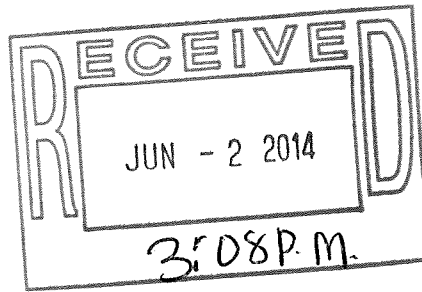


Instrument Prepared by:
Charles Patterson
Attorney at Law
1023 Old Humboldt Road
Jackson, TN 38305



SOUTHERN SHORES

Table of Contents		Page No.
Article I	Restrictive Covenants	2
Article II	ByLaws of Association	10
Article III	Easements and Common Area	18
Article IV	Effective Date	19
Article V	Legal Description of Property	20

SOUTHERN SHORES

RESTRICTIVE COVENANTS

(Lots 101 through 120)

Lots 121 and Lots 121 are expressly excluded

KNOW ALL MEN BY THESE PRESENTS: That Robert Reynolds and wife, Gail Reynolds, (hereinafter referred to as "Developer"), are the owners of Lots 101 through 120 which are described as Lots in Southern Shores, a plat of which appears in Plat Book 4, Page 614 ^{side 215b}, in the Register's Office of Carroll County, Tennessee. The Plat contains Lots 121 and 122, which are expressly excluded from this Declaration as they are outside the gate and on a public road. As the owner and Developer of this property, (which is defined as lots 101 through 120) the Developer desires to create and establish certain restrictions on the lots in Southern Shores (hereinafter referred to as "Subdivision") and to establish easements, common areas, ByLaws for the Subdivision Association and other matters to enhance and benefit the Subdivision. This Declaration is made to encourage others to purchase the lots in the Subdivision and to protect the character and value of the Subdivision. Therefore, the Developer does hereby impress upon the property and upon Lots 101 through 120 in the Subdivision the following covenants, restrictions, terms, requirements and obligations:

1. Any variance from these restrictive covenants permitted herein by approval of the Developer whether specified or not is to be approved in writing by Developer.
2. Any dwelling erected on any residential lot shall have an interior heated floor area (Whether single-level or split) of at least 2500 Square Feet, said minimum interior heated floor area to be exclusive of all areas within open porches, breezeways, garages, and accessory buildings; provided however, that a one and one-half (1-1/2) or two (2) story dwelling may have a minimum interior heated ground floor area of 1,800 Square Feet if such one and one-half (1-1/2) or a two (2) story dwelling shall have a total interior heated floor area (Exclusive of open porches, breezeways, garages and accessory buildings) of at least 2500 Square Feet. It is expressly understood that any square footage within a house must be at least eighty-five percent (85%) completed upon the completion of the structure. In no event shall any builder or any homeowner finish a structure and obtain a Certificate of Occupancy with less than eighty-five percent (85%) of the area under roof in a finished condition with heating and air conditioning, floor coverings, wall coverings, appliances and

complete in all respects. Also, in any event, at least 2,500 square feet must be one hundred percent (100%) finished.

3. An "Architectural Committee" is hereby established. The initial committee shall consist of Robert Reynolds, Sr., Gail Reynolds, and a third person to be named by Developer who shall serve for a period of five years. Upon the expiration of the five years or the earlier resignation of Robert Reynolds, Sr. or Gail Reynolds the "Southern Shores Homeowner's Association" shall then appoint the Architectural Committee, to be composed of three or more individual lot owners. The affirmative vote of a majority of the membership of the Architectural Committee shall be required to issue approval to any plans or specifications.
4. Prior to Construction of any improvement or structure of any kind, including without limitation, and dwelling, building, fence, wall, grading, parking and/or building additions, alterations, screen, enclosure, decorative building, landscaping, landscape device, playground or object or other improvement upon a lot in the Subdivision, the owner of the lot must submit a detailed set of preliminary plans to the "Architectural Committee" including but not limited to the following:
 - a.) A site plan of the Lot showing the location of the house with respect to said Lot and all structures, fences or barriers, as well as driveways and landscaping plans.
 - b.) A drainage plan with arrows showing direction of runoff must to be approved in writing by Developer prior to commencement of construction.
 - c.) A set of architectural plans, showing the exterior (including front, rear and side) elevations, kind, shape, height, & materials.

Specific architectural elements that must be reviewed by Developer are:

- i) Shutter size & shape – Shutters should be of similar shape and size to the adjacent window(s) so if hinged, the shutters would actually close to cover the window(s).
- ii) Column Materials – Columns over nine (9) feet in height must be of fiberglass construction unless otherwise approved by DEVELOPER in writing.
- iii) Column Size – Columns should be at least one (1) inch wide for each one (1) foot of height unless otherwise approved by DEVELOPER in writing.

