

DECLARATION OF COVENANTS AND RESTRICTIONS

OF

STEVE HALL
REGISTER OF DEEDS
KNOX COUNTY

McFEE MANOR

This Declaration of Covenants and Restrictions is made and entered into as of August 7th, 2003, by Saddlebrook, Inc., a Tennessee corporation ("Developer").

Developer is the owner of certain real property located in Knox County, Tennessee as more particularly described as follows (the "Property") and which it desires to subdivide into a subdivision to be known as McFee Manor Subdivision (the "Subdivision"):

McFEE MANOR SUBDIVISION:

SITUATED, LYING and BEING in the Sixth (6th) Civil District of Knox County, Tennessee and within the corporate limits of the Town of Farragut, property more particularly bounded and described as follows:

BEGINNING on an iron pin found in the southwestern right-of-way of McFee Road (40 feet from centerline) 281.0 feet southeast of the southeastern right-of-way of Allen Kirby Road, corner common to Tract 2 of Fred W. Jones; thence leaving Jones and with the southwestern right-of-way of McFee Road, South 32 degrees 35 minutes East, 249.78 feet to an iron pin found, corner common to Ross; thence leaving the southwestern right-of-way of McFee Road and with Ross the following two (2) calls: South 58 degrees 14 minutes West, 287.17 feet to an iron pin found; thence South 32 degrees 38 minutes East, 142.95 feet to an iron pin found, corner common to Virtue Cumberland Presbyterian Church; thence leaving Ross and with Virtue Cumberland Presbyterian Church, South 32 degrees 47 minutes East, 144.31 feet to an iron pipe found, corner common to Schubert; thence leaving Virtue Cumberland Presbyterian Church and with Schubert the following two (2) calls: South 58 degrees 42 minutes West, 838.72 feet to an axle found; thence South 58 degrees 39 minutes West, 628.89 feet to an angle iron found, corner common to Field; thence leaving Schubert and with Field, North 32 degrees 02 minutes West, 815.45 feet to an iron pin found in the southeastern right-of-way of Allen Kirby Road (30 feet from centerline); thence leaving Field and with the southeastern right-of-way of Allen Kirby Road, North 58 degrees 42 minutes East, 415.52 feet to an iron pin found, corner common to Rodgers; thence leaving the southeastern right-of-way of Allen Kirby Road and with Rodgers the following two (2) calls: South 31 degrees 09 minutes East, 220.74 feet to an iron pin found; thence North



58 degrees 39 minutes East, 223.84 feet to a big bolt found, corner common to Tract 3 of Fred W. Jones; thence leaving Rodgers and with Jones, North 62 degrees 34 minutes East, 183.99 feet to an iron pin found, corner common to Quillen; thence leaving Jones and with Quillen the following two (2) calls: North 62 degrees 09 minutes East, 202.85 feet to an iron pin found; thence North 34 degrees 45 minutes West, 237.65 feet to an iron pin found in the southeastern right-of-way of Allen Kirby Road (30 feet from centerline); thence leaving Quillen and with the southeastern right-of-way of Allen Kirby Road, North 56 degrees 32 minutes East, 343.09 feet to an iron pin found, corner common to Tract 2 of Fred W. Jones; thence leaving the southeastern right-of-way of Allen Kirby Road and with Jones the following two (2) calls: South 41 degrees 09 minutes East, 285.33 feet to an iron pin found; thence North 58 degrees 36 minutes East, 350.44 feet to an iron pin found in the southwestern right-of-way of McFee Road, the POINT OF BEGINNING and containing 25.27 acres according to a survey by Batson, Himes, Norvell & Poe dated July 24, 2002 and bearing drawing number 23693-FP1 and 23693-FP2.

OPEN SPACE LOT 9:

SITUATED, LYING and BEING in the Sixth (6th) Civil District of Knox County, Tennessee and within the corporate limits of the Town of Farragut, property designated as all of Lot 9 McFee Manor Subdivision and being more particularly bounded and described as follows:

BEGINNING on an iron pin set in the southwestern right-of-way of Manor Station Lane (25 feet from centerline) 179.46 feet southeast of the centerline of Providence Glen Lane, corner common to Lots 9 & 10; thence leaving Lot 10 and with the southeastern right-of-way of Manor Station Lane with a curve to the right having a chord bearing South 20 degrees 10 minutes East, a chord distance 60.34 feet, an arc distance 60.52 feet and a 225.00 foot radius to an iron pin set; thence with a curve to the right having a chord bearing South 11 degrees 33 minutes West, a chord distance 61.03 feet, an arc distance 62.85 feet and a 75 foot radius to an iron pin set; thence with a curve to the left having a chord bearing South 08 degrees 31 minutes West, a chord distance 45.45 feet, an arc distance 47.18 and a 50 foot radius to an iron pin set, corner common to Lot 8; thence leaving the southeastern right-of-way of Manor Station Lane and with Lot 8 the following two (2) calls: South 18 degrees 48 minutes West, 129.37 feet to an iron pin set; thence South 32 degrees 45 minutes

