

THIS INSTRUMENT PREPARED BY:
SCOTT D. WEISS, ESQ., CCAL
Ortale Kelley Law Firm
CMT Building
330 Commerce Street, Suite 110
Nashville, Tennessee 37201
(Prepared from information provided
by and at the direction of the Noel Cove
Townhomes Association, Inc.)

Nick McBride
Register of Deeds
Knox County

AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
DEERFIELD SUBDIVISION, A PLANNED UNIT DEVELOPMENT

THIS AMENDMENT to the Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development ("Amendment") is made and entered into by the Lot Owners of the Deerfield Subdivision Homeowners' Association ("Deerfield" or "Association") in accordance with Article XII, Section 3 of the Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development ("Declaration") of record in Warranty Book 2216, Page 335, and Instrument No. 199606210037247, Register's Office for Knox County, Tennessee; the Declaration having been amended by First Amendment to the Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development ("First Amendment"), of record in Warranty Book 2217, Page 788, and Instrument No. 199607030037976, said Register's Office; the Declaration having further been amended by Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development ("Second Amendment"), of record in Warranty Book 2217, Page 788 Instrument No. _____, said Register's Office; the said Declaration having further been amended by Third Amendment to the Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development ("Third Amendment"), of record in Warranty Book 2270, Page 204, Instrument No. _____, said Register's Office.

WITNESSETH:

WHEREAS, all capitalized terms not otherwise defined herein shall have the meanings set forth in the Declaration; and,


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WHEREAS, pursuant to Article XII, Section 3 of the Declaration, the same may be amended by an instrument signed by not less than seventy-five (75%) percent of the Lot Owners; and,

WHEREAS, as evidenced by their signatures below, the President and Secretary of Deerfield Subdivision Homeowners' Association, certify that not less than seventy-five (75%) percent of the Lot Owners have signed this Amendment, and that this Amendment to the Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development shall be adopted.

NOW, THEREFORE, by these presents, Article VIII of the Declaration is hereby amended by adding a **new Section 13** after the existing Section 12 thereof, as follows:

Section 13. Leasing.

(1) Definitions.

- i. **"Leasing"**. For purposes of this Declaration is defined as any short-term transient or vacation-type occupancy or the regular, exclusive monthly, quarterly or annual occupancy of a Home by any person or persons other than the Owner, or any lease-purchase or similar agreement, regardless of whether the Owner receives any consideration or benefit, including, but not limited to a fee, service, gratuity, or emolument.
- ii. **"Home or Homes"**. Shall mean an independently owned structure on a separate Lot that has been constructed for use as a single-family residential dwelling.
- iii. **"Transient"**. Means any right to use, occupy or possess, or the use, occupancy or possession of a Home for a period of thirty (30) calendar days or less.
- iv. **"Short-term rental Unit" or "STR"** means a Home or residential dwelling that is rented wholly or partially for a fee for a period of less than thirty (30) continuous days.
- v. **"Biological Unit Owner Heir" or "Biological Heir"** Means the biological or legally adopted children or grandchildren of a Home Owner; the parent(s), of a Home Owner; the sisters, brothers, nieces or nephews of a Home Owner; the step-parent and step-sister or step-brother of a Home Owner.

(2) Lease Restriction and Exceptions

- (a) **Occupancy Requirement.** All new Owners of a Home who become an Owner subsequent to the date of this Amendment, shall own and occupy such Home as the Owner's primary place of residence for the immediate twenty-four (24) consecutive months after the date of purchase or acquisition of title.
- (b) With the exception of Leasing which may be approved by the Board from time to time due to hardship as defined in part (c) below, and Excluded Parties defined in Paragraph 4 below, under no circumstances shall the Board approve any lease which will cause the total number of leased Homes to exceed twenty percent (20%) of the

combined total of Homes at Deerfield. Failure of the Board to strictly comply with this or any other provision within this Amendment, shall not act as a waiver of its right to do so at any time in the future.

