a desirable community and high standards of property values
therein for the benefit of all purchasers, owners, or holders of lots or tracts within said subdivision, the
following special covenants and restrictive conditions to run with the land, whether or not they be
mentioned or referred to in subsequent conveyances of said lots or tracts, or portions thereof; and all
conveyances within said subdivision shall be accepted subject to said special covenants and restrictive
conditions and to the penalties hereinafter provided for their violation or attempted violation as fully as if
incorporated into and made a part of each conveyance in detail.

1. **LAND USE.** All lots or tracts shall be used for residential purposes only. There shall be no
business of any kind located upon any lot or tract, nor shall any business of any kind be operated out of
any home. At no time shall any lot or tract be used in whole or part as a street or right of way or for any
utility easement connecting from said street within the subdivision with any land outside the subdivision,
**EXCEPT WITH THE EXPRESS WRITTEN AND RECORDED APPROVAL OF THE
DEVELOPER, HIS HEIRS OR ASSIGNS.**

2. **ARCHITECTURAL CONTROL.** No construction of any building shall begin until the plans
and specifications and a plan showing the location of the structure shall have been approved by the
developer or an architecture control committee, or of a then property owners committee, should such
committee be created. **IT IS CLEARLY UNDERSTOOD AND PURCHASERS OF LOTS OR TRACTS
IN THIS SUBDIVISION AGREE** that the architectural control committee may require any changes, not
otherwise prohibited in these restrictions, concerning size, design, style, location, type of exterior, etc.,
with regard to the building. The committee shall not be unreasonable in its demands. The parties
understand and agree that no owner shall excavate or extract earth from any of the lots for any business or
commercial purpose. There shall be no elevation changes permitted, which will materially effect the
service grade of a lot, unless the express written consent of the developer and/ or the architectural review
committee is obtained.

3. **BUILDING TYPE AND LOCATION.** No structure shall be erected or maintained on any lot
or tract other than a detached single-family dwelling not to exceed two and one-half stories in height, and
no more than one (1) residence shall be permitted upon any one lot or tract. All dwellings shall have at
least a double car garage attached to the main dwelling.

All structures including garages and outbuildings shall be constructed of new materials, and
unless of brick or rock or of some non-fading material, the same shall be painted and maintained in a good
condition at all times, and all structures must be approved as noted in Paragraph 2 above. The front of all
dwellings shall be constructed of brick, natural stone, or stucco, unless otherwise approved in writing by
the developer.

There shall be no split foyer homes or split level homes erected.

There shall be no dwellings or buildings erected of a geodetic dome design, or of any extremely
unusual design without the express approval of the developer, his heirs and/or assigns. There shall be no
artificial or man-made stone materials used on any house or building or at any location on any lot or tract.
Seventy percent (70%) of all main roofs shall contain a pitch ratio of 7 to 12 or greater. All foundations
shall be of brick or mountain stone unless otherwise approved by the architectural control committee. The
use of wood windows shall be required unless waived by the architectural control committee. There shall
be no metal, wire, or chain link fencing in front of any dwellings (either along the side or front
boundaries) and all fences to the rear of the dwelling shall be of new materials and kept in good condition
at all times. Satellite dishes over 18 inches in diameter are prohibited upon all Lots within said
Subdivision. Satellite dishes shall be concealed from street view.

All roofs shall be constructed with dimensional shingles such as Timberline or similar materials.
Outbuildings of similar material and construction may be built behind the main structure. (There shall be
shingles used with a minimum of a 25 year life span.)

4. **COMPLETION.** Once construction has begun, all residences shall be completed in not
more than ten (10) months, otherwise it shall be considered a nuisance under the terms of these
restrictions.

5. DRIVEWAYS DURING CONSTRUCTION. Before any construction is begun, a temporary driveway with at least crusher-run stone thereon shall be installed and said drive shall be crowned and have proper drainage so that overflow, if any, from the building site shall not flow upon the main road. After construction is completed, the driveway shall be concrete with proper crowning and drainage and shall be installed within two (2) months after the initial occupancy of the dwelling.