East, 107.15 feet to an iron pin set, corner common to Schubert; thence leaving Lot 8 and with Schubert, South 58 degrees 42 minutes West, 226.99 feet to an iron pin set, corner common to Lot 15; thence leaving Schubert and with Lots 15 & 14, North 17 degrees 59 minutes East, 249.69 feet to an iron pin set; thence leaving Lot 14 and with Lot 13, North 03 degrees 45 minutes East, 91.00 feet to an iron pin set, corner common to Lot 12; thence leaving Lot 13 and with Lot 12, North 08 degrees 58 minutes East, 65.79 feet to an iron pin set, corner common to Lot 11; thence leaving Lot 12 and with Lot 11, North 03 degrees 24 minutes West, 48.10 feet to an iron pin set, corner common to Lot 10; thence leaving Lot 11 and with Lot 10, North 59 degrees 20 minutes East, 99.25 feet to an iron pin set in the southeastern right-of-way of Manor Station Lane, the POINT OF BEGINNING and containing 42,463 square feet according to a survey by Batson, Himes, Norvell & Poe dated July 24, 2002 and bearing drawing number 23693-FP1.

OPEN SPACE LOT 26:

SITUATED, LYING and BEING in the Sixth (6th) Civil District of Knox County, Tennessee and within the corporate limits of the Town of Farragut, property designated as all of Lot 26 McFee Manor Subdivision and being more particularly bounded and described as follows:

BEGINNING on iron pin set in the southwestern right-of-way of Providence Glen Lane (25 feet from centerline) 1,541.42 feet southwest of the centerline of Manor Station Lane, corner common to Lot 25 & 26; thence leaving the southwestern right-of-way of Providence Glen Lane and with Lot 25, South 58 degrees 00 minutes West, 150.20 feet to an iron pin set, corner common to Field; thence leaving Lot 25 and with Field, North 32 degrees 02 minutes West, 136.64 feet to an iron pin set, corner common to Lot 27; thence leaving Field and with Lot 27, North 58 degrees 00 minutes East, 150.30 feet to an iron pin set in the southwestern right-of-way of Providence Glen Lane; thence leaving Lot 27 and with the southwestern right-of-way of Providence Glen Lane, South 32 degrees 00 minutes East, 136.64 feet to an iron pin set, the POINT OF BEGINNING and containing 20,530 square feet according to a survey by Batson, Himes, Norvell & Poe dated July 24, 2002 and bearing drawing number 23693-FP2.

OPEN SPACE LOT 41:

SITUATED, LYING and BEING in the Sixth (6th) Civil District of Knox County, Tennessee and within the corporate limits of the Town of Farragut, property designated as all of Lot 41 McFee Manor Subdivision and being more particularly bounded and described as follows:

BEGINNING on an iron pin set in the northeastern right-of-way of Carriage Station Lane (25 feet from centerline) 141.57 feet northwest of the centerline of Providence Glen Lane, corner common to Lot 41 & 42; thence leaving Lot 42 and with the northeastern right-of-way of Carriage Station Lane the following two (2) calls: North 32 degrees 00 minutes West, 12.92 feet to an iron pin set; thence with a curve to the right having a chord bearing North 10 degrees 40 minutes West, a chord distance 54.55 feet, an arc distance 55.83 feet and a 75.00 foot radius to an iron pin set, corner common to Lot 40; thence leaving the northeastern right-of-way of Carriage Station Lane and with Lot 40 the following three (3) calls: North 57 degrees 06 minutes East, 65.36 feet to an iron pin set; thence North 28 degrees 40 minutes East, 99.13 feet to an iron pin set; thence North 62 degrees 24 minutes East, 59.73 feet to an iron pin set, corner common to Lot 44; thence leaving Lot 40 and with Lot 44, South 02 degrees 11 minutes West, 56.83 feet to an iron pin set, corner common to Lot 43; thence leaving Lot 44 and with Lot 43 South 10 degrees 55 minutes West, 84.27 feet to an iron pin set, corner common to Lot 42; thence South 58 degrees 00 minutes West, 141.85 feet to an iron pin set in the northeastern right-of-way of Carriage Station Lane, the POINT OF BEGINNING and containing 14,961 square feet according to a survey by Batson, Himes, Norvell & Poe dated July 24, 2002 and bearing drawing number 23693-FP2.

OPEN SPACE LOT 49:

SITUATED, LYING and BEING in the Sixth (6th) Civil District of Knox County, Tennessee and within the corporate limits of the Town of Farragut, property designated as all of Lot 49 McFee Manor Subdivision and being more particularly bounded and described as follows:

BEGINNING on iron pin set in the northwestern right-of-way of Providence Glen Lane (25 feet from centerline) 483.00 feet southwest of the southeastern right-of-way of McFee Road, corner common to Lot 49 & 50; thence leaving Lot 50 and with the northwestern right-of-way of