The Architectural Committee will evaluate each application for total effect, including the manner in which the home-site is developed. This evaluation relates to matters of Judgment and Taste which cannot be reduced to a simple list of measurable criteria. It

is possible therefore, that a proposed improvement might meet individual criteria delineated in these covenants and still not receive approval, if in the sole judgment of the architectural committee, its overall aesthetic impact is unacceptable.

Approval of any such plans and specifications shall be final as to that lot only, and such approval may not be revoked or rescinded thereafter provided that the plans and specifications as approved and any condition(s) attached to any such approval have been adhered to and complied with in regard to all structures, fences, or barriers on and uses of the lot in question. No construction on any lot may be commenced without first obtaining said written approval of the architectural committee. Once written approval has been obtained, construction on the lot must generally conform to the approved plans.

5. Every single-family dwelling erected on any lot in the Subdivision shall be constructed of brick, masonry, Stone or other Developer approved siding materials. Each dwelling shall have an exterior of a minimum of 35% brick, stone, stucco, dryvit and/or material of like fashion (of different type & appearance than adjacent homes.) Any other exterior material shall be specifically approved in writing by the Developer. No outside walls may be constructed of imitation brick. All outside materials must be new except that used brick, stone or ornamental objects may be used if approved in writing by the Developer. No temporary residence or other temporary structure shall be placed on any lot. No mobile or modular homes or previously used dwelling or accessory building shall be placed in the Subdivision. No open foundations or unsightly methods of construction shall be permitted on any lot in the Subdivision.
6. No part of any dwelling or accessory building on any lot within the subdivision shall be located within 40 ft. of the front property line of the lot. Provided however, that if there is any conflict between such 40 foot minimum front setback line and any front setback line shown on the recorded plat of the lot, then such plat setback line shall control unless approved in writing by Developer. No part of any dwelling shall be located within 12 feet of the side or within 20 feet of the rear property line of any lot.
7. Roof Pitch of the front of any dwelling erected in the Subdivision shall be at least 12/12 unless approved in writing by Developer. Architectural Shingles or a material approved in writing by the Developer shall be used on any dwelling in the subdivision.
8. Every single-family dwelling erected in the Subdivision shall have a garage(s) which is/are fully enclosed and of sufficient size for at least Two (2) cars. It is the Developers intent that no main Two (2) car garage doors shall open to the street, however, due to some topography of lots a two car garage facing the street may be permitted.

An additional one-car garage facing the street with a decorative type door may be specifically approved in writing by Developer.

9. No single-family dwelling unit erected on any lot in the Subdivision shall exceed two and one-half stories in height (exclusive of basement).
10. All driveways shall be poured with washed or stamped/stained concrete or paver bricks or asphalt. The use of gravel is specifically prohibited, except as a base to the concrete drive.
11. All exterior windows of any dwelling erected in the Subdivision shall be of vinyl, vinyl clad or aluminum clad construction, or of material approved in writing by Developer.
12. "Owner" herein shall refer to the record owner, whether one or more persons or entities, of any affected lot, but excluding those having an interest in the affected lot merely as security for the performance of an obligation.
13. All lots in the Subdivision shall be used for private, residential purposes only; provided, however, the Developer shall have the right to continue to use all unsold lots in the Subdivision for agricultural purposes. Also the common area lots may be reserved for storage units as outlined hereafter.
14. No lot in the Subdivision shall be subdivided into smaller lots, however property lines may be moved provided the remaining lots meet all covenants and zoning requirements. A vacant lot may be used to access adjacent land for future development if specifically approved in writing by Developer.
15. Any lot sold by a Developer, shall be kept in good, neat condition until construction begins. Thereafter, the owner and contractor shall exercise care to maintain a neat appearance of the property during construction.
16. During the period of actual construction of a single family dwelling unit on a lot, the owner thereof shall require all primary and sub-contractors and other workmen furnishing services or material to the premises to keep both the lot under construction and other lots reasonably free of trash, silt and other construction debris. Construction debris shall not be permitted to remain upon any Lot. If the Developer is fined or forced to clean up the street, the owner/contractor responsible shall reimburse the Developer for all related costs.
17. Any damage caused by construction to any adjacent Lot or common area is the responsibility of the Homebuilder / Lot Owner that is doing the construction.
18. Construction of any single family dwelling erected on any lot in the Subdivision shall be complete within twelve (12) months of the beginning of construction of said dwelling.