All lot owners understand that all mud, rocks, dirt and/ or other debris shall be cleaned up in the street area in front of the lot owner's dwelling. This shall be especially true during the construction process. The lot owners understand and agree that it shall be their responsibility to clean or to have cleaned all streets and/ or paved areas within the subdivision caused by any labor or materialmen or supplier delivering materials or supplies or providing labor to a specific lot owner's lot. The lot owners further understand that it shall be their responsibility to clean or have cleaned all trash or debris blowing from their lot to any other lot or area within the subdivision. Furthermore, all lot owners understand and agree that all brick, block, wood and/ or any other construction related items and/ or materials shall be cleaned completely from the lot no later than sixty (60) days from the date of the filing of the Notice of Completion and/ or sixty (60) days from taking occupancy of the dwelling, whichever shall be first to occur.

During construction property owners shall remove all debris in a timely manner and shall take all steps necessary to prevent soil and debris from washing onto other lots or streets.

6. SIDEWALKS. Upon completion of construction, the lot owners shall be responsible to build a sidewalk, which shall be located two (2) feet from the curb and shall be a width of four (4) feet and shall be constructed of concrete with proper crowning and drainage and constructed so as to connect to the sidewalk of the adjoining lots. No washed aggregate type concrete shall be permitted in this 4-foot sidewalk area. The space between the sidewalk and the street shall be maintained in grass only, except at the base of the mailbox which may be landscaped. The parties understand and agree that it shall be the homeowners' responsibility to maintain the sidewalk located upon their specific lot.

7. SUBDIVISION OF LOTS OR TRACTS. No lot or tract may be subdivided by anyone other than the original developer who shall have the authority to resubdivide any lot or tract, but in no event shall the re-subdivision of any lot or tract contain less than the minimum square footage in the City Zoning Laws. However, this does not preclude the addition of a portion of a lot to another lot, so long as the lot from which the portion is taken contains at least 51% of its original lot size. Furthermore, this provision does not preclude the building upon two or more lots, in which case said lots shall be considered one lot for this provision. No lot or tract shall be divided for the purpose of creating a new or separate lot for building purposes; each division, except as made by the subdivision developer, shall be for the purpose of adding to an adjacent tract of land.

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19. SOUND DEVICES. There shall be no exterior speakers, horns, whistles, or other sound devices which are unreasonably or annoying except security devices exclusively for security purposes. The playing of loud music from any deck, porch, driveway, or yard shall be considered offensive and/or an obnoxious activity constituting a nuisance under the terms of the deed restrictions.

20. LAUNDRY. There shall be no outdoor clothesline of any type on any lot within said subdivision. No owner, guest or tenant, shall hang laundry from any area within or outside a dwelling residence if such laundry is within the public view. Laundry shall not be placed in public view to dry, such as on a fence, balcony or deck railing. The developer or the Homeowner Association may however, temporarily waive this provision during a period of severe energy shortages or other conditions where enforcement of this section would create a hardship.

21. AIR CONDITION UNITS. There shall be no window air conditioners allowed in any dwelling located within the subdivision. Zone units such as used in hotels/motels shall be allowed provided consent is given by the developer and/or homeowners association and such unit shall not be visible from the street and screened so as not to be seen from other houses located in the subdivision. Central heating and air conditioning systems shall be located to the side or the rear of the dwelling unit and screened so as not to be visible from the street.

22. GARAGE SALES AND/OR MOVING SALES. There shall be no more than two (2) yard sales and/or moving sales conducted upon any one lot located within the subdivision in any twelve (12) month period. Any sign used for such sale should not be more than five (5) square feet and must be promptly removed at the completion of said sale.

23. SIGNS. There shall be no sign of any kind displayed to the public view on any lot except one (1) sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by the builder to advertise to be under construction and sale.