Providence Glen Lane, South 56 degrees 30 minutes West, 65.00 feet to an iron pin set, corner common to Lots 48 and 49; thence leaving the northwestern right-of-way of Providence Glen Lane and with Lot 48, North 33 degrees 30 minutes West, 155.00 feet to an iron pin set; thence continuing with Lot 48 and with Lot 47, South 56 degrees 30 minutes West, 197.46 feet to an iron pin set, corner common to Quillen; thence leaving Lot 47 and with Quillen, North 34 degrees 45 minutes West, 128.03 feet to an iron pin found in the southeastern right-of-way of Allen Kirby Road; thence leaving Quillen and with the southeastern right-of-way of Allen Kirby Road, North 56 degrees 32 minutes East, 343.09 feet to an iron pin found, corner common to Tract 2 of Fred W. Jones; thence leaving the southeastern right-of-way of Allen Kirby Road and with Jones, South 41 degrees 09 minutes East, 128.94 feet to an iron pin set, corner common to Lot 50; thence leaving Jones and with Lot 50 the following two (2) calls: South 56 degrees 30 minutes West, 95.00 feet to an iron pin set; thence South 33 degrees 30 minutes East, 155.00 feet to an iron pin set in the northwestern right-of-way of Providence Glen Lane, the POINT OF BEGINNING and containing 54,873 square feet according to a survey by Batson, Himes, Norvell & Poe dated July 24, 2002 and bearing drawing number 23693-FP1.

OPEN SPACE LOT 51:

SITUATED, LYING and BEING in the Sixth (6th) Civil District of Knox County, Tennessee and within the corporate limits of the Town of Farragut, property designated as all of Lot 51 McFee Manor Subdivision and being more particularly bounded and described as follows:

BEGINNING on an iron pin found in the southwestern right-of-way of McFee Road (40 feet from centerline) 281.0 feet southeast of the southeastern right-of-way of Allen Kirby Road, corner common to Tract 2 of Fred W. Jones; thence leaving Jones and with the southwestern right-of-way of McFee Road, South 32 degrees 35 minutes East, 59.39 feet to an iron pin set; thence leaving the southwestern right-of-way of McFee Road with a curve to the right having a chord bearing South 12 degrees 50 minutes West, a chord distance 35.61 feet, an arc distance 39.64 feet and a 25 foot radius to an iron pin set in the northwestern right-of-way of Providence Glen Lane (25 feet from centerline); thence with the northwestern right-of-way of Providence Glen Lane the following four (4) calls: South 58 degrees 15 minutes West, 25.44 feet to an iron pin set; thence with a curve to the right having a chord bearing South 70 degrees

38 minutes West, a chord distance 107.15 feet, an arc distance 107.99 feet and a 250.00 foot radius to an iron pin set; thence South 83 degrees 00 minutes West, 93.40 feet to an iron pin set; thence with a curve to the left having a chord bearing South 70 degrees 48 minutes West, a chord distance 114.11 feet, an arc distance 114.98 feet and a 269.93 foot radius to an iron pin found, corner common to Tract 2 of Fred W. Jones; thence leaving the northwestern right-of-way of Providence Glen Lane and with Jones, North 58 degrees 36 minutes East, 350.44 feet to an iron pin found in the southwestern right-of-way of McFee Road, the POINT OF BEGINNING and containing 16,831 square feet according to a survey by Batson, Himes, Norvell & Poe dated July 24, 2002 and bearing drawing number 23693-FP1.

Developer desires to provide for the preservation of the values in the Subdivision and for the maintenance of common facilities and, to this end, desires to subject the Property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Property and each owner thereof.

Developer has deemed it desirable to create an entity to which should be delegated and assigned the powers of maintaining and administering the community and facilities, administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created. In order to carry out such duties, Developer has incorporated under the laws of the State of Tennessee a non-profit corporation known as MCFEE MANOR HOMEOWNERS' ASSOCIATION, INC.

NOW, THEREFORE, the Developer declares that the Property and all Lots which are a part thereof are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I

DEFINITIONS

1.1 The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:



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"Association" shall mean and refer to the McFee Manor Homeowners' Association, Inc.

"Board of Directors" shall mean and refer to the Board of Directors of the Association.

"Common Area" shall mean and refer to those portions of the Property which shall be conveyed to the Association by the Developer and any improvements, recreation facilities or other items located on such portions of the Property and shall include the Lots designated as "Open Space" in the description of the Property, as well as any easements granted on other portions of the Property for the use and benefit of the Developer or the Association.

"Developer" shall mean Saddlebrook, Inc. and its successors and assigns.

"Directors" shall mean and refer to a Director of or Member of the Board of the Association.

"Lot" shall mean and refer to any plot of land shown upon any recorded subdivision of the Property with the exception of Common Area as heretofore defined.

"Member" shall mean and refer to all those Owners who are members of the Association as provided in Article II hereof.

"Owner" shall mean and refer to the owner, whether one or more persons or entities, of the fee simple title to any Lot but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

"Traditional Architecture" shall be defined as residential architecture categorized as Williamsburg, Cape Cod, American Colonial, Georgian, French Provincial, English Tudor, and all other Traditional single family residential architecture common in the United States and not typically referred to as "contemporary".

"Unit" shall mean and refer to any portion of a building situated upon the Property designed and intended for use and occupancy as a residence by a single family.