19. In the event any lot owner shall construct any improvements on any lot without first obtaining the prior written consent of the Developer or other such consents as required by law, or any lot/home owner violates any of these recorded restrictions, said Owner shall be liable to the Developer for a liquidated damages penalty in the amount of \$3000.00, plus the reasonable attorney's fee and all costs of enforcement. Nothing herein contained is intended to serve as a waiver of the undersigned or any other lot owner's rights to require full compliance with these restrictions and payment of such penalty shall not relieve said lot owner from compliance with these restrictions.
20. A Homeowners Association for Southern Shores Subdivision shall exist to provide for maintenance and general upkeep of the entrance (landscaping, fence, mowing, utilities, maintenance, etc.) any commons areas, private streets and ornamental street signs. Each lot owner in the subdivision shall be responsible for their lot(s) pro-rata share of the dues, fees and charges necessary to maintain the Association, and areas mentioned above. Each lot owner shall be entitled to one vote per lot and shall automatically be a member of the Homeowners Association and subject to its bylaws, whether or not the lot owner voted for the establishment of the Association.
21. Each Lot owner shall maintain the exterior of all buildings and improvements on his Lot in a good and workmanlike manner and shall present a neat and clean appearance upon the Lot including painting, repairing, replacing and caring for: roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, and other exterior improvements and shall do nothing on a lot that renders it unattractive, unsightly, or a nuisance to the Subdivision.

If the Developer feels existing and/or future home sales could be affected by such conditions, offending lot owner(s) will be notified by the Developer of any violation and/or fines, and given 30 days written notice to correct said nuisance, thereby avoiding said monetary penalty.

22. **ALL FENCING MUST BE APPROVED IN WRITING BY DEVELOPER.** No fence will be allowed beyond the front setback line of any lot (or beyond the front of the house). No fence on any corner lot shall extend past the minimum side setback requirement of either street (or beyond the house). Chain link fences and stockade wooden fences with the "exposed rails and 4x4's" visible from the street are expressly prohibited. All wood fencing requiring stain will be stained with one of the two colors selected by the Developer.
23. Each property owner shall at his sole expense, obtain and erect an ornamental "Southern Shores" iron mail box in accordance with the type, model and specifications approved by the Developer and no mail box or receptacle of any other type will be allowed. (Currently Jackson Welding & Ornamental Iron furnishes all required mailboxes).

24. No building shall be erected, altered, placed or permitted to remain on any lot other than one (1) single family dwelling unit and other buildings or structures customarily used as "outbuildings" for a single family dwelling unit, and which are, additionally, of a permanent nature, of similar design and construction to the single-family dwelling unit and are specifically approved in writing by Developer.
25. The total ground area occupied by a dwelling and accessory building(s) on any lot shall not exceed 30% of the total area of the lot.
26. Any television satellite receiver larger than 18 inches in diameter, shall be located in the rear yard of the lot within a stockade fence. Direct TV type dishes (18" diameter) may not be mounted on the front or sides of the house where they are visible from the street.
27. No security lights of size or design similar to streetlights shall be erected on any lot in the Subdivision, nor shall any security lights shine directly at an adjacent lot.
28. All swimming pools must be approved for:
 - a) Location (they are not allowed in drainage or utility easements)
 - b) where the removed dirt will be hauled or placed
 - c) The drainage away from the pool deck (and how it affects neighbors)
 - d) The elevation of said pool & deck as to how it will affect neighboring yards
 - e) NO ABOVE GROUND POOLS, whether temporary or permanent, shall be placed on any lot in the Subdivision.
29. No trash containers will be permitted unless they are screened by fencing or shrubbery from public view. All trash and refuse shall be disposed of as allowed and permitted by local laws and ordinances.
30. No trailers, boats, motorcycles, ATV, campers, or related types of vehicles or instrumentalities, shall be permitted on any lot in the subdivision, unless stored at all times within a stockade fence, an enclosed garage or other permanent accessory building otherwise permitted under these restrictions. There shall be no parking on street.
31. No commercial vehicles larger than a pickup truck shall be allowed on, or in front of, any lot in the Subdivision unless same is maintained within an enclosed garage. Nothing herein contained is intended to prohibit commercial vehicle access to any lot within the subdivision for purposes of rendering commercial services for the benefit of such lot owner. No inoperable, for sale, or damaged vehicle(s) shall be parked or maintained on, or in front of any lot, unless said vehicle is within an enclosed garage area.

