MORRIS
REALTY & AUCTION

AUCTION INFORMATION



FORECLOSURE AUCTION

CLUB GARDENS PLACE, LLC

SEPTEMBER 25, 2025

MORRIS
REALTY & AUCTION

AUCTION TERMS AND CONDITIONS
FOR FORECLOSURE AUCTIONS

Minimum Bid Deposit: **10% of your bid**
Bid Deposits will be accepted in the form of cash, cashiers checks or personal check with a bank letter guaranteeing the amount or a combination of these payment types. The high bidder will pay the Bid Deposit upon signing the sales contract at the auction.

Inspection
You should have done your inspection prior to the auction. No sales contract may contain any language making your purchase contingent on any additional inspection(s).

No Contingencies
All auction properties are sold in "as is" condition. No purchase shall be contingent on financing or any other contingencies. Potential buyers are given ample time to inspect properties prior to auction. Terms and conditions are preset and non-negotiable.

Back Property Taxes
All sales are subject to the past property taxes due on the property, meaning that the high bidder will be responsible for the payment of any past or current property taxes due to the city or county. These amounts may be found on the Shelby County Property Assessor's website. Any amounts posted on Morris Auction Group's website are the best available information. Morris Realty & Auction does not warranty the accuracy of that information. Taxes owed as of 9/01/2025:
1401 - County $6,059.09; City $5,941.34; Total $12,000.43
1403 - County $6,213.77; City $5,175.53; Total $12,305.75
Lots 1 & 2 together - County $3,815.50; City $3,797.56; Total $7,613.06
Lots 7 & 8 together - County $3,815.50; City $3,797.56; Total $7,613.06

Buyer's Premium
A buyer's premium of **ten percent (10%)** will be added to the high bid to determine the total price to be paid.

Closing
The successful bidder will pay the minimum Bid Deposit on the Auction Date and agrees to sign a real estate sales contract at the auction. The entire purchase price must be paid by Cashier's or Certified Check, or wired funds within thirty (30) days from the Auction Date. The Substitute Trustee will prepare and deliver a Substitute Trustee's Deed in exchange for the full payment. The Substitute Trustee's offices are:
Walter N. Winchester, Esq.
Winchester, Sellers, Foster & Steele, PC
Suite 1000, First Tennessee Plaza
Knoxville, TN 37929
Phone: (865) 637-1980
Fax: (865) 637-4489

Broker Participation
All licensed real estate brokers are encouraged to participate by bringing your buyers to the auction. A commission will be paid to the licensed and qualified broker whose properly registered buyer is the successful bidder at the auction, and whose buyer purchases the property. Brokers must register their prospective buyer on the required Broker Participation Form (completely filled out and signed). The form may be obtained by calling 901-565-7770. This form must be submitted to Morris Auction Group no later than 24 hours prior to the Auction. the number of acres purchased by the buyer.

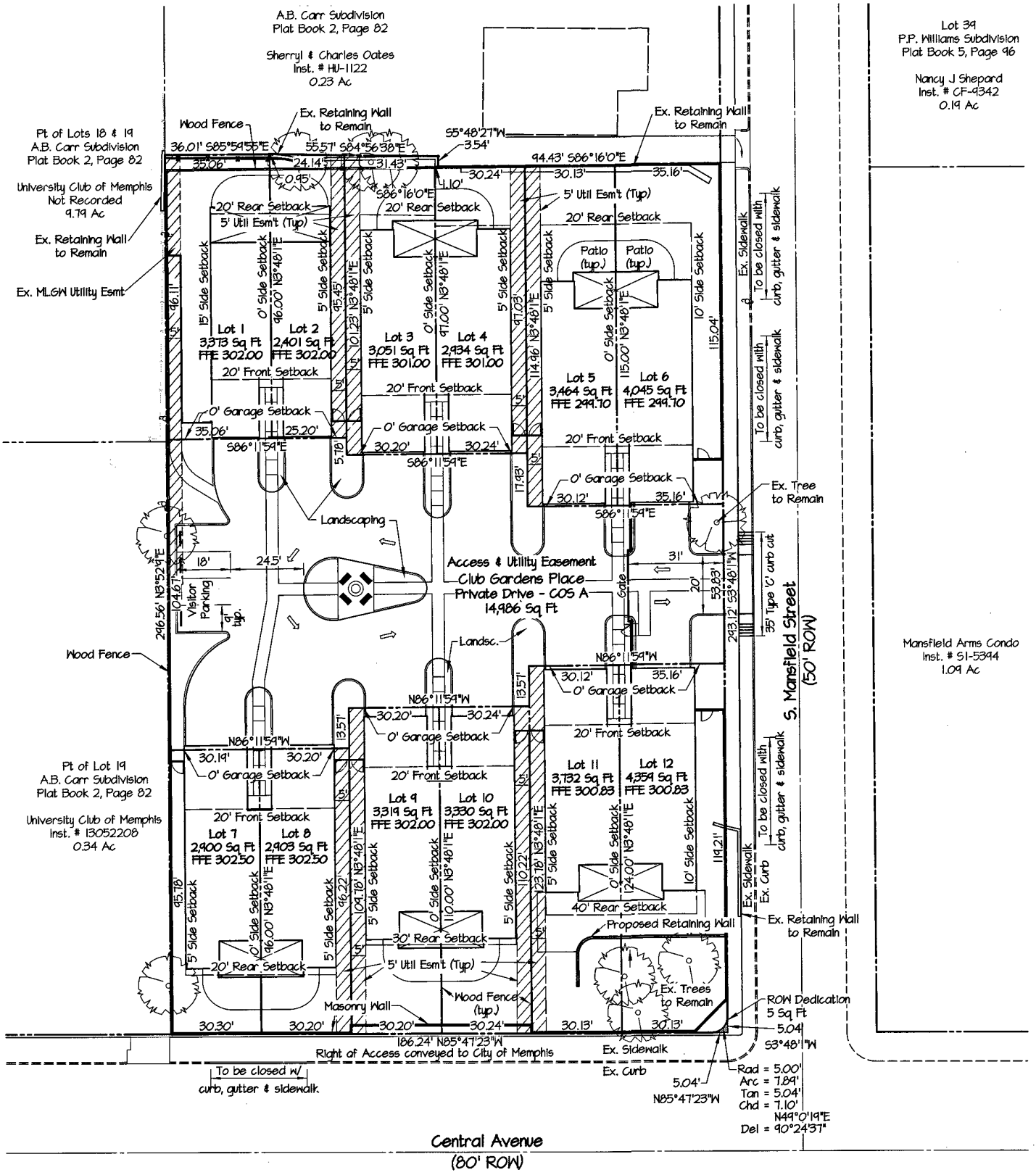
Disclaimer
Announcements made at the auction supersede all printed material. All information included herein was derived from sources believed to be correct, but is not guaranteed.

ORDER OF AUCTION SALE

1. **1401 Club Gardens Place, Memphis, TN 38104**
2. **1403 Club Gardens Place, Memphis, TN 38104**
3. **Lots 1 and 2, Club Gardens Place, Memphis, TN 38104**
4. **Lots 7 and 8, Club Gardens Plance, Memphs, TN 38104**
5. **Auctioneer reserves the right to combine any or all of the above lots for additional bidding.**

MORRIS
REALTY & AUCTION

PLAT
CLUB GARDENS PLACE



DRAFT

CONTRACT TO PURCHASE AT FORECLOSURE AUCTION

The undersigned, being the highest and best bidder(s) at the Foreclosure Sale of the **Lot(s)** _____ as described in the Deed of Trust recorded at recorded at Instrument No. 19018446, as modified at Instrument Nos. 21126266, 24029686 and at 24041015, all in the Register's Office for Shelby County, Tennessee (hereinafter the "Property"), executed by Club Gardens, LLC, and as further described in the Successor Trustee's Notice of Sale attached hereto as Exhibit A, called and cried at Noon on September , 2025, by Walter N. Winchester, Successor Trustee, or his agent, at the direction of Pinnacle Bank, hereby acknowledges giving the highest bid at said sale and agrees to purchase said Property for the price of $_____ on the terms set forth in the Successor Trustee's Notice of Sale attached hereto and as provided herein, and as further announced at said Foreclosure Sale.