ARTICLE II

MEMBERSHIP, BOARD OF DIRECTORS, AND VOTING RIGHTS IN THE ASSOCIATION

2.1 Membership. Every person or entity who is the owner of a fee or undivided fee interest in any Lot shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of any obligation shall not be a Member. Membership shall commence on the date such person or entity becomes the owner of a fee or undivided fee interest in a Lot and shall expire upon the transfer, release or other conveyance of said ownership interest, other than a conveyance for security purposes.

2.2 Voting Rights. The Association shall have two classes of voting membership:

CLASS A. Class A members shall be all those owners as defined in Section 2.1 with the exception of the Developer. Class A members shall be entitled to one vote for each Lot in which they hold the interests required for membership by Section 2.1. When more than one person holds such interest or interests in any Lot, all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

CLASS B. The Class B member shall be the Developer, its successors and assigns. The Class B member shall be entitled to three votes for each Lot in which it holds the interest required for membership by Section 2.1. The Class B membership shall cease on the happening of either of the following events, whichever occurs earlier: (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or (b) on April 30, 2020.

If the Developer elects to add or annex additional Lots or property to the Subdivision as permitted hereafter, Developer shall have Class B membership in regard to such additional Lots or property on the same basis as outlined herein.

Said Class B membership shall be non-transferable except to transferees of Developer's remaining interest in the Property and shall remain in the Developer, its successor or assigns, until such time as Class B membership terminates as provided in this Section 2.2.



2.3 Votes Necessary for Action. Except as specifically provided herein, actions of the Association shall be effective only after a majority of the votes eligible to be cast by Members of each Class of Members approve said action.

2.4 Board of Directors. The Association shall be governed by a five (5) member Board of Directors to be elected annually by the Members. Three (3) members of the Board of Directors shall be elected by the Developer. Two (2) members shall be elected by Members (including the Developer) owning Lots in the Subdivision. The members of the Board of Directors need not be owners of a Lot in the Subdivision.

2.5 Maintenance of Common Area. Prior to the conveyance by the Developer of all of its right, title and interest in and to all of the tracts of Open Space, as designated in the description of the Property, to the Association, the Developer shall have the obligation to manage and maintain the Open Space. Once said Open Space has been conveyed and becomes Common Area, the Association shall have the obligation to manage and maintain said Open Space. The Association acting by and through its Board of Directors shall have the right to engage and employ such individuals, corporations or professional managers for the purpose of managing and maintaining the Common Area and performing such other duties as the Board of Directors shall from to time deem advisable in the management of the Association.

2.6 Insurance for Common Area. The Association shall obtain and maintain on the Common Area comprehensive general liability insurance in the amount of One Million Dollars (\$1,000,000) per claim for bodily injury, death and property damage. Such insurance policy shall name the Developer as an additional insured for so long as the Developer maintains any interest in the Subdivision and any Lot.

ARTICLE III

PROPERTY RIGHTS IN THE COMMON AREA

3.1 Members' Easements of Enjoyment. Subject to the provisions of Section 3.3, every Member shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every Lot.

3.2 Title to Common Area. The Developer shall retain the legal title to the Common Area until such time it, in its sole and exclusive discretion, shall convey the Common Area to the Association.

3.3 Extent of Members' Easements. The rights and easements of enjoyment in and to the Common Area created hereby shall be subject to the following:

- (a) any rules and regulations reasonably adopted by the Association.
- (b) the right of the Association to take reasonable action to protect and preserve the rights of the Association and the individual Members in and to the Common Area.
- (c) the right of the Association, as provided in its Articles and bylaws, to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of rules and regulations reasonably adopted by the Association.
- (d) the right of the Association to dedicate or transfer all or any part of the Common Area or areas to any public agency, authority, utility, municipality or other governmental entity for any reasonable purposes or the right of the Association to mortgage or convey the Common Area, and subject to such conditions as may be agreed upon by the Board of Directors of said Association; provided, however, that no such dedication or transfer, and the conditions and provisions incident thereto, shall be effective unless approved by at two-thirds of the votes eligible to be cast by the Members of each class of membership in the Association, with each class of Members voting as a class.
- (e) the rights of Members of the Association shall not be altered or restricted because of the location of the Common Area in a phase or portion of the Subdivision in which such Member is not a resident. Notwithstanding the phase or portion of the Subdivision in which the Lot is located, the Owners of such Lots shall be entitled to full use and enjoyment of all Common Area as provided herein.

3.4 Parking Rights. The Developer shall have the absolute authority to determine the manner of parking within the Property and the manner in which vehicles may be parked on any Lot. At such time as the Association obtains authority over the Common Area wherein said parking is situated, it shall have the absolute authority to regulate the maintenance and use of the same.



ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges determined in accordance with these Declarations; and (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments together with such interest thereon and costs of collection thereof as hereinafter provided shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made. Upon default in the payment of such assessments, the Association is authorized and entitled to record a notice of lien claim in the Register's Office for Knox County, Tennessee, and to foreclose that lien claim by attachment and sale of the property through appropriate legal proceedings. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation, jointly and severally, of the person who was the Owner of such property at the time when the assessment fell due. The Association may bring an action in court to recover such assessment, together with interest, costs and reasonable attorney fees, from each person who was an Owner of such Lot at the time when the assessment fell due, which action may be brought in lieu or in addition to the filing or foreclosure of the lien pursuant hereto. The personal obligation or the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

4.2 Purpose of Assessment. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, welfare and beautification of the Property and the Subdivision generally, and in particular for the improvement and maintenance of properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area and of the homes situated upon the Property, the improvement and maintenance of private streets in and upon the Property, and administrative costs related to all such items or purposes. Such uses shall include, without limitation, the payment of taxes and insurance thereon and repair, replacement, and addition thereto, and for the cost of utilities, labor, equipment, materials, management and supervision thereof, including all such costs relating to or arising out of any Recreation Equipment. The assessments shall not be specifically limited to the Common Area, but shall extend to and include the right and duty to maintain the accessways and the lighting, traffic signals and signs within or pertaining to the Subdivision, and any common easements and driveways.

The costs of operation and maintenance of private streets, street lights and lighting regardless of the location within the Subdivision and the proximity to the individual Lots shall be borne equally and prorated as to each Lot without regard of the ownership; it being the intent of this requirement to insure the safety, enjoyment and security of the entire Subdivision.

4.3 Annual Assessment. The Developer shall have the right to determine and set the annual assessment each year for a period of two (2) years from and after the establishment of the Association. The assessment shall be a sum reasonably necessary as deemed by the Developer to defray the expenses of the Association for such year and to otherwise satisfy the provisions of Section 4.2. From and after the expiration of the first year, the assessment may be adjusted upward or downward as herein provided.

4.4 Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 4.3 hereof, the Association may levy in any year a special assessment applicable to the time period set forth in such special assessment for the purpose of defraying in whole or in part the cost of any construction or reconstruction, repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, and any other matter as determined by the Association.

4.5 Change in Basis and Maximum of Annual Assessments. The Board may change the maximum annual assessment and basis of the assessment fixed by Section 4.3 hereof prospectively for any period provided that any such change shall have the assent of at least three Members of the Board of Directors.

4.6 Quorum for any Action Authorized Under Sections 4.4 and 4.5. The quorum required for any action authorized by Sections 4.4 and 4.5 hereof shall be as follows:

At the first meeting called as provided in Sections 4.4 and 4.5 hereof, the presence at the meeting of Members in person or by proxy entitled to cast fifty-one (51%) percent of all the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement and the required quorum at any such subsequent meeting shall be one-half of the required quorum at the preceding meeting provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.



4.7 Commencement of Annual Assessments. The first annual assessment shall become due and payable on the date of the first sale of the first Lot in the Subdivision. Thereafter as each person or entity becomes a member such new Members' assessment for the current year shall be a pro-rata part of the annual assessment and shall be due on the date such person or entity becomes a Member of the Association. Upon a person or entity's ceasing to be a Member of the Association, such Member shall not be entitled to any refund of his annual assessment.

It shall be the duty of the Board of Directors to notify each owner of any change in the annual assessment or any special assessment and the due date of such assessment. Any assessment not paid within ten (10) days after the due date (the first day after such ten (10) day period shall be referred to as the "delinquency date:") shall be delinquent. The requirement of notice shall be satisfied if such notice is given by regular deposit in the United States Mail to the last known address of each such owner.

The due date of any special assessment under Section 4.4 hereof shall be fixed in the resolution authorize such assessment.

4.8 Effect on Non-Payment of Assessment; the Personal Obligation of the Owner; the Lien; Remedies of Association. If any assessment is not paid prior to the delinquency date (as specified in Section 4.7 hereof), then such assessment shall become delinquent and shall, together with interest thereon and cost of collection, as hereinafter provided, become a continuing lien on the Owner's Lot which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns.

If the Assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, may foreclose the lien against the Owner's Lot, or may take both such actions, and there shall be added to the amount of such assessment reasonable attorneys fees, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorneys fees together with the costs of the action.

4.9 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Such sale or transfer shall



not relieve such property from liability for any assessments thereafter becoming due or from the lien of any such subsequent assessment. An assessment shall not be subordinate to a mortgage held by a prior owner who was the Owner at the time such assessment accrued.

4.10 Exempt Property. The following property to the extent it is subject to this Declaration, shall be exempted from the assessments, charge and lien created herein: (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local authority and devoted to public use; (b) all Common Area as defined in Article I, Section 1 hereof; (c) all properties exempt from taxation by the laws of the State of Tennessee or United States Government upon the terms and to the extent of such legal exemption.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

4.11 Assessment on Lots Owned by Developer. The Developer shall not pay or be liable for the amount of the annual or special assessments on any Lots owned by the Developer.

4.12 Books and Records. The books and records of the Association shall be kept in such a manner that is possible to determine and ascertain that (i) such sums are expended by the Association for development, improvements, maintenance and upkeep of all Common Area of the Association, and (ii) such sums are expended for the purposes set forth herein.

ARTICLE V

TERM

These covenants are to take effect immediately and shall be binding on all parties and all persons claiming under them until January 1, 2030, at which time said covenants shall be automatically extended for successive periods of ten years unless by vote of the majority of the then Owners of Lots it is agreed to change said covenants in whole or in part.

