

INST: 79487 MB 2216 PG: 335
REC'D FOR REC 06/21/1996 15:34:42 KNOX CO, TN
RECORD FEE: \$ 172.00
MORTGAGE TAX: \$ 0.00 TRANSFER TAX: \$ 0.00

Apr 24 B 2253 Ch 153 Second Amendment (2nd) L234

SEE WB 2270 PG 204 THIRD AMENDMENT
SEE WB 2270 PG 202 AFFIDAVIT

see W.B. 2217 pgs. 788 1st Amendment

not-for-profit corporation, organized and existing under the laws of the State of Tennessee, with its' principal office being located in Knox County, Tennessee, its' successors and/or assigns, the Charter and specimen By-laws of which are attached hereto as EXHIBITS "D" and "E", respectively.

Section 2. "Owner(s)" shall mean and refer to the record owner(s), whether one or more person(s) or entity, of a fee simple title to any Lot which is a part of the "Property", including contract seller(s), but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property hereinabove-described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Lot" shall mean and refer to any plat of land shown on any recorded subdivision map of the "Property", exclusive of any designated common areas and non-exclusive, joint permanent easements, as shown on a recorded plat, and as hereinafter brought within the jurisdiction of the Planned Unit Development by the recordation of additional plats by the DECLARANT, its' successors and assigns.

Section 5. "DECLARANT" shall mean and refer to Deerfield Properties, LLC, its' successors and assigns. DECLARANT and Developer are synonymous for the purposes of this Declaration.

Section 6. "Member" shall mean and refer to those person(s) entitled to membership as provided in this Declaration.

Section 7. "Lender" as used herein shall mean and be defined as any lender, whether institutional investor, bank, savings and loan association, or loan broker, whose loan is secured by a Lot in the Development as shown on the recorded plat and shall include, without limitation, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, Federal Housing Administration (FHA) and the Veterans Administration (VA), their respective successors or assigns, as their respective interests may appear.

Section 8. "Common Areas" as used herein shall mean all real property, including the improvements thereon, owned by the Association for the common use and enjoyment of the Owner(s), and as designated on the recorded plat, if any, and being more particularly described in EXHIBIT "B", attached hereto and made a part hereof.

Section 9. Joint Permanent Easement as used herein shall mean and refer to the Non-exclusive, Joint Permanent Easement, inclusive of ELMHURST WAY, APPIAN WAY, and PEPPERDINE WAY, as designated and dedicated on the recorded plat of the same of record in the Knox County Register's Map Cabinet O, Slides _____, _____, and _____, and further dedicated of record in the Knox County Register's Deed Book 2216, Page 329, to which reference is here made and copied verbatim as if set forth herein, being more particularly set forth in EXHIBIT "C", attached hereto and made a part hereof.



ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements and Enjoyment. Every Owner(s) shall have a right and easement of enjoyment in and to the Common Areas, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Areas;

(b) the right of the Association to suspend the voting rights and right of use to the recreational facilities of an owner(s) for any period during which any assessment against their respective Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Association published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members; provided that, any such dedication or transfer shall not be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3rds) of each class of members has been recorded.

Section 2. Delegation of use. Any Owner(s) may delegate, in accordance with the By-Laws, his/her right of enjoyment to the Common Areas and facilities to the members of his/her family, his/her tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner(s) of a Lot, which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be every Owner(s) with the exception of the Declarant and each Owner(s) shall be entitled to one (1) vote for each Lot owned; when more than one (1) person owns an interest in any Lot, all such person(s) shall be members; the vote for such lot shall be exercised as the co-owners may among themselves determine, but in no event shall more than one (1) vote be cast with respect to any one (1) Lot. In the event the Declarant, their successor or assigns, have a Lot leased or rented, the Declarant shall be entitled to one (1) vote for each Lot owned and one (1) vote for each Lot retained by it upon the termination of the Class A membership.



Class B. The Class B member shall be the Declarant, and it shall be entitled to three (3) votes for each Lot Owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) After seventy-five percent (75%) of the Lots in the development have been conveyed to Lot Purchaser(s); or
 - (b) Five (5) years following the conveyance of the first Lot to a Lot purchaser(s); or
 - (c) June 1, 2001;
- whichever of the aforementioned events occurs first.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The DECLARANT, for each Lot owned within the Property, hereby covenants, and each Owner(s) of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the following to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and a reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which the assessments is made. Each such assessment, together with interest, costs, and a reasonable attorney's fees, shall also be the personal obligation of the person(s) who is the Owner(s) of such lot at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to their respective successor(s) in title unless expressly assumed by such successors and assigns.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Property and for the improvement and maintenance of the common areas situated within the Property, including, but not limited to costs of repairs, maintenance, replacements, additions, management, insurance maintained in accordance with the Association By-Laws, the improvement and maintenance of the uniform scheme of the exterior surfaces of all residential buildings within the Property as constructed on each Lot, and the employment of attorneys to represent the Association when the need arises.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be SIX HUNDRED AND 00/100*****Dollars (\$600.00) per Lot, payable in a lump sum payment or installments as the members of the DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION may establish.