32. No noxious or offensive trade or activity shall be carried on upon any lot nor shall anything be done which may be or become an annoyance or nuisance to the Subdivision or other lot owners.
33. No fowl, livestock, or other animals, except such customarily domesticated animals as dogs and cats, shall be kept stabled or penned on any lot or brought onto any lot, and all such animals must be confined on said lot in accordance with local ordinances and state laws.
34. All electrical service lines, telephone lines and cable TV lines shall be located underground. The owners of the lot over which telephone lines, etc., are to be placed shall be responsible for the cost of labor and materials in placing such lines underground from the street to the dwelling located on the lot. To the extent that the Developer shall furnish or otherwise construct utilities, or future utility services, easements for same shall not be unreasonably withheld by any lot owner.
35. No portion of any Lot shall be used as a drying or hanging area for laundry of any kind unless screened from the view of neighboring Owners and from the street.
36. Any heating or cooling system for a structure on any lot which is of a type that uses a water source heat pump, or similar device, must drain into a dry well and meet all governing authority's regulations pertaining to same. No window air conditioning unit shall be installed in any of the Dwelling Units.
37. "For sale by Owner" signs and signs of similar size and nature must be specifically approved in writing by Developer. (We require 18" x 24" metal or similar type signs in a steel frame custom made by a sign shop.)
38. If any owner of a lot shall violate or attempt to violate any of the restrictions or covenants herein contained, it shall be lawful for any person owning a lot within the Subdivision to prosecute such proceedings at law or in equity against the person or persons violating or attempting to violate said restrictions, either to prevent such violations or to recover damages thereof, or both. In the event the Developer or a lot owner shall employ the services of an attorney to enforce any covenant or restriction herein contained, the non-complying lot owner shall be liable for all costs, expenses and attorney's fees incurred by such Developer or lot owner, in order to enforce these covenants and restrictions. Invalidation of any one or more of these restrictions or covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.
39. All boat slips must be approved by Carroll County Water Shed Authority and the Developer and will be subject to fees imposed by the Carroll County Water Shed Authority or any other governmental agency which might impose a fee. The Lot Owners will be responsible to endure that any boat slips continue to meet all requirements of the Developer and/or the Carroll County Water Shed Authority and

in the event a boat slip falls into disrepair or does not continue to meet these standards it must be removed at the lot owner's expense.

40. Lots One Hundred One (101), One Hundred Two (102) and the front entrance is considered a common area as shown on the plat and will be conveyed to the Homeowners Association upon its formation. Each lot owner will have the option of constructing a Developer approved Boat Storage Unit on the common areas known as Lots One Hundred One (101) and One Hundred Two (102). These storage units will be uniform and of a character that does not detract from the subdivision. The Developer has an approved set of plans for both storage units and all units must meet or exceed those requirements. In the event a Lot owner decides to build a storage unit on the common area, the cost and expense of that particular storage unit shall be incurred by the Lot Owner at the time that unit is erected. The Developer reserves the option of erecting additional storage units on the property that maybe available to other Lot Owners for their purchase. When a storage unit is completed, that particular unit may be dedicated to a certain subdivision lot. That Lot Owner shall have the right to the exclusive use of that particular storage unit and the right to use that storage unit will be an item that can be transferred to a new purchase of the subdivision lot. However, ownership of the fee simple land for lots One Hundred One (101) and One Hundred Two (102) remains in the Home Owners Association as common area. The individual Lot Owners only have a right to use their designated storage unit that continues so long as the appropriate special assessments are paid by the individual lot owner possessing that right. Lot Owners who choose to participate in this option will have a special assessment to cover the maintenance and upkeep of these units, initially by the Developer and thereafter by the Homeowners Association. The units will be maintained by the Homeowners Association through this special assessment as needed. In the event a lot owner fails to timely pay this special assessment, the Homeowners Association reserves the right to remove that storage unit from the common area and dispose of it without any further accounting to the lot owner.
41. These restrictive covenants may be amended at any time with a vote of 80% of the lots each lot representing one vote.
42. The Developer has the absolute right to waive or release a lot from a particular restriction or covenant, if in the Developers' sole judgment, such a waiver or release is necessary and will not materially damage or diminish the Subdivision. Developer shall have the right to execute or grant such a release or waiver in writing in recordable form.
43. The Developer has no obligation to enforce the Restrictive Covenants, or maintain entrances or other areas in the subdivision after the Homeowners Association has assumed responsibility for those items. The Developer and/or any lot owner has the right to enforce the Restrictive Covenants, but no party has the obligation to enforce the Restrictive Covenants.

44. Upon the sale of any lot in Southern Shores where construction has not immediately begun, the Developer shall require the lot owner to place \$750.00 per year in advance, into the Development account, which will be used for mowing and/or bush hogging of that individual lot until construction has begun. The estimated cost of mowing and/or bush hogging each lot is an estimated \$100.00 per event. Any unused portion will be returned to the Buyer per calendar year and the lot owner will be responsible for any overages. This fee will run on an annual basis with a due date of January 1. It is anticipated that the Developer at its sole option may turn this obligation and requirement over to the Homeowners Association when it begins operation, but it will be an express requirement that the Homeowners Association continue this practice until all lots in the development are improved. In the event any lot owner fails to contribute this \$750.00 annual fee on a vacant lot, the Developer shall have the right to impose a \$100 late penalty if the fee is not paid within 15 days of the written demand. Thereafter, the Developer shall be entitled to all costs of collection against the lot owner, personally and individually, including, but not limited to a reasonable attorneys' fee.

The foregoing restrictions and reservations shall constitute covenants running with the land and shall bind all purchasers (or owners) of such lots in SOUTHERN SHORES, their heirs, successors and assigns, and all persons claiming under them, for a period of thirty (30) years from the date of recording of this instrument, after which time such restrictive covenants shall automatically be extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots providing for a change of such covenants in whole or in part or a cancellation thereof, is placed of public record in the Register's Office of Carroll County, Tennessee.