ARTICLE VI

ENFORCEMENT



If the parties hereto or any of their heirs and assigns shall violate or attempt to violate any of the covenants or restrictions herein, it shall be lawful for the Association or any Owner to prosecute any proceeding at law or in equity against the person or persons violating or attempting to violate any such covenants or restrictions and either to prevent him or them from so doing or to recover damages or other dues for such violation.

ARTICLE VII

SEVERABILITY

Invalidation of any one of these covenants by judgment or court order shall not in any way affect any of the other provisions, which shall remain in full force and effect.

ARTICLE VIII

BUILDING LOCATION

No building shall be located on any Lot nearer to the front boundary than 30 feet unless such requirement is waived by the Developer for so long as said Developer shall own any Lot in the Subdivision, and thereafter the Association which shall have exclusive jurisdiction and authority to permit or deny variances. As to all other front, rear and side set back requirements, the regulations of the applicable municipal zoning authority shall be controlling and said zoning authority shall have the exclusive authority to permit or deny variances as to rear and side set back requirements.

ARTICLE IX

DIVISION OF LOTS

Not more than one single family dwelling may be erected on any Lot and no Lot may be subdivided or reduced in size by any method such as voluntary alienation, partition, judicial sale, or other process of any kind except for the express purpose of increasing the size of another Lot; provided however, the Developer may subdivide or otherwise change the boundaries of any Lot.

ARTICLE X

MCFEE MANOR ADVISORY COMMITTEE

No building shall be erected, placed, altered (including, without limitation, any change of exterior color), or permitted to remain on any Lot until the building plans and specifications and a plan showing the location of a dwelling have been approved in writing by the McFee Manor Advisory Committee as to quality of workmanship and materials, harmony of exterior design with existing structures and as to location with respect to topography and finish grade level and elevation. The McFee Manor Advisory Committee shall be composed of three members appointed by the Developer. Members of the McFee Manor Advisory Committee need not be owners of a Lot in the Subdivision. A majority of the Committee may designate a representative to act for the Committee. In the event of the death or resignation of any member of the Committee, the Developer shall have the exclusive authority to designate a successor. In the event the said Committee or its designated representative fails to approve or disapprove such plans or specifications within twenty (20) days after the same have been submitted, as to the Lot for which such plans and specifications were submitted to it, such approval shall be implied and no longer required and this covenant will be deemed to have been fully complied with. Further, such plans must be left with the McFee Manor Advisory Committee during the period of construction after approval. If no suit to enjoin the construction has been filed prior to completion thereof, approval will not be required and the covenant shall be deemed to be fully satisfied. In the event the McFee Manor Advisory Committee rejects plans submitted for approval under this Covenant, upon written application for approval by 75 percent of the Owners of Lots, and portions of Lots, which are within 200 feet of any boundary line of the affected Lot, the said proposed plans shall be deemed approved by the Advisory Committee. The Developer shall continue to have the exclusive authority to appoint the Members of the Advisory Committee until such time as it shall in writing expressly confer such authority to the Association as provided in Paragraph XXI.

ARTICLE XI

DWELLING RESTRICTIONS

11.1 General Design Requirements. No dwelling shall be erected, placed, altered or permitted to remain on any Lot unless it conforms to the following requirements:



1. The dwelling and related improvements must be of Traditional Architecture and design as defined herein.

2. The minimum living area square footage requirements shall be determined by the McFee Manor Advisory Committee on a case by case basis and shall be within the sole discretion of the Committee.

3. All dwellings shall have not less than a two car attached garage.

4. Except by approval of the Advisory Committee, there shall be no occupancy permitted of any dwelling until such time as the dwelling, yard and landscaping are complete.

5. The finished grading for all Lots shall be completed in conformity with the recorded plat for the Subdivision and in such manner as to retain all surface water drainage on said Lot or Lots in "property line swales" designated to direct the flow of all surface waters into the drainage easements as created by the overall drainage plan for the subdivision, as approved by the municipal authority having jurisdiction over said subdivision.

6. There shall be no above-ground swimming pools, outbuildings or accessory structures built set or constructed on any Lot.

7. There shall be no basketball goals attached to any dwelling. In ground and portable basketball goals are allowed when kept or installed no closer to the street than the front of the house.

11.2 Miscellaneous Restrictions. The following restrictions relate to all Lots in the Subdivision:

1. All mail boxes in McFee Manor shall be of a standard design determined by the Developer.

2. No outside radio transmission towers, receiving antennas, television antennas, satellite antennas or dishes or solar panels may be installed or used, provided, however, satellite dishes of not more than thirty-six (36) inches in diameter may be installed behind the back plane of a house if properly screened to prevent viewing from any road or any other lot.



3. No one shall be permitted to store or park house trailers, campers, pleasure or fishing boats, trailers or other similar type vehicle on or about said residences unless the same are stored or parked inside a garage so as not to be readily visible from the street or adjoining properties. No automobiles which are inoperable or being stored shall be repeatedly parked, kept, repaired or maintained on the street, driveway or lawn of any Lot.