The undersigned further acknowledges that the money tendered for the 10% deposit in the amount set forth below is **NON-REFUNDABLE** in event that this contract is not closed by the date stated below, unless first extended in writing by said Successor Trustee. The Successor Trustee hereby acknowledges the receipt of $_____ which represents the non-refundable deposit of ____% of the purchase price, subject to collection, leaving a balance owing at the time of closing of $_____, with such balance due by October 25, 2025. In the event the remaining balance is not paid in full by October 25, 2025, then the non-refundable deposit provided herein shall be forfeited to the Successor Trustee, unless otherwise extended in writing by the Successor Trustee.

The undersigned further acknowledges that the Property as described in said Deed of Trust and Exhibit A attached hereto is being sold AS IS WHERE IS without warranties or representations of any kind whatsoever, whether respecting the title to the Property, any liens or encumbrances that may be on the Property or the priority of any liens or encumbrances, or the condition thereof, including any environmental concerns.

The undersigned acknowledges that the Property as described in the Deed of Trust and Exhibit A attached hereto being purchased is subject to any and all taxes due and owing on said Property, including the taxes due for 2025. There will be no proration of any of the taxes due on the Property. This document may be executed in duplicate with each bearing the force and effect of an original. The conveyance of title at closing shall be by Successor Trustee's Deed. The undersigned agrees that specific performance is an available remedy under this contract. The undersigned further agrees to pay all reasonable attorney's fees and court costs incurred by the Successor Trustee in the event the undersigned defaults under any terms of this contract.

THE UNDERSIGNED AGREES AND ACKNOWLEDGES THAT THIS CONTRACT SHALL BE CLOSED AND THE FULL PURCHASE PRICE SET FORTH HEREIN SHALL BE PAID BY IN FULL BY OCTOBER 25, 2025.

This the 25th day of September, 2025.

DRAFT

Name(s) of Purchaser(s): _____

Address, Email Adress and Phone Number:

_____

Signature(s) of Purchaser(s): _____

DRAFT

Accepted by: _____

Walter N. Winchester, Successor Trustee, or his agent

This instrument prepared by: Walter N. Winchester, Esq.
Suite 1000, First Tennessee Plaza
800 South Gay Street
Knoxville, Tennessee 37929
Phone: (865) 637-1980

Responsible Taxpayer and Property Owner:

CLT No. _____

I, or we, hereby swear or affirm that the actual consideration for the transfer or value of the property transferred, whichever is greater, is $_____, which amount is equal to or greater than the amount which the property transferred would command at a fair and voluntary sale.

DRAFT

_____
Affiant

Sworn to and subscribed before me, this
_____day of _____, 2025.

_____
Notary Public
My Commission Expires:_____

SUCCESSOR TRUSTEE'S DEED

This instrument made this the 25th day of September, 2025, by and between **Walter N. Winchester, Successor Trustee,** of Sumner County, Tennessee, party of the first part, and_____, party of the second part.

WITNESSETH:

THAT, WHEREAS, on February 25, 2019, Club Gardens, LLC executed and delivered the Deed of Trust of record at **Instrument No. 19018446, as modified at Instrument Nos. 21126266, 24029686 and at 24041015, all in the Register's Office for Shelby County, Tennessee,** conveying to Hugh Queener, Trustee, the hereinafter described real estate to secure payment of her debts owing to Pinnacle Bank, together with fees and costs necessary to enforce the collection thereof, said debt being incorporated in said Deed of Trust by reference, said real estate being more particularly bounded and described as follows:

Land situated in Shelby County, Tennessee:

Lot(s) _____, Club Gardens Subdivision, as shown on plat of record in Plat Book 279, Page 42, in the Register's Office of Shelby County, Tennessee, to which plat reference is hereby made for a more particular description of said land.

or other local taxes.

The designation of the parties to this instrument in either the plural or singular shall be applied to mean either number, and where appropriate in the context hereof, shall mean any one or more of said parties, and any pronoun used herein shall include the masculine, feminine and neuter genders.

IN WITNESS WHEREOF, party of the first part has hereunto set his hand and seal the day and year first above written.

DRAFT

_____

Walter N. Winchester, Successor Trustee

STATE OF TENNESSEE)
:ss
COUNTY OF _____)

Personally appeared before me, a duly commissioned Notary Public in and for the County and State aforesaid, Walter N. Winchester, Successor Trustee, the within named bargainor, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand at office this the _____ day of _____, 2025.

_____

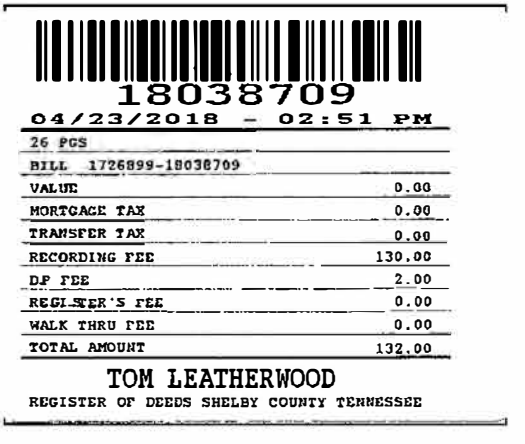
Notary Public

My Commission Expires:_____

Tom Leatherwood

Shelby County Register

As evidenced by the instrument number shown below, this document has been recorded as a permanent record in the archives of the Office of the Shelby County Register.



18038709

04/23/2018 - 02:51 PM

26 PGS	
BILL 1726899-18038709	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	130.00
DP FEE	2.00
REGISTER'S FEE	0.00
WALK THRU FEE	0.00
TOTAL AMOUNT	132.00

TOM LEATHERWOOD

REGISTER OF DEEDS SHELBY COUNTY TENNESSEE

1075 Mullins Station, Suite W165 ~ Memphis, Tennessee 38134 (901) 222-8100
Website: http://register.shelby.tn.us Email: Tom.Leatherwood@shelbycountytn.gov

Tom Leatherwood, Shelby County Register of Deeds: Instr. # 18038709

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CLUB GARDENS SUBDIVISION

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Tom Leatherwood, Shelby County Register of Deeds: Instr. # 18038709

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CLUB GARDENS SUBDIVISION

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CLUB GARDENS SUBDIVISION, ("Declaration") is hereby made and is effective as of the ____ day of _____2018 by Club Gardens, LLC, a Tennessee limited liability company ("Developer").

WITNESSETH:

WHEREAS, Developer, is the owner of Property described on Exhibit "A" attached hereto located in Shelby County, Tennessee known as Club Gardens Subdivision, ("Subdivision") as shown on the final plat of record in the Office of the Register of Shelby County, Tennessee ("Final Plat"); and

WHEREAS, the Developer hereby adopts these covenants for the purposes set forth hereinbelow.

NOW, THEREFORE, Developer hereby declares that the Property defined hereinbelow shall be held, sold and conveyed subject to these covenants, which shall run with the Property and be binding on all parties hereto or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of each owner of a Lot in the Subdivision.

The recitals are not merely introductory statements but are covenants and agreements of this Declaration.

ARTICLE I: MEMBERSHIP

Every Owner of a Lot which is subject to assessment by the Association shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an ownership interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE II: DEFINITIONS

"Assessments" shall mean those levies and assessments which each Owner of a Lot agrees to pay to the Association pursuant to Articles VI and IX hereof.

"Association" shall mean and refer to Club Gardens Homeowners' Association, Inc., its successors and assigns.