ARTICLE II

BY-LAWS OF HOMEOWNERS ASSOCIATION

1. **HOMEOWNERS ASSOCIATION:** All of the owners of lots in Southern Shores, as shown on the plat(s) to be recorded in the Register's Office of Carroll County, Tennessee, including any revisions or amendments to that plat, shall be members of the Association.

The Homeowners Association shall become effective upon the filing of the final plat in the Register's Office of Carroll County, Tennessee or upon written notice by the Developer to the lot owners, and every individual lot owner as of that date shall be a member of the Association and responsible for Homeowners Association dues from that time forward. However, the Developer and his remaining lots, except for any lot which is Developers Personal residence, are exempt from Homeowners dues and obligations until May 1, 2015 or at the sale of ten lots, at which time all lots regardless of ownership are subject to

Homeowners Association dues. Each lot owner shall have one vote per lot at the Howe Owner's Association meeting.

The purpose of the Association is to administer on a non-profit basis and through a Board of Directors, to elect the Board of Directors; to amend and supplement from time to time these By-Laws and the system of Administration; 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. The Association shall be responsible of the maintenance of the common areas of the Subdivision and may take any action to enhance the value of the Subdivision in general.

2. MEETINGS AND VOTING RIGHTS OF MEMBERS:

- a) Eligibility. The owner or owners of a lot, who have become such in compliance with all the requirements and conditions contained in the Declaration of Covenants, Conditions and Restrictions, including these By-Laws and corporate Charter for the Southern Shores Homeowners Association, Inc., shall be entitled to attend and vote at all meetings of the Association. The Developer shall be considered the owner of each lot which is unsold by him.
- b) Voting Rights. The owner or owners of a lot shall be entitled to one vote at all meetings of the Association. Where two or more persons own a lot, the vote allocated to that lot shall be cast by one authorized by such two or more owners, and in the event of failure of such authorization, no vote shall be recorded for that lot. Where only one of two or more owners of a lot is present in person at a meeting, such one shall be presumed to be authorized by all owners of said lot and shall be entitled to cast the vote with respect to that lot. Where one person or group of persons owns more than one lot, such person or group shall be entitled to cast one vote for each lot owned.
- c) Corporation as Owner. In the event a partnership, trustee, corporation or other entity owns a lot or lots, after having complied with all conditions contained in the Declaration, including these By-Laws, the vote of such may be cast by a partner, trustee or officer of the same or by any person authorized in writing by a partner, trustee or officer thereof, to represent the same.
- d) Proxies Votes may be cast in person or by proxy. Proxies, to be valid, shall be in writing for the particular meeting designated therein and any adjournments thereof and shall be filed with the secretary of the meeting prior to the meeting.
- e) Annual Meeting. The annual meeting of the Association shall be held at 7:00 p.m. on the first Monday in February of each year beginning when

the Restrictions call for the Owners to assume the responsibility for the common areas or at such time as the Developer notifies the Lot owners to form the Association, whichever event occurs first, for the purpose of electing a Board of Directors and of transacting any other business authorized to be transacted by the members; provided however that if such day is a legal holiday, then the meeting shall be held at the same hour on the next following day.

- f) Special Meetings. Special meetings of the Association shall be held whenever called by the President and Secretary of the Board of Directors, by a majority of the Board of Directors or by written request of one-third (1/3) of the entire members of owners. When a special meeting is so called, the Secretary shall mail or deliver written notice of the meeting to all owners.
- g) Notice. Notice shall be given to all owners of meetings stating the time, place and purpose for which the meeting is called. Such notice shall be in writing and shall be mailed or delivered to each member at his address as it appears on the books of the Association, or may be mailed or delivered to his lot not less than ten (10) days nor more than thirty (30) days before the meeting. Proof of such mailing or delivery may be given by the written statement of the Secretary or other person giving the notice. Notice of a meeting may be waived before, at or after the meeting.
- h) Quorum. A quorum at any meeting of the Association shall consist of persons entitled to cast at least a majority of the votes of the entire number of lot owners. The affirmative vote of a majority of owners present, being more than fifty per cent (50%) of the total number of lots in attendance, is required to adopt any resolution, elect any director, make any decision or take any action; except that these By-Laws and the system of administration may be modified only in the manner hereinafter set forth.
- i) Presiding Officer. The President of the Board of Directors shall preside over all Association meetings; and the Secretary of the Board of Directors shall take and keep the Minutes and Minute Books of all Association meetings, wherein adopted resolutions shall be recorded, and shall serve as Secretary at such meetings.
- j) Amendments. The Association may, at any duly called, held and convened meetings, modify or amend the system of administration of Southern Shores, and these By-Laws for the administration of Southern Shores, by the affirmative vote of owners representing at least Seventy-five Percent (75%) of the total lots in Southern Shores. The said system of administration and these By-Laws, however, may be only amended in such manner that all of the provisions required by the code of Tennessee to be within the contents of the By-Laws shall always be embodied in the

By-Laws. No such modification or amendment of a system of administration or of these By-Laws shall be operative unless and until it is embodied in a written instrument and is recorded in the Register's Office of Carroll County, Tennessee, in the same manner as was the Declaration and these original By-Laws which are a part of the said Declaration.