4. Builders will be responsible for providing silt control devices on each Lot during construction activities.

5. Clotheslines and other devices or structures designed and customarily used for drying or airing of clothes, blankets, bed linen, towels, rugs or any other type of household ware shall not be permitted and it shall be strictly prohibited for articles or items of any description or kind to be displayed or placed on the yard or exterior of any dwelling for the purpose of drying, airing or curing of said items.

6. No noxious or offensive activity shall be conducted on any Lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the remaining Owners.

7. No immoral, improper, offensive, or unlawful use shall be made of any dwelling, or any part thereof; and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.

8. No commercial businesses may be maintained on the Common Areas or on any Lots.

9. Nothing shall be altered or constructed in or removed from the Common Areas without the written consent of the Association.

10. The Association is authorized to adopt rules for the use of the Common Areas and such rules shall be furnished in writing to the Owners. There will be no violation of these rules.

11. Garages shall at all times be maintained so that they may accommodate two passenger automobiles and shall otherwise be maintained to comply with the applicable parking requirements of the controlling governmental authority that has jurisdiction over applicable

portions of the Property. No garage shall be remodeled or permanently enclosed and no portion of a garage shall be converted into or used for a living space. All garage doors shall remain closed when not in use.

12. The personal property of any resident of a dwelling shall be kept inside the resident's dwelling, except for tasteful patio furniture and other personal property commonly kept outside. The Developer and the Association shall have the right to approve any personal property of any resident kept outside the resident's dwelling including, without limitation, yard ornaments, statuary and similar items. Any and all such personal property kept outside a resident dwelling shall be removed by the resident upon the request of the Developer or the Association.

13. Except for vehicles parked in garages, there shall be no overnight parking at any Lot or in front of any Lot, except that passenger automobiles and other motor vehicles less than 7 feet in height may be parked overnight on driveways located at each Lot, provided that no vehicle shall be parked overnight on a driveway without the prior consent of the Association if commercial lettering or signs are painted on or affixed to the vehicle, if commercial equipment is placed upon or within the vehicle, camper, trailer or any other vehicle except a private passenger automobile or other permitted motor vehicle as described above. The foregoing restrictions shall not, however, be deemed to prohibit the temporary parking of commercial vehicles while making deliveries to, from or while used in connection with providing services to, the Property.

14. Under no circumstances shall there be overnight parking in the streets, roadways or other portions of the Subdivision, provided, however, that overnight vehicle parking by Owners and guests may be permitted, subject to the rules and regulations promulgated from time to time by the Board.

15. No repair or maintenance of vehicles shall be conducted on the Property, except that routine maintenance may be conducted within the garage of a dwelling as long as it does not create an unreasonable annoyance to residents.

16. Any vehicle violating the provisions of this Section 11.2 may, at the discretion of the Board, be removed from the Property and the person who owns such vehicle shall be charged for the cost of such removal. In addition, any Owner shall be charged and assessed for the removal cost



of any vehicle owned by him or by any tenant, occupant, guest or invitee of such Owner.

17. Any fence located on any Lot shall be wrought iron, wooden, or vinyl, provided, however, the construction and location of any fence on any such Lot shall be subject to the approval of the Advisory Committee. No such fence shall be constructed without the approval of the Advisory Committee.

ARTICLE XII

TEMPORARY STRUCTURES

No trailer, basement, tent, shack, garage, barn or other outbuildings erected on a Lot shall at any time be used as a residence temporarily or permanently nor shall any structure of a temporary character be used as a residence.

ARTICLE XIII

EASEMENTS

Easements and other restrictions in conformity with the recorded plat of the Subdivision are expressly reserved for the overall development of the subdivision, and no easements, rights of way or rights of access shall be deemed granted or given to any person or entity over, across, upon or through any Lot unless prior written permission is granted by the Developer.

ARTICLE XIV

PLANTATION PIPE LINE COMPANY

Plantation Pipeline Company possesses an easement upon portions of the Property as shown on the recorded plat of the Subdivision. The following provisions apply to the portions of the Property within said easement:

14.1 The erection of fences of any type across Plantation Pipe Line Company's, hereinafter referred to as "Plantation", easement shall have a gate or a removable section of fence sixteen feet wide within the easement area.



14.2 The fences, shrubbery or similar items shall not be placed longitudinally down or parallel to Plantation's pipeline within the easement corridor.

14.3 Ornamental shrubbery or other similar vegetation or plant growth shall be restricted to a type having a shallow root base with no tap root and a mature height no great than four feet. All trees are deemed detrimental to the pipeline and shall not be placed within the easement corridor.

14.4 Permanent structures of any type shall not be placed within Plantation's easement corridor. Structures deemed "temporary" shall have a time limit imposed commensurate with the type of structure and the time frame shall be at the discretion of Plantation's representative.

14.5 Any concrete driveways shall have expansion joints every ten (10) feet and shall not contain any rebar or other like materials.

14.6 All gates restricting access to Plantation's easement area shall maintain a Plantation Pipe Line Company lock, which will be provided by Plantation.