(c) Hardship Exceptions. In addition to the twenty percent (20%) restriction in sub-part (b) above, and subject to all of the restrictions recited within this Section 13, the Board in its discretion, shall be empowered to allow reasonable leasing of Homes to avoid undue hardship for reasons to include, but not limited to:

- (i) If an Owner must relocate his or her place of residence and cannot, within ninety (90) days from the date that the Home was placed on the real estate market, sell the Home for at least the current appraised market value, after having made reasonable efforts to do so.
- (ii) If an Owner dies and the Home is being occupied by his heirs or devisees or is being administered by his or her estate and/or surviving heirs at law;
- (iii) If the Owner takes a leave of absence or is temporarily relocated a distance of fifty (50) miles or greater from the Home and intends to return to reside in the Home.
- (iv) Owners who are members of the United States armed forces and are deployed for more than sixty (60) calendar days from their Home and who produce a copy of such orders to the Board as evidence of such deployment.
- (v) Homes which are inherited by any Biological Heir as defined in Paragraph 1(v) above, may be leased whether or not such Homes are occupied by a Biological Heir. Such Biological Heirs shall however, be subject to the lease restrictions recited in part (b) herein and Paragraphs (3), (5), (6) and (7) below.
- (vi) In all such hardship situations the Owner shall reapply at the end of the natural lease term for renewal of the hardship exception created herein.

Those Owners who are required to demonstrate, and who have so demonstrated, that the inability to lease their Home would result in undue hardship and who have obtained the requisite written approval from the Board, may lease their Home for such duration as the Board reasonably determines is necessary to prevent undue hardship. No hardship exception or renewal thereof shall be granted for more than one (1) year at a time, and the Owner shall reapply for the renewal of a hardship exception no less than sixty (60) calendar days prior to the natural expiration of the lease. If the Owner makes such application for renewal of hardship exception to the Board, and does not receive a written approval of renewal hardship exception from the Board prior to the natural expiration of the lease, the hardship exception shall be presumed to be approved. The Board shall not unreasonably withhold approval.

(3) Lease Requirements

Such leasing as is permitted herein, shall be subject to reasonable rules promulgated by the Board as may be adopted from time to time, and the following requirements:

- (a) All leases shall be in writing and a copy of the fully executed lease naming all tenants and occupants shall be filed with the property manager prior to occupancy.
- (b) Lease terms shall be for no less than one (1) year.
- (c) There shall be no subleasing or assignment of leases except with the prior written approval of the Owner.
- (d) No transient tenants shall be accommodated in any Home.
- (e) No Home shall be advertised and/or used as an STR, vacation or seasonal rental, or bed and breakfast through any service such as Vacation Rental by Owner ("VRBO®"), Airbnb®, hometogo.com, or any similar short-term leasing marketing service.
- (f) No Home shall be leased except in its entirety.
- (g) Tenants and occupants named in all leases shall be subject to the Declaration, By-Laws and Rules and Regulations for Deerfield, as the same may be amended from time to time.
- (h) The Association shall be considered a third party beneficiary of any such lease and shall have the power to enforce all lease terms and conditions in the event the Home Owner fails or refuses to do so.
- (i) The Board in its discretion, shall be permitted to adopt a reasonable leasing fee to be charged to Owners wishing to lease their Home which shall not exceed the equivalent of three (3) months of regular monthly assessments. If such leasing fee is so adopted, it shall be paid by the Owner on or before the date of occupancy of all tenants and occupants.

(4) **Excluded Parties**

- (a) **Mortgage/Deed of Trust**: With the exception of Paragraph (3) Lease Requirements section above, and Paragraphs (5), (6) and (7) below, the prohibition upon leasing imposed by this Amendment shall not apply to any leasing transaction entered into by the holder of any first mortgage and/or Deed of Trust on a Unit who becomes the Owner of the Home through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage and/or Deed of Trust.
- (b) **Existing Owners**: Subject to Paragraph (3) Lease Requirements above, and Paragraphs (5), (6) and (7) below, existing Owners as of the date of this Amendment may lease their Home and are effectively "grandfathered". The exclusion herein shall only be applicable to Owners, tenants and occupants who, as of the date of this Amendment, currently are in compliance with the existing Declaration, By-Laws, amendments thereto and Association rules and regulations for Deerfield.