"Board of Directors" shall mean and refer to the Club Gardens Homeowners' Association, Inc., its successors and assigns.

"Common Area" shall mean all real property (including the Improvements thereto) owned by the Association, its successors and assigns for the common use and enjoyment of the Members of the Association, its respective guests and invitees. The Common Area to be owned by the Association originally shall be all of the Property (including any additions thereto) not included in the legal description of the Lots. Common Area shall include General Common Area and Limited Common Area and shall be maintained by the Association.

"Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions, together with any supplement or amendment hereto recorded in the Register's Office of Shelby County, Tennessee.

"Fine" shall mean the definition set forth in Article IX, Section 10, below.

"General Common Area" shall include all Common Area not designated as Limited Common Area, including, but not limited to, all fences, masonry walls, water features, driveways, guest parking spaces, the sidewalk and gate, if any, to the University Club, the sidewalk into the Property from Mansfield Street and the pedestrian gate as well as the vehicle entry gate.

"Improvements" shall mean the structures, walls, pavements, plantings, and other additions built or placed on the Lots or Common Area. It is intended that the Improvements reasonably meant for the Owner of a particular Lot will lie entirely within said Lot. In the event that by reason of construction, settlement, reconstruction or shifting of the Improvements, any minor part of the Improvements intended for a particular Lot lies outside that Lot, then the Association may establish an easement of use which shall apply thereto in favor of the Lot on which the Improvements were intended.

"Lot" shall mean and refer to one of the numbered Lots as shown on the Final Plat attached hereto as Exhibit "B".

"Limited Common Area" shall include Common Area designated for the use of a particular Owner of a Lot or Owners of adjacent Lots and shall be used only as permitted by that or those Owners. It shall include, but not be limited to the sidewalk and any improvements thereon serving the Lot or adjacent Lots and the parking pad for up to two vehicles available and adjacent to a Lot.

"Member" shall mean and refer to every person or entity who holds membership in the Association.

"Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of fee simple title to any Lot, but excluding those having such interest merely as security

for the performance of an obligation ("the Mortgagee"), provided that if the Mortgagee shall succeed to title to a Lot, then the Mortgagee shall be an Owner for purposes hereof.

"Person" means an individual, firm, corporation, partnership, association, trust or other legal entity or any combination thereof.

"Property" shall mean and refer to that certain Property described on Exhibit "A" or such other property as may be added to the Club Gardens Subdivision by subsequent final plat and amendment to this Declaration.

ARTICLE III: VOTING RIGHTS

Section 1. Voting. The voting rights of the Membership shall be appurtenant to the ownership of a Lot, each Owner of a Lot being entitled to one (1) vote for each Lot owned, except for the Developer, which shall be entitled to fifteen (15) votes for each Lot owned by it until one hundred percent (100%) of the Lots in the Subdivision, including any additions added thereto, have been sold. When more than one (1) person holds any interest in any Lot, all such persons shall be Members and the vote for such Lot shall be exercised as the Owners of such Lot shall determine, but in no event shall there be more than one (1) vote with respect to each Lot except as provided herein. No action shall be taken by a vote of the Association which shall be detrimental to the Developer so long as it owns a Lot as the Developer.

At every meeting of the Association, the Members shall have the right to cast their votes as specified herein on each question. The votes representing a fifty-one percent (51%) majority of the total votes cast with respect to any question, in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which, by express provisions of any statute or ordinance or of the corporate Charter or this Declaration or the Bylaws, a different vote is required, in which case such express provision shall govern and control. No Member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors of the Association, whose Lot is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association or more than fifteen (15) days in default under any of the terms, covenants, conditions, restrictions or any other provisions contained herein.

Section 2. Proxies. A Member may appoint any other Member or any other person permitted by law or by the Bylaws as his proxy. Any proxy must be in writing and must comply with all requirements imposed by law or by the Association's Bylaws.

Section 3. Quorum. The presence, either in person or by proxy, of at least fifty percent (50%) of the total votes of the Property entitled to be cast with respect to any question, shall be requisite for, and shall constitute a quorum for, the transaction of business at all meetings of the Association. If the number of votes eligible to be cast drops below the quorum and the question of a lack of quorum is raised, no business may thereafter be transacted. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat

shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

ARTICLE IV: PROPERTY RIGHTS AND EASEMENTS

Section 1. Owner's Easement of Enjoyment of Common Area. Every Owner shall have a right and easement of enjoyment in and to the Common Area, each Owner's easement being appurtenant to and passing with the title to each Lot. Such easements shall be subject to such rules, regulations, rights, and restrictions of use as may be established from time to time by the Association, including but not limited to, the following provisions:

(a) The right of the Association to limit the number of guests of Members in the use of the Common Area.

(b) The right of the Association to borrow money for the purpose of improving the Common Area and facilities, and in aid thereof to have the Common Area mortgaged by the Association.

(c) The right of the Association to have all or any part of the Common Area dedicated or transferred by the Association to any public agency, authority, or utility for such purposes and subject to such conditions as may be determined by the Association.

(d) The right of the Association to suspend this right and easement of enjoyment and to fine a Member for any period during which any assessment against his Lot is delinquent, or during which a Member is in violation of published rules and regulations adopted by the Association.

(e) The right of the Association to adopt rules and regulations pertaining to the Common Area for the benefit of the Owners.

Section 2. Delegation of Use. Any Member may delegate in accordance with the Bylaws, his right of enjoyment to the Common Area facilities to the members of his family or contract purchasers, all of whom must reside on the Property.

Section 3. Title to the Common Area. Fee simple title to the Common Area shall be vested in the Association. Title to the Common Area shall be conveyed by Quit Claim Deed from the Developer to the Association as soon as feasible after the Final Plat and this Declaration are recorded.

Section 4. Easements. The Association shall have the right from time to time to declare, grant and convey utility, telephone, and other easements for the benefit of the Association and Owners over, under, and across the Common Area.

ARTICLE V: CONTROL OF IMPROVEMENTS

Section 1. Control of Improvements. No Improvement or change to any Lot, including, but not limited to, the construction, alteration or erection of any structure or residence, terrain change, fence, driveway, walkway, landscape screening, mailbox, paint color and other materials on the exterior of any Improvement, outdoor lighting fixture, any sanitary and/or storm sewer system, landscape material (including, but not limited to, trees, bushes and other plantings), landscape features (including, but not limited to, fountains, statues, etc.) or underground wiring shall be commenced, erected, placed or permitted on any Lot until the plans, specifications and specific location (including elevation) of said Improvement or change has been approved in writing, or the requirement for such approval has been waived in writing, by the Architectural Committee appointed by the Developer or Board of Directors of the Association. Architectural Committee members shall serve at the pleasure of the Association or its assigns. To the contrary notwithstanding, in the event that the Architectural Committee fails to approve or disapprove such design or location within fifteen (15) days after said plans and specifications have been submitted to it, the approval will not be required, and this section will be deemed to have been fully complied with. The Architectural Committee reserves the right to require the submission of designs, material selections and layouts of proposed Improvements or changes at different stages of the design process, and further reserves the right to specify the information required therein as well as the format thereof. Such plans and specifications shall be in such form and shall contain such information as may be required by the Architectural Committee. The Architectural Committee shall promulgate rules and regulations governing the form and content of plans to be submitted for approval by the Architectural Committee.

Without the prior written approval of the Architectural Committee, no exterior television or radio antenna, disc (except of a size of one (1) meter in diameter or less) or other similar device may be erected, placed, allowed or maintained on any Lot or upon any Improvement situated on any Lot. The Architectural Committee is hereby empowered to decide upon and dictate the particular placement and structure of any such device, regardless of size, as a condition to approval, subject to the provisions of applicable laws, codes, ordinances and regulations. In the event that approval for such devices is granted, all such devices shall be screened to the extent reasonably possible from the view of other Lots.