24. MOTOR HOME, BOATS, CAMPER TRAILERS AND TRAVEL TRAILERS. There shall be no motor home, boat, traveler trailer, camper trailer, or other similar travel vehicles, whether motorized or not parked for longer than a three (3) day time limit in any driveway in front of the structure or to the side of any dwelling, nor on any vacant lot so as to be exposed to the street. Such vehicle and/or trailer should be parked in the garage, basement, or to the rear of any residence so as to be out of the normal view of any street within the subdivision.

25. ANIMALS. No animals, livestock or poultry in the form of any kind or swine of any kind shall be raised, bred or kept on any lot except for dogs and cats provided that they are not kept, bred or maintained for commercial purposes. No more than two (2) outside pets are permitted upon any one (1) lot. No animal shall be permitted to run free and must be confined by leash or fence to the property of the owner.

26. LANDSCAPING. Upon completion of construction of the main dwelling, the owners of each lot or tract in this subdivision shall expend for landscaping a minimum of one (1) percent of the total cost of the land and buildings. This one (1) percent figure shall be exclusive of any sodding or seeding. Upon the occupancy of the dwelling, the front yard of each lot shall be sodded by the lot owner. However, prior occupancy prior to sodding may be approved by the developer and/ or the architectural review committee if weather conditions prohibit sodding until a later date. All parties understand and agree that the lot owners shall be responsible for the regular and ongoing maintenance of the lawn and landscaping upon their specific lot.

27. DRILLING. No oil drilling or oil development operation or refining, coring, or mining operation of any kind shall be permitted upon any lot, nor shall oil wells, tanks, etc., be permitted upon any lot.

28. WATER SUPPLY SYSTEM. No individual water supply system shall be permitted upon any lot unless that system is located and/or constructed, in accordance with the requirements, standards, recommendations of both state and local health authorities and approved by the subdivision developer, his heirs and/or assigns. Approval of such system as installed shall be obtained from such authority as well as the developer of the subdivision, or, his heirs and/or assigns. All parties understand and agree that it shall be the lot owners responsibility to hook on to the public water and/ or sewer system during the construction of the home.

All parties understand and agree that there shall be no boats and/ or other crafts of any type used for human occupancy in any drainage and/ or retention pond located within the subdivision. All parties further understand and agree that there shall be no garbage, trash or other refuse ever dumped into any drainage and/ or retention ponds located within the subdivision. The parties understand and agree that in the event an owner is found to be in violation of either of these provisions that the lot owner shall be fined a minimum of \$500.00 for each violation of this provision, in addition to any other fines and/ or assessments by public officials as well as in addition to the cost for having the trash and/ or refuse removed.

29. SWIMMING POOLS. No above ground swimming pool shall be permitted. Any pool constructed shall be covered on all sides so that it is only exposed at the top and must be located to the rear of the house or suitably fenced to blend with the house as approved by the architectural control committee and/or the subdivision developer, his heirs and/or assigns. Swimming pools shall conform to the side yard setback requirements as set out in these restrictions, unless all abutting landowners waive, in writing, this requirement.

30. MAINTAINING OF CURBING. The owner of each lot particularly during construction shall maintain and keep in good repair the curbing and streets adjacent to said lot(s) and shall replace and/or repair the curbing and/or any streets that are damaged by himself, his builders, agents, and/or servants during the construction process and/ or post construction. The parties understand and agree that the curbs in said subdivision are mountable curbs and it is preferable that said curbs not be cut. However, in the event, any curb is cut it must be cut with a concrete saw and must be done uniformly and neatly.

31. SPECIAL RADIO EQUIPMENT. There shall be no type radio or equipment using airwaves, which will interfere with the normal reception of radio, and television or other appliances used or maintained in the subdivision.

32. WINDOWS. All dwellings constructed in this subdivision shall have wood frames, double-paneled insulated windows and/or be of a top quality unless approved in all cases by the subdivision developer and/or the Homeowners Association.