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- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner(s), the maximum annual assessment may be increased each year without a vote of the Members, if such increase is not in excess of the increase in the consumer price index (CPI) as established by the Department of Labor and published the July preceding the increase in the annual assessment.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner(s), the maximum annual assessment may be increased each year above that established by the consumer price index (CPI) by a vote of the members with a two-thirds (2/3rds) affirmative vote of each class of members who are eligible to vote, whether voting in person or by proxy, at a meeting duly called for the purpose of establishing said annual assessment as provided in Section 5 hereof.
- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum set forth herein subject to the provisions of Sections 6 and 7 hereof.

Section 4. Replacement Reserves. The Association shall maintain in a separate bank account funds for Replacement Reserves to maintain, improve and preserve a) exterior building surfaces and roofs and b) Common Areas, if any. The Replacement Reserves shall be a part of and collected from Lot Owner(s) by the Association as regular assessments in an amount determined and established in the annual Association budget. The initial Replacement Reserves fund shall be established by BUILDER in an amount equal to two (2) months assessments allocated for each Lot and shall be collected from and transferred by the BUILDER to the Replacement Reserves Fund of the Association at the time of the closing of the sale of each Lot in the Property.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas designated on the recorded plat, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are eligible to vote and are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected monthly. The Capital Improvement Fund shall be maintained in a separate bank account in the name of the Association as the Capital Improvement Fund.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than (60) days in advance of the meeting. At the first such meeting called, the presence of the members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership

shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. Subsequent meetings shall not be held more than sixty (60) days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at the uniform rate for all Lots and may be collected on a monthly basis; provided that, during the continuation of construction and improvement the rate of assessment for unimproved Lots shall be at TWENTY-FIVE percent (25.0%) of the rate of assessment for improved Lots.

Section 8. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of the Common Areas and Non-exclusive Joint Permanent Easement to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner(s) subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of Ten percent (10%) per annum. The Association may bring an action at law against the Owner(s) personally obligated to pay the same, or foreclose the lien against the property. Owner(s) may not waive or otherwise escape liability for the assessments provided for herein by abandonment of their Lot or for non-use of the Common Areas or the Non-exclusive Joint Permanent Easement.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which have become due prior to such sale or transfer. A sale or transfer shall not relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. All property dedicated to and accepted by a local public authority and all properties owned by charitable and nonprofit organizations shall not be subject to the assessments provided for herein. However, in no event, shall any land or improvements devoted to residential use and occupancy within the Property be exempt from said assessments.

ARTICLE V

ARCHITECTURAL CONTROL

Buildings, swimming pools, fences, walls or other structures or improvements of any type shall not be commenced, erected or maintained upon the Property, or any Lot within the property, nor shall any exterior addition, modification, change, or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of such building, fence, wall, or other structure, modification, alteration, change or addition shall have been submitted to and approved in writing as to the harmony and conformity with the exterior design and location of surrounding structures and topography by the Board of Directors of the Association, as recommended by the Architectural Control Committee composed of three (3) or more representatives appointed by the Board of Directors of the Association. In the event said Board or its designated committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with by the respective Lot Owner(s). Provided, that nothing herein contained shall be construed to permit interference with the development of the Property by DECLARANT so long as said property follows the general plan of development.

ARTICLE VI

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the residential units upon the Property and placed on the dividing line between Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence, or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owner(s) who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner(s) who has used the wall may restore it, and if the other Owner(s) thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner(s) to call for a larger contribution from the other Owner(s) under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner(s) who by their negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.



Section 5. Right to Contribution Runs With Land. The right of any Owner(s) to contribution from any Owner(s) under this Article shall be appurtenant to the land and shall pass to such Owners' respective successor(s) in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one (1) arbitrator, and such arbitrators shall choose one (1) additional arbitrator, and the decision concerning said dispute shall be determined by a simple majority of all the arbitrators.