If any Improvement or change requiring approval shall be undertaken on a Lot and said approval has not been obtained from the Architectural Committee or waived, or if any Improvement or change which is not in conformance with approved plans and specifications shall be undertaken on a Lot, said Improvement or change shall be deemed to have been undertaken in violation of these covenants; and, upon written notice of the Architectural Committee, any such Improvement or change deemed to be in violation shall be removed or altered so as to extinguish such violation. If, thirty (30) days after the notice of such violation, the Owner of such Lot in question shall not have taken reasonable steps toward the removal or alteration of the same, the Association, its representative, or the Architectural Committee shall have the right, through its agent, to enter said Lot and to take such steps as may be necessary to extinguish such violation and fine the Owner, and all costs, the Fine, expenses and attorney fees pertaining thereto shall be a binding obligation of the Owner as well as a lien on the Lot in question, upon the recording of such with the Register's Office of Shelby County, Tennessee. Any lien so recorded shall be subordinate to the lien of any existing deed of trust.

For the purpose of ensuring the development of the Lots according to high standards, and to ensure reasonable compatibility of architectural designs, the Association and the Architectural Committee shall have the power to control all Improvements as set forth in this Article, as well as to make such exceptions to this Declaration, and to waive particular violations as either shall deem necessary, appropriate, or proper.

Section 2. Landscape Treatment of Common Areas. Any landscape treatment shall be provided by the Association after approval of the plans by the Architectural Committee.

Section 3. Certificate of Compliance. Upon completion or alteration of any Improvement on any Lot undertaken and completed in accordance with plans and specifications approved by the Architectural Committee, and on written request of the Owner of such Lot, a Certificate of Compliance shall be issued in a form suitable for recordation. Preparation and recording of such Certificate shall be at the expense of such Owner. Any Certificate of Compliance issued in accordance with the provisions of this Section shall be prima facie evidence of the facts therein stated, and as to any purchaser or encumbrancer in good faith and for value, or as to any title insurer, such Certificate shall be conclusive evidence that all Improvements and/or alterations described therein comply with all requirements of this Declaration.

Section 4. Compliance with Building Codes. The applicable building codes in effect at the time of any construction shall apply to all construction.

Section 5. Non-Liability. Neither the Developer, the Association nor the Architectural Committee nor any architect or agent thereof shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such plans and specifications. Any agent of the Association or the Architectural Committee may, at reasonable times, enter upon and inspect any Lot and any Improvement thereon for the purpose of ascertaining whether the maintenance of such Lot and the maintenance, construction and alteration of the Improvement thereon are in compliance with the provisions of this Declaration, and no such person shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

ARTICLE VI: PROPERTY MAINTENANCE

Section 1. General Maintenance. The Association shall generally provide for the maintenance of all Improvements located on Common Area. The Association shall establish a budget and Assessments for such expenditures and the disbursement and application of such Assessments.

The Association shall make necessary arrangements to maintain the Common Area and maintain and replace the Improvements on the Common Area, and to pay taxes and all other necessary expenses, including all types of liability insurance in connection with ownership of said Common Areas, which shall be paid by the Association through the Assessments.

Each Owner shall be responsible for the interior and exterior maintenance of his Lot and Improvements, including, but not limited to, all exterior walls of dwellings, doors, windows, roofs, patios, garages, light fixtures, irrigation systems, parking surfaces, painting, plumbing and electrical repairs. To the contrary notwithstanding, the Association, in order to maintain uniformity, may paint the exterior wood trim, windows, doors, etc. of residences and replace the roof of adjoining residences at such time as it determines the work to be necessary. The cost of the work shall be the responsibility of each Owner or borne equally by adjacent Owners in the case of the common roof. The Association shall bill the Owner(s) as special Assessment for the Owner's cost of the work. In the event an Owner of any Lot shall fail to maintain the Lot and the Improvements thereon in a timely manner reasonably satisfactory to the Association, and/or in keeping with other Lots, the Association shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and the Improvements erected thereon. The cost of such repair, maintenance and restoration shall be added to and become part of the Assessment of that Lot. The cost of said maintenance, Association expenses and attorney's fees shall be a binding obligation of the Owner as well as a lien on the Lot in question, upon recording of such notice with the Register's Office of Shelby County, Tennessee. Any lien so recorded shall at all times be subordinate to any prior recorded deed of trust. In addition to the costs as set forth herein, the Owner shall be responsible for all court costs, reasonable attorney's fees, and interest from the date of any expenditure at the then maximum legal rate of interest.

Section 2. Damaged or Destroyed Improvement. The right is given to the Association to require the Owner of a damaged or destroyed Improvement on any Lot to make repairs or replacements in order to restore the Improvement to its condition prior to the damage or destruction, including the right to require that insurance proceeds paid to the Owner, because of said damage or destruction, be applied to the repair or replacement. All repairs, replacement, new construction and improvements shall be in keeping with the existing Subdivision Improvements and shall use materials which match the original exterior materials in color and texture. In the event an Owner of any Lot shall fail to repair or replace any damaged or destroyed Improvements on the Lot in a timely manner reasonably satisfactory to the Association, and/or in keeping with other Lots, the Association shall have the right, through its agents and employees, to enter upon said Lot and to repair or replace the damage or destruction to the Lot and the Improvements erected thereon. The cost of such repair or replacement shall be added to and become part of the Assessment of that Lot. The cost of said repair or replacement, Association expenses and attorney's fees shall be a binding obligation of the Owner as well as a lien on the Lot in question, upon recording of such notice with the Register's Office of Shelby County, Tennessee. Any lien so recorded shall at all times be subordinate to any prior recorded deed of trust. In addition to the costs as set forth herein, the Owner shall be responsible for all court costs, reasonable attorney's fees, and interest from the date of any expenditure at the then maximum legal rate of interest.

The Owner of each Lot shall carry and keep in full force and effect, at all times at the expense of the Owner, casualty insurance with limits equal to the replacement value of the Improvements located thereon. The Association shall be named as an additional insured on any policy and proof of insurance shall be furnished by the Owner annually to the Association. The Owner shall request the insurance carrier to furnish Notice of Cancellation to the Association at least 45 days prior to the effective date thereof. In addition, the Owner shall immediately furnish to the Association any Notice of Cancellation received by the Owner from his or her carrier.

ARTICLE VII: USE RESTRICTIONS

The use restrictions set forth herein below shall apply to each Lot to ensure the best use and most appropriate development and improvement of each Lot; to protect each Owner of each Lot against improper use of surrounding Lots as well as depreciation of the value of each Lot; to preserve, as far as practicable, attractive Improvements on such Lots, appropriately located on such Lots; to prevent haphazard and inharmonious Improvements on such Lots; to secure and maintain proper setbacks from streets, and adequate spaces between structures; and, in general, to provide adequately for a high type and quality of Improvements on such Lots, and thereby enhance the value of investments made by Owners of such Lots.

(1) The Board of Directors shall develop and maintain from time to time a set of rules and regulations governing the day to day use of the Lots and Common Area by the Owners thereof. Such rules and regulations may be amended by a majority vote of the Board of Directors.

(2) None of said Lots shall be used for other than single-family residence purposes and all Improvements erected on any Lot shall conform with all applicable requirements promulgated by any public authority having jurisdiction over the Property. Any leases for residences shall be for a period of not less than one year and shall be filed with the Association upon full execution. No Improvements or any portion thereof may be operated as a bed and breakfast or leased through AirBNB or VRBO.

(3) No house, trailer, tent, shack, barn, temporary building, temporary toilet facility, outbuilding, or guest house shall be erected on any of said Lots without approval in writing of the Association. No trailer, basement of any incomplete Improvement, shack, garage or other temporary building or structure of any kind shall be used at any time as a residence, either temporary or permanent, without the prior written approval of the Association.