14.7 Posts shall be installed no greater than 18 inches deep. No posts shall be installed over Plantation's pipelines.

14.8 Pipeline marker posts required by the Department of Transportation for public notification and safety shall be provided by Plantation and maintained on the easement area indefinitely.

14.9 Plantation Pipe Line Company requires a minimum of 48" of cover over its 8-inch petroleum pipeline throughout said development.

ARTICLE XV

COMMISSION OF WASTE AND UNSIGHTLINESS

At no time shall any Lot be allowed to go to waste or waste away by being neglected, excavated, or having refuse or trash thrown, dropped or dumped upon it. No lumber, brick, stone, cinder block, concrete block or other materials used for building purposes shall be stored upon any Lot for more than a reasonable time for the construction in which they are to be used to be completed. No person shall place on any Lot refuse, stumps, rock, concrete blocks, dirt or building materials or other

undesirable materials. Any person doing so shall be subject to notification by the Developer or the Association to correct said condition within five (5) days of notification and if said condition is not corrected within said time period, the Developer or Association shall have the right to injunctive relief against the Owner of the affected Lot and the contractor or agent of the Owner and, further, the Developer or Association may make all necessary corrections and the expense of same shall be a lien upon the Lot.

ARTICLE XVI

SIGNS

No sign of any kind shall be displayed to the public view on any Lot except one professional sign of not more than five square feet advertising the Lot for sale or rent or signs used by the builder to advertise the Lot during the construction and sales period.

ARTICLE XVII

LIVESTOCK AND POULTRY

No animals, livestock, poultry or fowl of any kind shall be raised, bred or kept on any Lot except pets such as dogs or cats; provided they are not kept, bred or maintained for any commercial purpose and do not create a nuisance. In no event, however, shall any Owner have more than three animals of any species. The Association shall have exclusive authority to further regulate the maintenance and care of said animals as it deems necessary. All pets must be on a leash when outside a dwelling.

ARTICLE XVIII

GARBAGE AND REFUSE DISPOSAL

No Lot shall be used or maintained as a dumping ground for trash or rubbish. Trash, garbage or other waste shall not be kept except on a temporary basis and in sanitary covered containers. All incinerators or other equipment for the storage of such material shall be kept in a clean and sanitary condition, subject to the approval of the Developer, and may be used only during the construction period.



ARTICLE XIX

FENCES AND WALLS

No fences or walls or hedge rows shall be erected, placed or altered on any Lot unless approved by the Developer or the Advisory Committee as the case may be. Chain link fences and dog runs are prohibited.

ARTICLE XX

WAIVER AND MODIFICATION

Developer hereby reserves the right in its absolute discretion at any time to annul, waive, change or modify any of the restrictions, conditions or covenants contained herein as to any part of the Subdivision then owned by Developer, with the exception of the Lots designated as Open Space, provided that Developer first obtained the prior written consent of a majority of the Owners of the other Lots in the Subdivision. Developer shall have the further right before any sales of Lots in the Subdivision to change the size of, location of, any Lots, streets, or roads shown on any plats of the Subdivision. The Developer's rights described in this article are subject to the review and approval by the Town of Farragut.

ARTICLE XXI

EXTERIOR MAINTENANCE

In the event and Owner of any Lot in the Subdivision shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by three-fifths (3/5) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said parcel and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.



ARTICLE XXII

ASSIGNMENT OR TRANSFER

Any or all of the rights and powers, titles, easements and estates reserved or given to Developer in this Declaration may be assigned to any one or more corporations or entities which will agree to assume said rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such rights and powers, and such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to and assumed by Developer and Developer shall thereupon be released therefrom.

ARTICLE XXIII

FUTURE ADDITIONS

23.1 Additional residential property and Common Area may be annexed to the Subdivision with the consent of two-thirds (2/3) of the votes eligible to be cast of each Class of Members, with each class voting as a class.

23.2 Additional land contiguous to the Property at the time such additional land is made subject to these Restrictions may be annexed by the Developer without the consent of Members within twenty (20) years of the date of this instrument.


ARTICLE XXIV

AMENDMENTS

The covenants, conditions and restrictions set forth herein may be amended during the first twenty year period by an amended declaration signed by not less than ninety percent (90%) of the then Owners of the Lots in the Subdivision, and thereafter by an amended declaration signed by no less than seventy-five percent (75%) of the then Owners of the Lots. Any amendment must be properly recorded to be effective.

IN WITNESS WHEREOF, Saddlebrook, Inc., a Tennessee corporation has caused this instrument to be executed and its name to be signed by its president as of the date set forth above.

SADDLEBROOK, INC.

By: 
Robert L. Mohney, President

THIS INSTRUMENT WAS PREPARED BY

Thomas Hale
NAME ADDRESS
PO Box 629
Knoxville, Tn 37901

STATE OF TENNESSEE

COUNTY OF KNOX

Before me, a notary public of the state and county aforesaid, personally appeared Robert L. Mohny, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath acknowledged himself to be a Chief Manager of Saddlebrook, Inc., the within named bargainer, a corporation, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as such officer.

Witness my hand and seal, this 7th day of August, 2003.

C. Dianne Russ
Notary Public

My Commission Expires: April 29, 2006