33. SUBDIVISION MAINTENANCE. To maintain the beauty and property values; each lot owner shall be responsible for keeping his entire land area, including the tree yard in front of owner's lot, in a neat and attractive condition by mowing, trimming, etc., The developer's responsibility, other than as a land owner, shall terminate upon the "final approval" of the appropriate Planning Commission of this subdivision.

34. HOMEOWNERS ASSOCIATION. Every owner of a lot shall be a member of the Association and shall be entitled to attend, participate, and vote in all meetings of the Association. Each owner shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall constitute one (1) owner. All decisions of the Association shall be decided by a majority of the vote represented at any meeting at which a quorum is in attendance.

The purpose of the Association is to carry out the terms of these Covenants, to adopt such rules and regulations as *may* be appropriate, to set and collect assessments, and to do and perform any and all other things, matters, or acts required by or permitted by the Owners or the laws of the State of Tennessee which are necessary and desirable to carry out the purposes and intentions expressed herein. .

The annual meeting of the Association shall be held at 1:00 o'clock p.m. on the first Saturday in April of each year in Bradley County, Tennessee, unless agreed otherwise by a Majority In Interest, for the purpose of adopting a budget and determining an assessment for the following year, and of transacting any other business authorized to be transacted. Special meetings of the Association shall be called by the Chairman or, by written request of any five (5) or more of the owners.

In addition to the rights, powers, and duties conferred upon the Association by the Covenants and the laws of the State of Tennessee, the Association shall have the following additional and cumulative rights, powers, and duties:

- (a) To hold title and possession to funds and property, including the maintenance funds and other assessments, and including title to any *part* of the property, as trustee for the use and benefit of the owners;
- (b) To make and collect maintenance fund assessments against owners to defray the costs of the Association, including, without limitation, all costs and expenses of carrying out the provisions of the Declaration, and of engaging all necessary services and employees therefore;
- (c) To oversee the maintenance, repair, replacement, operation and administration of the property, as provided herein, and other matters covered by the Declaration;
- (d) To make and amend reasonable regulations for the use of the property;
- (e) To enforce the provisions of the Declaration and the rules and regulations for the use of the property;
- (f) To carry insurance for the protection of owners against casualty and liabilities;
- (g) To pay the cost of any power, water, sewer and other utility services rendered to the Association and not billed to individual lots;
- (h) To employ personnel to perform the services required for proper administration of the Association, including, without limitation, auditors, attorneys, bookkeepers, and managers;
- (i) To incorporate the Association if found to be desirable.

35. PERMITTED ENTRANCES. All parties understand and agree that in order to implement and effect insect, reptile, rodent and fire control and/ or to maintain any unsightly lots or common areas, the developer or the board or their respected agents may enter upon any lot on which a dwelling unit is not being constructed and upon which no landscaping plan has been implemented. Such entry shall be made by personnel with tractors and/ or other suitable equipment for the purpose of cleaning and/ or maintaining the property in the event the developer or the board determines that the property is being kept in such manner as to detract from the overall beauty and/ or quality of the neighborhood and/ or subdivision. Such entrance upon these properties shall not be deemed a trespass and is specifically permitted under the terms of these restrictions to the developer and/ or to the board and/ or its designated agents. Nothing contained in this paragraph shall be deemed an obligation on the part of the developer and/ or the board and/ or their agents to provide this clean up and/ or trash removal and/ or debris removal service. In the event any expenses are incurred, pursuant to the terms of this paragraph, these expenses shall be chargeable to and/ or recoverable from the individual lot owner upon which said work is done.

36. TERM. The covenants herein shall be binding upon all parties and all persons claiming under them until 1 March 2024, at which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless by a vote of a majority of the then owners of the lots within said subdivision and each phase or section thereof, it is agreed to change such covenants in whole or in part. For the purpose of voting, each lot as originally sold shall have one vote.