(4) No Lot shall be subdivided.

(5) All Improvements upon any Lot shall be of new construction and no building or structure shall be moved from other locations onto a Lot.

(6) Setback lines shall be not less than those required by the Final Plat or by governmental authority or by the Architectural Committee.

(7) Residences constructed on the Lots shall contain not less than twenty-four hundred (2400) square feet of finished, heated floor area with a minimum of twelve hundred (1200) square feet on the first floor; and a minimum finished, heated floor area of twelve hundred (1200) square feet on the second floor for 2 story residences. The third floor area, with setbacks for a sloped roof, may be used as additional living space according to the needs of the Owner. The required square footage does not include open or heated porches, garages or other areas not normally considered part of the heated area.

(8) All residences shall be constructed with an exterior comprised of at least seventy-five percent (75%) brick. No plywood sheeting shall be permitted on any finished exterior surface. All roofs shall have a minimum pitch of 14 feet in 12 feet for the principal roof and a minimum pitch of 3 feet in 12 feet on porches, overhangs and garages.

(9) Exposed metal fireplace chimneys are prohibited on the exterior.

(10) All residences must have an enclosed garage for vehicle parking. However, no garage shall be larger than for two (2) cars. Any garage built in a location on the Lot where it can be seen from any public or private street abutting the Lot must be enclosed and must have a door which, when closed, will screen the interior of the garage from public view from all such public and private streets abutting the Lot. Garage doors must be kept shut, except during ingress and egress.

(11) The front, side and rear yard of each Lot shall be solid (block) sod installed prior to occupancy of a residence.

(12) Building locations, setbacks, landscaping and gardening shall be subject to the following conditions:

(a) All buildings other than a residence shall be located to the rear of the residence.

(b) All gardens must be planted to the rear of the residence.

(13) All mailboxes within the Subdivision are to be identical in design approved by Developer, the Association or the Architectural Committee.

(14) All shingle roofs shall be constructed with dimensional composition shingles.

(15) Building setbacks from all streets shall be required as shown on the recorded Final Plat and/or as required by the zoning ordinances of the proper governmental authorities.

(16) No truck, boat trailer, house trailer, camping trailer, motor home, motorcycle, hobby vehicle, van, boat, commercial vehicle or other similar vehicle shall be stored or parked on any Lot for more than seventy-two (72) consecutive hours, unless in a closed garage. No A-frame, motor mount or other similar device may be placed on any Lot. No disabled automobiles or other motorized vehicles may be stored on any Lot or on the street adjacent thereto unless located within an enclosed garage.

(17) No business activity of any kind whatever, including, but not limited to, AirBNB shall be conducted in any Improvement or on any portion of the Property without the prior written approval of the Board of Directors.

(18) No Owner shall, within any location, place or permit any structures, fencing, plants or other material which may damage or interfere with the installation and maintenance of utilities

and/or interfere with the positive natural drainage of the Property. Further, no Owner shall install any Improvements or modify any existing grades in such a manner as would impair the positive, natural flow of water from or onto the Owner's Lot. Any drainage facility on a Lot shall be maintained continuously by the Owner of the Lot. Slope areas within any Lots shall be maintained continuously by the Owner in a neat, orderly and safe condition and in such manner as to enhance the appearance and maintain established drainage courses, prevent erosion, and sliding problems and facilitate the orderly discharge of water through drainage systems.

(19) No noxious or offensive trade or activity shall be carried on upon any Lot nor shall anything be done thereon which may be or become an annoyance or a nuisance to the neighborhood.

(20) In all instances, pets shall be restrained within fenced areas or kept under leash or housed in appropriate structures built for such animals, provided the structure conforms to the restrictions in this Declaration and the plans therefor are approved in advance by the Architectural Committee.

(21) Trash and garbage shall be kept in sanitary containers which must be located to the side of the residence behind the side yard gate out of public view and in a location that will not be offensive to other Owners, except on such days as the containers are to be picked up by third parties for disposal of the trash and garbage therein. The containers shall be returned behind the gate within 48 hours after being emptied.

(22) No debris, trash, ashes or other refuse may be thrown or dumped on any of the Lots. Debris and trash during the construction of an Owner's Improvements shall be collected by each Owner (or his or her representative) in containers approved by the Architectural Committee and periodically removed so that no unsightly condition occurs on the Lot or adjoining Lots.

(23) No building material of any kind or character shall be placed or stored upon any of said Lots until the Owner of the Lot is ready to commence construction or renovation of Improvements. Building materials shall be kept in an organized and compact manner and appropriate measures taken to prevent unsightliness during construction. Building materials shall not be placed nor stored on Common Areas, in the street or between the curb and property lines without prior written permission of the Association.

(24) Unless the Association undertakes a development wide plan for the upkeep of the grass and vegetation on each Lot, the cost of which shall be included in the Association budget, such grass and vegetation shall be kept mowed and cleared of any debris at regular intervals by the Owner thereof so as to maintain the same in a neat and attractive manner. Trees, shrubs, vines, debris and plants which die shall be promptly removed from such Lots by the Owner. Until an Improvement is built on the Lot and if the Owner fails to do so after written notice from the Association, the Association may mow the grass and have dead trees and debris removed from such Lot, and the Owner of said Lot shall be obligated to reimburse the Association for the cost of such work. Such cost shall create a valid lien on said Lot which shall be enforceable as a special Assessment against the Lot should the Owner refuse or neglect to comply with the terms of this paragraph.

(25) No weeds, underbrush or other unsightly growth shall be permitted to grow or remain upon any Lot, and no refuse pile, unused motor vehicles, or unsightly objects shall be allowed to be placed or to remain anywhere on any Lot. In the event that any Owner or occupant of any Lot shall fail or refuse to keep the premises free from weeds, underbrush, refuse piles, unused motor vehicles, or other unsightly growth or objects, then the Association or the Architectural Committee after written notice to the Owner may enter upon the Lot and remove the same at the expense of the Owner and such entry shall not be deemed a trespass. In the event of such a removal, the Owner shall pay the expenses thereof. Such cost shall create a valid lien on said Lot which shall be enforceable as a special Assessment against the Lot should the Owner refuse or neglect to comply with the terms of this paragraph.

(26) All equipment, building materials, garbage cans, playgrounds, wood piles, storage areas, clotheslines, portable sheds, and similar type items shall be kept screened by adequate planting or fencing so as to reasonably conceal them from view of neighboring Owners. In no event shall any of said items or uses be permitted in front yards.

(27) All exterior lighting on each Lot shall be constructed and maintained so as to provide such illumination as is necessary for that Lot only without unreasonably interfering with the peaceful enjoyment of any other Owner.

(28) An Owner's right of use of his Lot is subject to all laws, ordinances, rules and regulations of the applicable municipal and other governmental authorities. In the event of a difference between the use restrictions contained in said ordinances, rules and regulations and laws and the use restrictions set forth in this Declaration, the more restrictive provision shall apply.

(29) No Owner shall permit any use of his Lot or any Improvement thereon for any purposes which shall increase the fire hazard to other Lots, or for any purpose or use in violation of local, state or federal statutes or ordinances.

(30) All exterior speakers are subject to regulation by the Association with regard to decibel levels at Lot boundaries.

(31) Violation of the covenants and restrictions herein contained shall not cause a forfeiture or reversion of title.

(32) Each Lot owner shall be responsible for any and all erosion control measures that may be required by any governmental authority.

(33) The pedestrian gate(s) shall be closed at all times and may not be propped open.

(34) Only one vehicle at a time may enter the vehicle entry gate and there shall be no "tailgating" allowed.

(35) The entry porch serving the two residences constructed on adjacent Lots shall share the sidewalk and porch leading to the front door of both residences and nothing shall be done by any Owner which blocks or otherwise interferes or restricts the adjacent Owner's ingress and egress,

an express easement for which is hereby granted and reserved to the adjoining Owners. The installation and maintenance of any sculptural elements in this shared space will be the responsibility of the Association.