Once an Owner who has enjoyed this grandfathered status, transfers ownership to any third party, his or her Home shall then be subject to the provisions recited within this Amendment.

A transfer of ownership for the purposes of this part, shall expressly exclude the following transfers of ownership: transfers of title between spouses; transfers of

ownership to a Trust, the beneficiary and/or trustor of which, is the homeowner; transfers of ownership by homeowner to a legal entity for tax or estate planning purposes; transfers of title by testate or intestate succession.

All existing Owners who currently lease their Home and those Owners who currently do not lease their Home but who may lease at a future date, shall provide a copy of the fully executed written lease agreement which shall name all tenants and occupants, to the Association management company prior to occupancy if such Home is not currently leased, and within thirty (30) calendar days if such Home is leased as of the date of this Amendment.

(c) **Family Members:** Homes which are occupied by the children or grandchildren of a Home Owner; Homes which are occupied by the parent or parents of a Home Owner; and Homes occupied by aunts, uncles, sisters, brothers, nieces or nephews of the Home Owner, shall not be considered as Homes which are leased. Such Homes shall however, be subject to the lease restrictions recited in Paragraph (3) above and Paragraphs (5) (6) and (7) below.

(d) **Association:** With the exception of Paragraph (3) Lease Requirements above and Paragraphs (5), (6) and (7) below, the provisions of this Amendment shall not apply to any leasing transaction entered into by Deerfield who becomes the Owner of a Home through foreclosure of its lien or any other means pursuant to the satisfaction of a Notice of Lien or judgment in the Association's favor.

(5) **Tenants and Occupants Liable**

Tenants, occupants and invitees of any Owner shall be subject to and shall comply with, the Declaration, By-Laws for the Association and all amendments thereto, and all duly adopted Association Rules and Regulations by the Board for the Association.

(6) **Rental Fine Policy**

The Board shall adopt reasonable rules and regulations for the enforcement of the leasing restrictions created herein. As permitted by Section 9 of the Paragraph entitled "Directors" as recited in the By-Laws of Deerfield Subdivision Homeowners' Association, attached to the Declaration as Exhibit "E" ("By-Laws"), such rules and regulations shall include procedures for issuing notices, fines and enforcement provisions which may be imposed upon Home Owners in violation. All costs, including reasonable attorney's fees incurred in the enforcement of this Section 13, shall be the responsibility of the Home Owner. Any and all fines created by such rules and regulations shall be a continuing lien against the Unit and shall further be the personal obligation of the Home Owner.

(7) Tenant/Occupant Violations.

(a). Written notice shall be mailed to tenants, occupants and the Owner at the last address provided by the Owner to the Association, of any and all violations of the Declaration, By-Laws, Association Rules and Regulations and amendments thereto by such tenant or occupant. Such written notice shall give the Owner ten (10) business days to provide the Association with written evidence of the measures such Owner has taken to ensure such violations by their tenant or occupant does not continue. Any violation by such tenant or occupant of the same or similar nature within sixty (60) days of the original violation, shall be considered a continuation of the previous violation. The Rules and Regulations adopted by the Board for the enforcement of this Section 13 shall be implemented against any Owner who fails to provide such written notice to the Association as required in this part or whose tenant's or occupant's actions are considered a continuation of a previous violation.

(b). After the Board-adopted rules and regulations for the enforcement of this Section 13 have been implemented as a measure and prerequisite to compel the tenant's or occupant's compliance through the Owner, should such violations continue, the Association shall be entitled to file suit against such tenant or occupant and Owner for unlawful detainer, and the Association shall further be entitled to file Writs to seek possession of the Owner's Home, and evict such tenant or occupant. All costs for such action, including reasonable attorneys' fees, shall be a continuing lien and charge against such Owner's Home, and be the personal obligation of such Owner.

