This Instrument Prepared By: File Grant, Konvalinka & Harrison, P.C. 9th Fl., Republic Centre 633 Chestnut Street Chattanooga, TN 37450 (423) 756-8400

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF SIGNAL FOREST SUBDIVISION, PHASE II

WHEREAS, Signal Forest Development, LLC, a Tennessee limited liability company (the "Developer") recorded a Declaration of Covenants, Conditions, and Restrictions (the "Restrictions") on December 2, 1996, in Book 4785, Page 304 in the Register's Office of Hamilton County, Tennessee, as fee simple owner of a certain tract or parcel of land lying and being in Hamilton County, Tennessee, and more particular described in the final Plat recorded in Plat Book 54, Page 87 in the office of the Register of Hamilton County, Tennessee (the "Development"); and

WHEREAS, the Restrictions were amended by a First Amendment to Restrictions recorded on March 9, 2006 in Book 7867, Page 521 (the "First Amendment");

WHEREAS, the Development at the time included Lots 1 through 35, 53 through 59, and 107 through 174 of the tract or parcel of land together with any property that was to be annexed in connection with the development of the entire tract; and

WHEREAS, the Developer has completed Phase II of the Signal Forest Subdivision as described in the final plat recorded in Plat Book 96, Page 148 of Lots 79 through 102 (the "Phase II Lots"); and

WHEREAS, Developer desires to identify the covenants, conditions and restrictions that apply to Phase II,

NOW, THEREFORE, the Developer hereby declares that the Phase II Lots shall be held, conveyed encumbered, used, occupied and approved subject to the following covenants, restrictions and easements, all of which are in furtherance of the plan for the development, improvement and sale of real estate and are established for the purpose of enhancing the value, desirability and effectiveness of the Phase II Lots. The covenants, restrictions and easements set forth herein shall run with the land pertaining to the Phase II Lots and shall be binding on all parties having or acquiring any right, title or interest therein, or thereto from and after the date of recording these Phase II Restrictions on the deed records of Hamilton County, Tennessee, and shall, subject to the limitations herein, inure to the benefit of each owner ("Owner"), his heirs, successors and assigns.

Instrument: 2012101700071

Book and Page: GI 9773 906

MISC RECORDING FEE \$20.00

DATA PROCESSING FEE \$2.00

Total Fees: \$22.00

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Contact: Pam Hurst, Register Hamilton County, Tennessee

ARTICLE I ADOPTION OF EXISTING RESTRICTIONS

The Developer hereby adopts the Restrictions and First Amendment heretofore recorded as the Phase II Restrictions except as follows:

- 1. The Restrictions, together with the First Amendment adopted herein shall not include the authorization to form a separate Association as that term is defined in the Restrictions as the adoption of the Restrictions and the First Amendment shall function and be established as one Association for the common good and general welfare of the Development and Phase II Lots.
- 2. Paragraph 6.4 of the First Amendment to Restrictions shall apply to the Lots identified in Plat Book 54, Page 87, and the following paragraph 6.04 shall only apply to the Phase II Lots:
 - Minimum Square Footage. No single-family detached dwelling house 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, garages or unfinished basements, set forth in this section. For the purposes of this section, stated square footage shall mean the minimum floor area required, and floor area shall mean the finished and heated living area contained within the residence, exclusive of open porches, garages and steps. In the case of any question as to whether a sufficient number of square feet of enclosed living area have been provided, the decision of the Developer or the Architectural Control Committee The minimum number of square feet shall be final. required of a one story dwelling shall be 2,900 square feet and the minimum number of square feet required on any other dwelling shall be 2,000 square feet on the first floor, and 900 square feet on the second or basement areas.
 - 3. The following new paragraph 6.39 and 6.40 shall apply to Phase II
 - 6.39. Before any new dwelling on said premises shall be occupied, a septic tank or a sewage disposal system, construed in accordance with requirements of

Lots:

federal, state and local laws, shall be installed, all sewage from the premises shall be turned into such sewage disposal facility, and the same shall be continuously maintained in a proper state of sanitation. The effluent from such septic tank or sewer disposal system shall not be permitted to discharge into a stream, storm sewer, open ditch or drain unless first it has been passed through an absorption field approved by the appropriate public health authority

6.40. The Owner must present an erosion control plan and obtain a permit in accordance with the Hamilton County Water Control Program or its successor prior to construction. Owner shall be responsible for maintaining compliance with the permit during and after construction. Owner assumes all responsibility for federal, state, and local laws pertaining to compliance with environmental regulations.

IN WITNESS WHEREOF, the undersigned has executed this First Amendment to Declaration of Covenants, Conditions, and Restrictions of Signal Forest Subdivision as of this 16th day of October, 2012.

SIGNAL FOREST DEVELOPMENT, LLC

By: WHEene Title: Chief mys.

STATE OF TENNESSEE)
COUNTY OF HAMILTON)

Personally appeared before me, Notary Public, W. LAWRENCE REEVE, with whom I am personally acquainted, who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Chief Manager of Signal Forest Development, LLC and is authorized to execute this instrument on behalf of the corporation.

Book and Page: GI 9773 909

WITNESS my hand this 16th day of October, 2012.

Myra M. Dower Notary Public

My commission expires:

June 3, 2014