3. **BOARD OF DIRECTORS:** The administration of Southern Shores, its business affairs and of the general common elements herein shall be vested in its Board of Directors, which shall consist of not less than three (3) nor more than seven (7) persons. Except for the initial members of the Board of Directors, each member of the Board of Directors shall be either the owner of a lot or of an interest therein, or, in the event of ownership of a lot by a partnership, trustee, corporation or other entity, a partner, trustee, officer or other designated representative thereof.
 - a) **Election of Directors.** The Association shall, at its annual meeting, elect the Board of Directors. Each owner or owners of a lot shall be entitled to one vote per lot for each of the Directors to be elected, with cumulative voting not permitted. A majority of those voting shall be necessary for the election of a Director. Each owner or owners of a lot, on each ballot, is required to cast his vote for as many persons as there are Directors to be elected. In the event a sufficient number of persons fails to receive a majority of votes, additional votes will be taken with the name of the person receiving the lowest number of votes being dropped after each ballot, until a sufficient number of Directors is elected.
 - b) **Vacancies.** Vacancies in the Board of Directors may be filled until the date of the next annual meeting by the remaining Directors.
 - c) **Term.** The term of each Director's service shall be until the next annual meeting of the Association and thereafter until his successor is duly elected by the Association and qualified or until he is removed in the manner elsewhere provided.
 - d) **Organization Meeting.** The organization meeting of a newly elected Board of Directors shall be held within three (3) weeks of their election at such place and time as shall be fixed by the Directors at the meeting at which they are elected, and no further notice of the organization meeting shall be necessary, providing a quorum shall be present.
 - e) **Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Board. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph at least five (5) days prior to the day named for such meeting unless notice is waived.

- f) Special Meetings. Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of a majority of the members of the Board. Not less than five (5) days notice of the meeting shall be given, personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.
- g) Waiver of Notice. Any Director may waive notice of a meeting before, at or after the meeting before, at or after the meeting, and such waiver shall be deemed as equivalent to the giving of notice.
- h) Quorum. A quorum at Directors' meetings shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors except as specifically otherwise provided in the Declaration or elsewhere in these By-Laws. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At an adjourned meeting, any business which might have to be transacted at the original called meeting, may be transacted at the adjourned meeting without further notice.
- i) Presiding Officer. The President of the Board of Directors shall preside at all meetings of the Board; the Secretary of the Board shall serve as Secretary of all meetings of the Board. In the absence of either, the Board shall designate one of their number to preside or to serve as Secretary as the case may be.
- j) Compensation. No compensation shall be paid to any member of the Board or to any officer for service as such, unless approved by a majority of owners. Any member of the Board or any officer may be reimbursed for expenses actually incurred by him, upon approval of the Board.
- k) Removal. Any member of the Board may be removed and relieved of duty as such by the vote of the owners representing a majority of the total of lots at any regular or special meeting duly called and convened of the Association. The vacancy created by such removal may be filled by the Association at the meeting at which such Director was removed.

4. OFFICERS: The Board of Directors shall elect, from its members:

- a) A President, who shall be the chief administrative officer of the Board; shall execute contracts and agreements in the name and behalf of the Board when directed by the Board; shall preside at all meetings and shall perform such other duties as the chief administrative officer as the Board, may, from time to time, direct;

- b) A Vice President; who shall, in the absence or disability of the President, preside at all meetings and perform all duties of the President;
- c) A Secretary/Treasurer, who shall keep the Minutes of all meetings and proceedings of the Association, and of the Board of Directors. He shall attend to the giving and serving of all notice to the owners of meetings and to the Directors at meetings of the Board of Directors. He shall keep all other records of the Association and of the Board. An Assistant Secretary may also be elected to perform the duties of the Secretary when the Secretary is absent and who shall have the custody of all property of the Board, including funds, securities, evidences of indebtedness, books, assessment rolls and accounts of the owners. He shall keep the books in accordance with good accounting practice and shall perform all other duties incident to the office of the Treasurer.

No compensation shall be paid to any Director or Officer for services as such, except upon approval by a majority of the owners. This provision shall not preclude, however, the Board of Directors from employing an officer or administrator as an employee of the Association, such as manager or as bookkeeper, auditor, attorney or the like.

All moneys and funds of the Board of Directors shall be deposited in such bank or banks as may be designated from time to time by the Board of Directors. Withdrawals of moneys from such accounts in banks shall be only by checks or drafts signed by such persons or as are authorized by the Board of Directors. At least two signatures are required for the signature of any check or draft.