(36) No Owner shall place any landscaping or improvements on his Lot which shall unreasonably interfere with another Owner's use and enjoyment of that Owner's Lot.

(37) No Owner may breach the common wall between the residences constructed on adjacent Lots beyond that Owner's side of the shaft wall core (center of the common wall).

(38) Exterior air conditioning/heating units located in the Limited Common Area of a Lot shall be a part of the improvements on the Lot and the responsibility of the Owner.

(39) Window boxes and other exterior surfaces of the residences constructed on each Lot shall be maintained by the Owner. In the event of the failure of the Owner to maintain such improvements in reasonable condition, the Association may perform any required maintenance and the cost thereof shall be charged to the Owner.

(40) Permanent or extended storage of personal property shall only be allowed within the residence or garage or with prior written permission of the Architectural Committee within the rear or side yards. Each Owner's furniture, fire pit, fountain, sculptures, etc. in the rear and side yards shall be excluded from this restriction.

(41) Each residence may contain a firebox and gas logs in the living room and master bedroom. A vented wood burning fireplace and/or gas logs may be used in the living room. Only vented gas logs are permitted to be used in the master bedroom.

(42) Only domestic pets are permitted in the Subdivision. No other animals are permitted without prior written approval of the Association. Animals shall not be allowed to create excessive noise by barking or other sounds which are unreasonably offensive to other Owners. The Association shall establish rules governing pets and shall have the authority to establish Fines for the violation of such rules.

(43) No swimming pools, ponds or other water features shall be permitted without prior written approval of the Architectural Committee.

(44) Blinds, shades and curtain backing in all rooms which face the Common Area shall be white or off-white in color.

(45) Items such as bicycles, sporting equipment, toys and portable furniture may not be left outside overnight.

(46) The fountain, if any, and benches in the General Common Area are for the enjoyment of all Owners and may not be moved or tampered with in any way. They shall be maintained by the Association.

(47) An Owner must immediately pick up and remove any solid waste deposted by that

Owner's pet in the Common Area.

(48) A residence may have an elevator with stops on the ground, second and third floor which shall be maintained by the Owner.

(49) The Association shall be responsible for the maintenance and trimming. If necessary, of the existing trees on Lot 12.

ARTICLE VIII: TERM OF DECLARATION

These covenants, conditions and restrictions are to run with the land and shall be binding upon all parties and all persons claiming under them, until the expiration of thirty (30) years after recordation of this Declaration at which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years unless by a vote of eighty percent (80%) of the then Owners of all Lots, either prior to or at such time it is agreed to terminate said covenants, conditions and restrictions. The termination shall be effective upon recording of such instrument in the Register's Office of Shelby County, Tennessee. If any of the terms, options, privileges, covenants, restrictions, conditions or rights created by this Declaration shall be unlawful, void or voidable for a violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of any survivor of the now living descendants of the governor of the State of Tennessee, who holds that office as of the date this Declaration is recorded.

ARTICLE IX: COVENANTS FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association (1) regular Assessments or charges, to be collected either monthly, quarterly, or annually as the Association shall determine, (2) special Assessments for capital Improvements or other purposes, such Assessments to be fixed, established and collected from time to time as hereinafter provided, and (3) emergency Assessments as may be declared by the Board of Directors. The regular, special, and emergency Assessments, and Fines assessed for the violation of this Declaration, together with interest, costs and reasonable attorney's fees, if delinquent, shall be a charge and a continuing lien upon the Lot against which the charge is made until paid in full. Each such Assessment and Fine, together with interest, costs, and reasonable attorney's fees, if delinquent, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment or Fine became due. Fines shall be established and assessed by the Board of Directors.

Section 2. Purpose of Regular and Special Assessments. The Assessments levied by the

Association shall be used exclusively for the benefit, health, safety and welfare of the residents of the Property and for the construction, renovation, replacement and/or maintenance of any Improvements, Common Areas and easements of the Association located on the Property, including, but in no way limited to, the following:

A. The cost of all operating expenses of the Association and services furnished; and

B. The amount of all taxes and assessments levied against the Association or upon any Property which it may own or which it is otherwise required to pay, if any; and

C. The cost of liability insurance and the cost of such other insurance as the Association may determine; and

D. The cost of funding all reserves established by the Association, including when appropriate, a general operating reserve and/or reserve for replacements; and

E. Any professional fees (architectural, legal and engineering) and compensation to the members of the Architectural Committee; and

F. The estimated and/or actual cost of all operating expenses, repairs, replacements and maintenance of the entry features and other Common Area over which the Association has control; and

G. The estimated and actual cost of enforcing and policing all the terms, covenants, conditions, restrictions and other duties and obligations contained in this Declaration.

During the period of development, Developer shall pay the aforedescribe costs and shall be entitled to apply against such payment any regular Assessments received from Owners of Lots at such time as Developer turns over control of the Association by the election of a Board of Directors by Members of the Association pursuant to Article XI, Section 14 hereinbelow, Developer shall thereafter pay to the Association such Assessments as are made by the Association to any Lots owned by Developer and Developer shall have no further liability for payment of the foregoing expenses.

Section 3. Regular Assessments. The regular Assessment shall be set at an amount sufficient to provide for the requirements hereof. The regular Assessment for each calendar year, and the basis for payment thereof, shall be determined by the Board of Directors. The regular Assessments for a particular calendar year shall become a lien upon the Lots on the first day of such calendar year.

Section 4. Special Assessments. In addition to the Assessments authorized above, the Association may levy special Assessments for such purposes as it may determine, provided that any such Assessment shall have the affirmative vote of at least fifty-one (51%) percent of the total number of votes cast in person or by proxy at a meeting duly called for that purpose.

Written notice of such meeting must be sent to all Members not less than ten (10) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. A special Assessment hereunder shall become a lien upon the Lots upon approval of such special Assessment in accordance with the foregoing.

Section 5. Emergency Assessments. In the event of any emergency situation, condition or occurrence affecting the life, health, safety or welfare of the Owners or property of Owners, or the Property, the Board of Directors, acting pursuant to this section, may declare an emergency Assessment in such amount and payable at such time as the Board of Directors, in its sole discretion, shall deem necessary. Such emergency Assessments, except for the amount and time of payment, shall be governed by all other provisions of this Declaration which pertain in general to all types of Assessments authorized herein. Such Assessments shall be borne uniformly by all Owners. The Board of Directors shall be duly protected and not liable for any mistake in judgment hereunder if the emergency Assessment was made in good faith.

Section 6. Pro Rata Assessment. Regular, special and emergency Assessments shall be pro rata for each Lot constituting a part of the Property based upon the total number of Lots and may be collected on a yearly, quarterly or monthly basis.

Section 7. Quorum for Any Action Authorized Under Sections 3 and 4. At any annual or specially called meeting for the purposes set out in Sections 3 and 4 hereof, the presence at the meeting of Members or of proxies entitled to cast fifty (50%) percent of all of the eligible votes of Membership shall constitute a quorum. If, however, such quorum shall not be present or represented at the meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 8. Date of Commencement of Annual Assessments-Due Dates. The regular Assessments provided for herein shall commence as to each Lot on the first day of the month following the transfer of a Lot to an Owner. The Association shall, upon request, furnish a certificate in writing signed by a representative of the Association setting forth whether the Assessments on a Lot have been paid. A reasonable charge may be made for the issuance of such certificates. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessments.