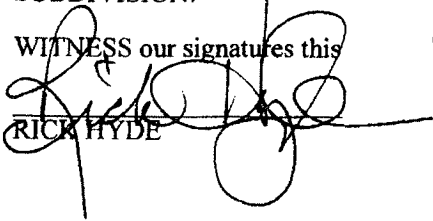
37. INVALIDATION. The invalidation of any of these covenants or any word, phrase or clause therein by judgment, court order, or otherwise, shall not affect any other provision, all of which shall remain in full force and effect.

38. ENFORCEMENT. In the event that any one or more of the foregoing restrictive covenants be violated by any party, either owner or tenant, then the party guilty of such violation shall be subject and liable at the suit of any interested owner or holder or of any group of owners or holders of any lots or of the then constituted public authorities to be enjoined by proper process from such violation, and shall be liable for the payment of all costs and reasonable attorney fees incident to such injunctive proceedings, which costs and attorney fees are prescribed as liquidated damages; and shall also be liable for such other and additional damages as may accrue. the remedies provided in this paragraph shall not be exclusive, but shall be in addition to any other remedies allowed by law in such cases at the time or times of violation of said Restrictions.

THESE RESTRICTIONS SHALL BE BINDING ONLY UPON THE LOTS AND TRACTS SHOWN ON THE AFOREMENTIONED PLAT. THESE RESTRICTIONS ARE NOT MEANT TO AFFECT NOR INTENDED TO AFFECT ANY OTHER LAND(S) WHETHER ADJOINING OR OTHERWISE OWNED NOW OR IN THE FUTURE BY THE OWNER/DEVELOPER OF THE MAGNOLIAS SUBDIVISION.

WITNESS our signatures this

17th day of March, 2004


RICK HYDE

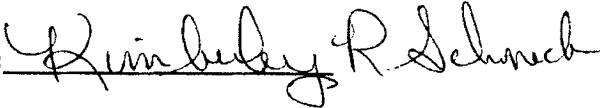

STEVE HYDE

STATE OF TENNESSEE)
COUNTY OP BRADLEY)

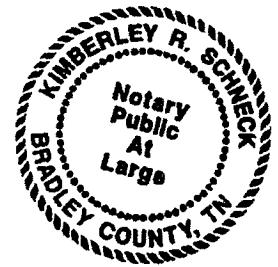
Before me personally appeared **RICK HYDE**, to me known to be the persons described in (or proved to me on the basis of satisfactory evidence) and who executed the foregoing instrument, and acknowledged the execution of the same as their free act and deed.

WITNESSED this 17th day of March, 2004.

NOTARY PUBLIC:



My Commission Expires: 02-21-07

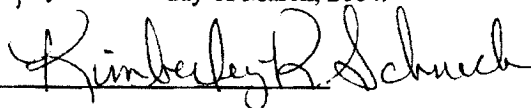


STATE OF TENNESSEE)
COUNTY OP BRADLEY)

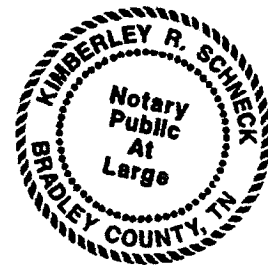
Before me personally appeared **STEVE HYDE**, to me known to be the persons described in (or proved to me on the basis of satisfactory evidence) and who executed the foregoing instrument, and acknowledged the execution of the same as their free act and deed.

WITNESSED this 17th day of March, 2004.

NOTARY PUBLIC:



My Commission Expires: 02-21-07



State of Tennessee, County of BRADLEY
Received for record the 19 day of
MARCH 2004 at 8:30 AM. (REC# 152203)
Recorded in official records
Book 1417 pages 923- 925
State Tax \$.00 Clerks Fee \$.00,
Recording \$ 32.00, Total \$ 32.00.
Register of Deeds RAYMOND SWAFFORD
Deputy Register MELISSA MATHEWS