Roberts Rule of Order (latest edition) shall govern the conduct of meetings of the Association and of the Board of Directors, subject to any paramount provisions of the statutes of Tennessee and provisions of the Declaration including these By-Laws.

5. **POWERS OF THE BOARD OF DIRECTORS:** In addition to the rights, powers and duties conferred upon the Board of Directors by the Declaration, the laws of Tennessee and by other provisions of these By-Laws and without in otherwise limiting the same, the Board of Directors 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 purchased lot or purchased leasehold interest pursuant to the powers herein above conferred as trustee for the use and benefit of the owners of the lots:
 - b) To recommend assessments against members to defray the costs of the Association, including, without limitation, all costs and expenses of

maintaining, repairing, replacing, improving, altering, operating and administering the roofs and exteriors of the improvements on the common elements and the perimeter wall and any service to be provided to the Declaration, and of engaging all necessary services and employees therefore; approval of assessments shall be governed by Article V of the Declaration of Covenants:

- c) To use the proceeds of assessments in the exercise of its powers and duties;
- d) To oversee the maintenance, repair, replacement, operation and administration of the exteriors of the improvements of the common elements and any services to be provided to the individual lots pursuant to the Declaration;
- e) To oversee the reconstruction of improvements after casualty and the further improvement of the property, including buildings and common elements;
- f) To make and amend regulations respecting the use of the property, including the building and common elements;
- g) To enforce by legal means, or otherwise, the provisions, of the Declaration, including and By-Laws and the regulations for the use of the property;
- h) To contract for the management of the Association and to delegate to a manager the management duties of the Board of Directors, to be performed by such manager under supervision of the Board of Directors, should such be necessary and desirable;
- i) To pay any taxes and assessments which are liens against any part of the property other than individual lots and the appurtenances thereto and to assess the same against the lot subject to such liens; to oppose the levying of any such taxes;
- j) To carry insurance for the protection of lot owners and the Board of Directors against casualty and liabilities;
- k) To pay the cost of all power, water, sewer and other utility services rendered to the Association and not billed to owners of individual lots; and
- l) To employ personnel for reasonable compensation to perform the services required for proper administration of the Association, including without limitation, auditors, attorneys, bookkeepers and managers.

6. OTHER PROVISIONS: Members of the Association shall be entitled to cast one (1) vote for each lot owned by them. Developer shall be entitled to five (5) votes for each lot owned and unsold.

7. INDEMNIFICATION: The Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action or in the right of the Association) by reason of the fact that he is or was a Director or officer of Southern Shores, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of Southern Shores, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption believed to be in, or not opposed to, the best interests of Southern Shores, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

No indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable of negligence or misconduct in the performance of his duty to Southern Shores, unless and only to the extent that the Chancery Court of Carroll County, Tennessee, or the Court in which such action or suit was brought, shall determine upon application that, despite the adjudication of liability but in view of all circumstances such expenses which the Court shall deem proper. To the extent that a Director or officer of Southern Shores has been successful on the merits or otherwise in defense of any action, suit or proceedings referred to in this article, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Any indemnification under this Article (unless ordered by a Court) shall be made only as authorized in the specific case upon a determination that indemnification of the Director or Officer is proper in the circumstances because he has met the applicable standard of conduct set forth herein. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who are not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or even if obtainable a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by the Association.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by Southern Shores, in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon a secured receipt of an undertaking by or on behalf of the Director or officer to

repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized herein.

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeding indemnification may be entitled under any By-Law, agreement, vote of Association or disinterested Directors or otherwise both as to an action in his official capacity and as to an action in another capacity while holding office, shall continue as to a person who has ceased to be a Director or officer, and shall inure to the benefit of the heirs, executors and administrators of such a person

8. CONSTRUCTION: These By-Laws are intended to be read in conjunction with the Declaration, and if there is any conflict between the By-Laws and the Declaration, the Declaration shall control.

ARTICLE III

EASEMENTS AND COMMON AREAS

1. EASEMENTS FOR UTILITIES, LAKE MAINTENANCE AND RELATED PURPOSES: The Association if authorized and empowered to grant (and shall from time to time grant) such licenses, easements and/or right-of-way for sewer lines, electrical cables, telephone and other communication cables, internal and external wiring and antennas, gas lines, storm drains, underground conduits and/or such other purposes related to the provision of public utilities and other common services to the Residential Community as may be considered necessary appropriate or desirable by the Board of Directors for the orderly maintenance, preservation of the health, safety, convenience and/or welfare of the Owners of the Lot and the Developer.
2. GENERAL EASEMENT: The Developer, so long as it shall retain record title to any Lot or the Common Areas, and the Association, reserve the right and easement to the use of the Common Areas and any Lot or any portion thereof, as may be needed for repair, maintenance, or construction on such Lot or any other Lot or the Common Areas.
3. ENCROACHMENTS: Each lot and the dwelling located thereon and the property included in the Common Area shall be subject to an easement of encroachments created by construction, reconstruction, repair, shifting movement, settling and overhangs as designed or constructed by the Developer. A valid easement for said encroachments and for the maintenance of same, so long as it stands, shall and does exist.