(a) Remedies of the Association Generally. Any Assessments which are not paid when due shall be delinquent. If the Assessment is not paid within fifteen (15) days after the due date, the Assessment shall bear interest from the due date at the rate set by the Association, or if no rate is set, at the highest rate allowed by law, plus a late charge equal to ten percent (10%) of the amount not paid when due. The Association may bring an action at law against the Owner to collect the Assessment or in equity to enforce the lien provided for herein or exercise its right of public sale as set forth herein below if payment is not made within thirty (30) days from the due date. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Area or abandonment of his Lot. The Owner of a Lot on which there are delinquent Assessments shall not be eligible to participate or vote in any meeting of the

Association, nor shall the Owner be counted in determining a quorum, and may, along with his guests and the occupants of his Lot, be prohibited by properly adopted resolution of the Board of Directors from using the Common Area or other privileges of membership in the Association.

(b) Enforcement of Lien. For and in consideration of the privileges, protections, mutual enjoyment and use of the Common Area and the premises contained herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, and any assumption of the obligations by transferees as required hereunder, and to secure the payment of regular, special and emergency Assessments as provided for herein, any Fine, principal, interest and attorney's fees, a lien is expressly retained by the Association on each and every Lot. Such lien may be enforced by an action in a Court of equity for attachment of the Lot and sale pursuant to Order of Court or, in the alternative, the Board of Directors of the Association shall have the authority and power to sell the Lot at public outcry to the highest and best bidder for cash. The Board of Directors is authorized to make such public sale if and only if such sale is made subordinate to any prior recorded lease, mortgage or deed of trust upon the Lot. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorney's fees. The Owner shall also be required to pay to the Association the Assessment for the Lot during the period of foreclosure. Any such sale shall be made after first advertising the sale of the Lot for twenty-one (21) days by three (3) weekly publications in some newspaper in the County of Shelby, State of Tennessee, giving notice of the time and place of such sale of the Lot. Written notice to the Owner is hereby waived and shall not be required. Any sale of a Lot to enforce a lien for delinquent and unpaid Assessments shall be free from equity of redemption, statutory right of redemption, homestead and dower and all other exemptions, all of which are expressly waived by the Owner, and any such sale and the lien enforced thereby shall take precedence over and have priority over any and all other liens of every nature against the Lot except real estate and ad valorem taxes assessed against the Lot and prior recorded leases, mortgages or deeds of trust.

The Board of Directors shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey same. The proceeds of any such sale shall be applied first to the payment of the expenses of protecting the Lot and the expenses of litigation, attorney's fees, and sales commissions; and second, to the payment of real estate and ad valorem taxes assessed against the Lot and any prior recorded mortgages or deeds of trust; and third, to the payment of all amounts due the Association under the terms of the Declaration and Bylaws; and fourth, to the payment of any other mortgages or deeds of trust; and the balance, if any, shall be paid according to applicable law. Upon any default in the payment of any Assessment, the Board of Directors shall have the right to all rents, issues, and profits from the Lot in default and shall have the right to secure the payment through notice to those in possession in the same manner as a mortgagee entering into possession following default.

All rights, remedies and privileges granted to the Board of Directors or an Owner, pursuant to any terms, provisions and covenants or conditions of this Declaration and the Bylaws shall be deemed to be cumulative, and the exercise of any one or more remedies shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such party by this Declaration and the Bylaws or at law or in equity.

The Association may require the Owner of the Lot which is delinquent on any Assessment levied pursuant to this Declaration or is in default in the performance of any other obligation hereunder for a period in excess of sixty (60) days to notify the holder of any and all mortgages and deeds of trust on the Lot of such delinquency or default.

Section 10. Fine. The Architectural Committee and/or Board of Directors of the Association shall have the right to impose an initial Fine not to exceed Two Hundred Fifty Dollars ($250.00) as adjusted annually by Consumer Price Index (or any substitute index) for any one violation of the covenants contained herein. Such a Fine shall be in addition to the remedies set forth previously, and shall not restrain the aforementioned entities from pursuing any or all of the remedies and taking any and all of the actions outlined in this Declaration. A violation which continues after the provision of written notice shall be treated as a continuous violation and shall result in a Fine of Fifty Dollars ($50.00), adjusted annually by Consumer Price Index, per day until the violation ceases. Fines shall be attributable to each Lot and shall be a personal obligation of the Owner and shall be secured by a lien on such Lot at the time they become payable, pursuant to notice given by the Board of Directors by billing or otherwise (whether or not such notice is received by the Owner), and such lien shall also cover interest and any necessary collection expenses, including attorneys fees, provided, however, that such lien shall be subordinate to real estate taxes and any deed of trust or mortgage to secure a bona fide indebtedness recorded prior to the giving of such notice, or within ten (10) days after receipt of a written acknowledgement from the Association that no charges are outstanding against such Lot.

Section 11. Acceleration of Installments. Upon default in the payment of any one or more installments of any Assessment levied pursuant to this Declaration, the entire balance of said Assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full, fifteen (15) days after written notice of such default is given to the Owner.

Section 12. Subordination of the Lien to Mortgage. The lien of the Assessments payable by the Owner of a Lot shall be subordinate to the lien of a prior recorded mortgage or deed of trust except for the amount of such Assessments which become due and payable from and after the date on which the mortgagee or beneficiary thereunder either takes possession of the Lot encumbered thereby, accepts a conveyance of any interest therein (other than as security) or forecloses its mortgage or deed of trust. This Section 12 shall not be amended, changed, modified or rescinded without the prior written consent of all mortgagees and beneficiaries of record.

Section 13. Additional Default. Any recorded mortgage or deed of trust secured by any Lot shall provide that any default by mortgagor in the payment of any Assessment levied pursuant to this Declaration, or any installment thereof, shall likewise be a default in such mortgage or deed of trust (or of the indebtedness secured thereby), but failure to include such a provision in any such mortgage or deed of trust shall not affect the validity or priority thereof, and the protection extended to the holder of such mortgage or deed of trust (or of the indebtedness secured thereby) by reason of this Article shall not be altered, modified or diminished by reason of such failure.

Section 14. Exempt Property. All Properties dedicated to and accepted by a local public authority and the Common Area shall be exempt from the Assessments created herein except as

otherwise specifically provided.

ARTICLE X: ENFORCEMENT OF DECLARATION

If any Owner, his heirs, personal representatives, successors or assigns shall violate or attempt to violate any of the covenants, conditions and restrictions set forth herein, any Owner, or the Association may prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, condition or restriction to prevent such violation or attempted violation, may seek specific performance or may recover damages for any such violation. Failure to enforce any of such covenants, conditions and restrictions shall in no event be deemed a waiver of the right to do so thereafter. In the event of such litigation, the party guilty of such violation or attempt to violate shall pay the other party's attorney's fees and costs incurred in enforcing this Declaration.

ARTICLE XI: MISCELLANEOUS PROVISIONS

Section 1. Liability of Association. The Directors of the Association and all members of the Architectural Committee are hereby expressly relieved of any liability to any Owner, and to any other party to the extent permitted by law, for any act of omission or commission in connection with the performance of their functions as Directors of the Association or such member, except for willful misconduct or act of bad faith.

Section 2. Severability of Covenants, Conditions and Restrictions. Invalidation of any one or more of the covenants, conditions and restrictions or other provisions herein or hereafter set forth by any Judgment or Court Order shall in no way affect any of the other covenants, conditions and restrictions which shall remain in full force and effect.

Section 3. Gender and Grammar. The singular whenever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations, partnerships, or individuals, men or women, shall in all cases be assumed as applicable.

Section 4. Amendment. Subject to the limitations and rights contained in Articles III, VIII and IX hereof, these covenants, conditions and restrictions may be amended at any time during the initial term hereof or any extension thereof by the vote of Members having not less than two-thirds (2/3's) of the eligible votes of the Association, with such amendment to be effective upon execution by the President and recording in the Register's Office of Shelby County, Tennessee. To the contrary herein notwithstanding, no provision herein concerning the rights of the Developer may be amended without the written consent of the Developer until such time as the Developer no longer owns a Lot in the Subdivision.