(c). Lease Termination due to Violence or Threats to Health, Safety or Welfare. Should any tenant or occupant willfully or intentionally commit a violent act, or behave in a manner which constitutes or threatens to be a real and present danger to the health, safety or welfare or the life or property of other owners, tenants or occupants at Deerfield; or creates a hazardous or unsanitary condition in their Home or within Deerfield that affects the health, safety or welfare or the life or property of other owners, tenants or occupants; or permits such acts by any person present at Deerfield at the invitation of such tenant or occupant, the Association shall, on behalf of the Owner, be entitled to exercise all of the remedies and shall comply with all of the requirements of Tenn. Code Ann. § 66-28-517 as the same may be amended from time to time, and the Association shall further be entitled to file suit against such tenant and/or occupant for unlawful detainer seeking eviction and shall be entitled to file Writs seeking possession of the Home on behalf of the Owner.

All costs incurred by this part, together with reasonable attorneys' fees for the enforcement thereof, shall be a charge on the land and shall be a continuing lien upon the Home against which such costs and reasonable attorney's fees were incurred; and such costs, together with reasonable attorneys' fees, shall be the personal obligation of the person who was the Owner of such Home at the time the fine(s) were levied.

NOW, THEREFORE, by these presents, Article XII of the Declaration is hereby amended by adding a new Section 8 after Section 7 thereof, as follows:

Section 8. Association Priority Lien. Upon the foreclosure of a first mortgage or deed of trust, the foreclosure and the sale shall be subject to the Association's lien created in Article IV, Section 1 of the Declaration, and the Association shall be entitled to proceeds from the foreclosure sale to satisfy the lien for common expenses and assessments which would have become due in the absence of acceleration during the six (6) months immediately preceding institution of such foreclosure, but not exceeding one percent (1%) of the maximum principal indebtedness of the lien secured by the first mortgage or deed of trust.

Only the changes and amendments made by this Amendment to the Master Deed and Declaration of Covenants, Conditions and Restrictions for Noel Cove Townhomes Association, Inc. shall be changed. All other terms, conditions, restrictions and provisions of the Master Deed and previous amendments thereto, shall survive and continue to remain in full force and effect.

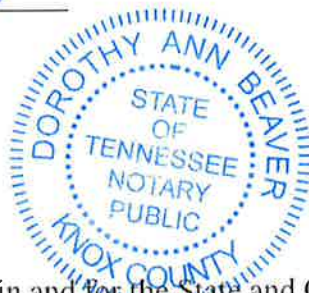
IN WITNESS WHEREOF, the undersigned have executed this instrument as of this the 11 of November, 2019.

**DEERFIELD SUBDIVISION
HOMEOWNERS' ASSOCIATION**

Mary McKellar
By:

Its: President

STATE OF TENNESSEE)
COUNTY OF KNOX)



Before me, a Notary Public in and for the State and County aforesaid, personally appeared Mary McKellar with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon her/his oath, acknowledged herself/himself to be the President of Deerfield Subdivision Homeowners' Association, and that she/he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Association by herself/himself as such President.

Witness my hand and official seal at Knoxville, Knox County, Tennessee, this 11 day of November, 2019.

Dorothy Ann Beaver
Notary Public

My Commission Expires:

6-4-2022

AFFIDAVIT OF SIGNATURES

BY

SECRETARY OF DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION

The undersigned, Emily Alvandas, Secretary of Deerfield Subdivision Homeowners' Association, certifies and affirms that in accordance with Article XII, Section 3 of the Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development, certifies that not less than seventy-five (75%) percent of the Lot Owners have signed this Amendment, and that this Amendment to the Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development shall be adopted.

DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION

Emily Alvandas
By:
Its: Secretary

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, a Notary Public in and for the State and County aforesaid, personally appeared Emily Alvandas with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon her/his oath, acknowledged herself/himself to be the Secretary of Deerfield Subdivision Homeowners' Association, and that she/he as such Secretary, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Association by herself/himself as such Secretary.

Witness my hand and official seal at Knoxville, Knox County, Tennessee, this
11 day of November, 2019.

Dorothy Ann Beaver
Notary Public

My Commission Expires:

6-4-2022