4. **INGRESS AND EGRESS:** There is hereby created a blanket easement upon, across, over and under all of said property for ingress, egress, installation, replacing, repairing, and maintaining all phones and electricity. By virtue of this easement, it shall be expressly permissible for the providing electrical and/or telephone company to construct and maintain the necessary underground lines and other necessary equipment on said property and to affix and maintain electrical and/or telephone wires, circuits, and conduits on, above, across, and under the roofs and exterior walls for said dwellings. An easement is further granted to all police, fire protection, ambulance, and all similar persons to enter upon the street and Common Area in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees and to any management company selected by the Association to enter in or to cross over the Common Area and any lots to perform the duties of maintenance and repair of the dwelling or Common Area provided for herein.

Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, Developer shall have the right to grant such easement on said property without conflicting with the terms hereof. The easements provided for in this Article shall in no way affect any other recorded easement on said premises.

5. **ENTRANCE WAY, GATE PRIVATE ROAD, WALKWAYS, DETENTION/RETENTION LAKES AND ANY OTHER COMMON AREAS:** The Developer has constructed Entranceway and Wall, Gate, Private Roads, etc. which is shown on the Final Plat of Southern Shores. After May 1, 2015 or upon the sale of 10 lots in the Subdivision, the Property Owners Association shall have the obligation for the general upkeep and maintenance of these items, for normal wear and tear. In the event any damage is caused to these items by an individual lot owner, his or her residents, guests, or invites, the cost of the repair for the damage shall be the sole responsibility of the individual lot owner. In the event the lot owner does not make the required repair the Property Owners Association have the right to make the repairs it deems necessary and to charge those repairs to the individual lot owner responsible and collect it in accordance with the by-laws of the Association. The Developer shall also have the right to establish other common areas by Declaration on the Final Plat(s).

ARTICLE IV

EFFECTIVE DATE

The foregoing restrictions and reservations shall constitute covenants running with the land and shall bind all purchasers (or owners) of such lots in SOUTHERN SHORES their heirs, successors and assigns, and all persons claiming under them, for a period of thirty (30) years

from the date of recording of this instrument; after which time such restrictive covenants shall automatically be extended for successive periods of ten (10) years, unless an instrument signed by a majority of the then owners of the lots providing for a change of such covenants in whole or in part or a cancellation thereof, is placed of public record in the Register's Office of Carroll County, Tennessee. These Covenants, Conditions and Restrictions, along with the attached By-laws become effective upon the recording of this document in the Register's Office of Carroll County, Tennessee.

ARTICLE V

LEGAL DESCRIPTION SOUTHERN SHORES

BEING Lots One Hundred One (101), One Hundred Two (102), One Hundred Three (103), One Hundred Four (104), One Hundred Five (105), One Hundred Six (106), One Hundred Seven (107), One Hundred Eight (108), One Hundred Nine (109), One Hundred Ten (110), One Hundred Eleven (111), One Hundred Twelve (112), One Hundred Thirteen (113), One Hundred Fourteen (114), One Hundred Fifteen (115), One Hundred Sixteen (116), One Hundred Seventeen (117), One Hundred Eighteen (118), One Hundred Nineteen (119) and One Hundred Twenty (120), of Southern Shores Subdivision a final plat of which appears of record in Plat Book 4 at page 614 in the Register's Office of Carroll County, Tennessee.

Slide 275B

IN WITNESS WHEREOF, the undersigned has caused the execution of these Restrictive Covenants on this the 30 day of May, 2014.



Robert Reynolds



Gail Reynolds

STATE OF TENNESSEE)
COUNTY OF MADISON)

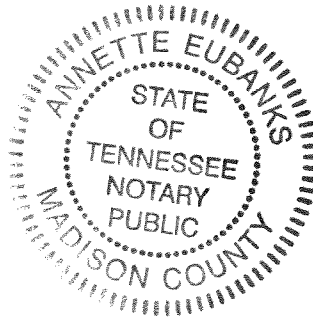
Personally appeared before me, the undersigned Notary Public, in and for the aforesaid County and State, the within named Robert Reynolds and wife, Gail Reynolds with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, acknowledged that they executed the foregoing instrument for the purposes therein contained and as their free act and deed.

WITNESS MY HAND and Official Seal, this the 30 day of May, 2014.

Annette Eubanks
Notary Public

My Commission Expires:

5-30-2017



Natalie M. Porter, Register
Carroll County Tennessee
Rec #: 148079
Rec'd: 105.00
State: 0.00
Clerk: 0.00
Other: 2.00
Total: 107.00
Instrument #: 156024
Recorded
6/2/2014 at 3:10 PM
in Warranty Deed Book
366
Pgs 262-282