Section 5. Condemnation, Destruction or Termination of the Common Area. In the event of loss or damage to the Common Area as a result of condemnation, in whole or in part, or partial or total destruction, the Board of Directors of the Association shall represent the Association in any proceedings, negotiations, settlements or agreements. In representing the Owners, the Board of Directors of the Association shall serve as the attorney-in-fact for the

Owners. Any proceeds from any settlement shall be payable to the Association for the benefit of the Owners.

Section 6. Contract for Property Management. The Association may retain the services of a professional management company to manage and maintain the Common Areas of the Property. Any such contract shall include a right of termination without cause which may be exercised by the Association at any time. There shall be no penalty for the right of termination by the Association and advance notice of termination shall be required of no more than ninety (90) days.

Section 7. Rights of Mortgage Holders, Insurers or Guarantors. The holder, insurer or guarantor of a mortgage on any Lot in the Property shall have the right to timely written notice of the following:

1. Any condemnation or casualty loss that affects either a material portion of the Property or the Lot securing its mortgage;

2. Any sixty (60) day delinquency in the payment of Assessments or charges owed by the Owner of any Lot on which it holds the mortgage;

3. A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; or

4. Any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

To be entitled to receive this information, the mortgage holder, insurer or guarantor must send a written request to the Association, stating both its name and address and the address of the Lot on which it has or insures or guarantees the mortgage.

Section 8. Easements for Utilities and Related Purposes. The Association is authorized and empowered to grant (and shall from time to time grant) such licenses, easements and/or rights-of-way over the Common Area for sewer lines, water lines, electrical cables, telephone cables, television and other communication cables, internal and external wiring and antennae, gas lines, storm drains, underground conduits and/or equipment for such purposes related to the provision of public utilities and other common services to the Property or any Lot(s) as may be considered necessary, appropriate or desirable by the Board of Directors or the Association for the preservation of the health, safety, convenience and/or welfare of the Owners and the Association.

Section 9. Grant of Easement. An easement is hereby granted to all police, fire protection, ambulance, security, garbage collection, and U.S. Postal Service, Federal Express, United Parcel Service or like delivery service persons to enter upon the Common Areas and any Lots in 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 Areas and any Lot or Improvement on any Lot to perform the duties of maintenance and repair of the Lot, Improvement or Common Area provided for herein. Should any utility request a specific easement by separate, recordable document, the

Association shall have the right to grant such easement on the Common Area without conflicting with the terms hereof. The easements provided for in this section shall in no way affect any other recorded easements on the Property.

Section 10. Insurance. The Association shall obtain and maintain at all times, to the extent obtainable, policies of insurance, written with financially responsible and able companies, licensed to do business in Tennessee, covering the risks of:

A. Bodily injury and property damage liability insurance in such limits as the Board of Directors may from time to time determine; and

B. Worker's compensation and employer's liability insurance and all other similar insurance with respect to employees, if any, and subcontractors of the Association in the amounts and in the forms now or hereafter required by law; and

C. Fidelity coverage against dishonesty of employees or any other persons handling funds of the Association, destruction or disappearance of money or securities and forgery and endorsements thereto covering any persons who serve the Association without compensation; and

D. Insurance against such other risks of a similar or dissimilar nature as the Board of Directors shall deem appropriate with respect to the Property, including insurance on any personal property of the Association located thereon, and Directors and Officers liability insurance with respect to the actions of the Board of Directors and officers of the Association. The types of coverage and limits of all insurance carried pursuant to these provisions or failure to carry adequate coverage shall not be subject to question or claim against the Association or its Board of Directors. Owners may carry other insurance for their benefit and at their expense, provided that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of such additional insurance carried by any Owner.

Section 11. Notices. Any notice required to be sent to any Owner or Member under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the Person or entity who appears as an Owner or Member on the records of the Association at the time of such mailing.

Section 12. Expansion by Developer. Developer shall have the right but not the obligation to expand the Subdivision by recording a final plat for each of such Sections and amending this Declaration to incorporate the additional Sections into the Subdivision.

Section 13. Additional Restrictions. Developer reserves the right to impose additional specific restrictions upon any Lot in the Subdivision at the time of sale by the Developer of such Lot. Such additional restrictions may be made by appropriate provision in the deed of conveyance, without otherwise modifying this Declaration. Such additional restrictions shall

apply to the Lot or Lots to which they are specifically imposed, provided that any such additional restrictions shall be more restrictive than the covenants contained herein.

Section 14. Term of Developer's Control of the Association. Until the sale of one hundred percent (100%) of the Lots in the Subdivision, as it may be expanded pursuant to the terms of this Declaration, whichever occurs first, Developer shall have the right to appoint the Board of Directors of the Association and shall be responsible for the payment of all expenses of the Association with the right to the credit against such expenses as set forth in Article IX, Section 2. Thereafter, Directors shall be elected pursuant to the terms of the Bylaws of the Association.

IN WITNESS WHEREOF, the Developer has hereby executed this Declaration on the day and year first above written.

CLUB GARDENS, LLC

By: _____
Martin Edwards, Jr.
Member

By: _____
Lee Askew
Member

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, a Notary Public of the State and County aforesaid, personally appeared Martin Edwards, Jr., 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 Member of Club Gardens, LLC, a Tennessee limited liability company, the within named bargainor, and that he as such Member, executed the foregoing instrument for the purpose therein contained, by signing the name of the limited liability company by himself as such Member.

WITNESS my hand and Notarial Seal at office this 20th day of [illegible] 2018.

NOTARY PUBLIC

CYNTHIA J. REAVES
STATE OF TENNESSEE
NOTARY PUBLIC
SHELBY COUNTY
MY COMMISSION EXPIRES 10/5/19

My Commission Expires:
10/5/19

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, a Notary Public of the State and County aforesaid, personally appeared Lee Askew, 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 Member of Club Gardens, LLC, a Tennessee limited liability company, the within named bargainor, and that he as such Member, executed the foregoing instrument for the purpose therein contained, by signing the name of the limited liability company by himself as such Member.

WITNESS my hand and Notarial Seal at office this 20th day of [illegible], 2018.

NOTARY PUBLIC

CYNTHIA J. REAVES
STATE OF TENNESSEE
NOTARY PUBLIC
SHELBY COUNTY
MY COMMISSION EXPIRES 10/5/19

My Commission Expires:
10/5/19

Exhibit A

Description of the Club Gardens LLC property recorded in Instrument No. 17040670 in Memphis, Shelby County, Tennessee:

Beginning at a found iron pin at the intersection of the north right-of-way line of Central Avenue and the west right-of-way line of Mansfield Street; thence north 85 degrees 47 minutes 23 seconds west with the north right-of-way line of said Central Avenue, 186.24 feet to a point in the east line of the University Club of Memphis property recorded in Instrument No. 13052208, said point being located north 03 degrees 52 minutes 09 seconds east, 0.86' from a found chisel mark; thence north 03 degrees 52 minutes 09 seconds east with the east line of said property recorded in Instrument No. 13052208 and the east line of the "University Club of Memphis" property, 296.56 feet to a found chisel mark in the south line of the Sherryl Oates and Charles Oates, Jr. property recorded in Instrument No. HU-1122; thence eastwardly with the south line of said property recorded in Instrument No. HU-1122 the following calls: south 85 degrees 59 minutes 55 seconds east, 36.01 feet to a found iron axle; south 84 degrees 56 minutes 38 seconds east, 55.57 feet to a set "x" cut; south 05 degrees 48 minutes 27 seconds west, 3.54 feet to a set "x" cut; south 86 degrees 16 minutes 00 seconds east, 94.43 feet to a found iron pin in the west right-of-way line of said Mansfield Street; thence south 03 degrees 48 minutes 01 seconds west with the west right-of-way line of said Mansfield Street, 293.12 feet to the point of beginning and containing 54,803 square feet of 1.258 acres of land.