ARTICLE VII

EXTERIOR MAINTENANCE

In addition to maintenance upon the Non-exclusive Joint Permanent Easement, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: lawn mowing, paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, sidewalks, and any other structures, which may exist or hereafter be constructed within the Common Areas shown on the recorded plat or plats. Such exterior maintenance shall not include glass surfaces. In the event that the need for maintenance or repair of a Lot or the improvements thereon is caused through the willful or negligent acts of its' Owner(s), or through the willful or negligent acts of the family, guests, or invitees of the Owner(s) of the Lot needing such maintenance or repair, the costs of such exterior maintenance shall be added to and become a part of the assessment to which such Lot is subject, and shall be collected in accordance with terms of this Declaration.

ARTICLE VIII

RESTRICTIONS ON USAGE

Section 1. Land Use and Building Types. Lots shall not be used except for residential purposes. In the event that in a future annexation or development, if any, certain Lot(s) are designated as "commercial areas" on recorded plats, then such Lot(s) may be used for any commercial purposes permitted by applicable municipal and zoning ordinances.

Section 2. Nuisance. Noxious or offensive activities shall not be conducted upon any Lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood and Property.

Section 3. Animals. No animals, livestock, or poultry of any kind shall be kept or maintained on any Lot or in any residential unit except that dogs, cats, or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes; and that such household pets are inside pets, and provided further, that the Association may regulate the keeping

and maintaining of household pets.

Section 4. Outside Antennas. Outside radio, television or satellite antennas shall not be erected on any Lot or residential unit within the Property unless and until permission for the same has been granted by the Board of Directors of the Association as recommended by the Association's Architectural Control Committee.

Section 5. Signs. Sign(s) of any kind shall not be displayed to public view on any Lot except one (1) professional sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by the DECLARANT or BUILDER, their respective successors and assigns, to advertise and market the property during the construction and sales period.

Section 6. Garbage and Refuse Disposal. Lots shall not be used or maintained as a dumping ground for rubbish, trash, garbage, or other waste, and such refuse shall not be kept except in sanitary containers; all equipment for the storage of such material shall be kept in a clean and sanitary condition; incinerators or other disposal equipment shall not be allowed on any Lot.

Section 7. Lawful Use. Immoral, improper, offensive, or unlawful use shall not be made of the Lots and residential units within the Property, nor any part thereof; and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.

Section 8. Commercial Business. Commercial business may not be maintained or transacted on any Lot or in any residential unit.

Section 9. Sports Apparatus and Equipment. Basketball goals, posts or backboards or any other fixed sports apparatus shall not be attached to any residential unit or garage or be erected on the Lot of any residential unit.

Section 10. Vehicles and Parking. Vehicles of any type shall not be permanently or semi-permanently parked on the Property or in the vicinity of any Lot or residential unit for the purpose of accomplishing repairs thereto, or the reconstruction thereof, except as permitted by the By-laws, Rules and Regulations promulgated by the Association. This restriction shall also apply to all vehicles not in operating condition regardless of whether or not such vehicles are being operated. The non-exclusive, joint permanent easement shall not be used as a parking area, nor shall designated parking areas be used for permanent parking or storage of vehicles.

Section 11. Recreation Vehicles. There shall not be any parking of recreational vehicles, including, but not limited to, camping trailers, boats, motor homes, and the like, except in areas specifically designated for this purpose by the Board of Directors of the Association.

Section 12. Commercial Vehicles. The Association shall have the power to adopt Rules and Regulations concerning the parking of any commercial vehicles within the Property or on individual residential Lots.



ARTICLE IX

EASEMENTS

Section 1. Utilities and Drainage. Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, structures, planting or other material shall not be placed or permitted to remain, which may 1) interfere with the installation and maintenance of utilities, 2) change the direction of flow of drainage channels in the easements, or 3) obstruct, alter, or retard the flow of water through drainage channels in the easements.

Section 2. Maintenance. Easements for repair and maintenance of exterior surfaces of each Lot are reserved for the completion of necessary repairs as determined by the Board of Directors of the Association to be required to perpetuate the architectural continuity of the development and preserve the residential structures therein. The Association has a reasonable right of entry upon any Lot to make emergency repairs and to do such other work as reasonably necessary for the proper maintenance, welfare, safety and operation of the Planned Unit Development.

The Association has a right to grant permits, licenses and easements over the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the Planned Unit Development.

ARTICLE X

DISCLOSURE

Section 1. Owners and Lenders. The DECLARANT or BUILDER during the period of development and the Association thereafter shall make available to Lot Owner(s) and lenders, and to holders, insurers or guarantors of any first mortgage, current copies of the Declaration, By-Laws, other rules concerning the Development and the books, records and financial statements of the Association. "Available" shall mean available for inspection, upon request, during normal business hours or under other reasonable circumstances.

Section 2. Financial Disclosure. Any lender and holder of a first mortgage on any Lot in said Development is entitled, upon request, to a financial statement for the immediately preceding fiscal year.

Section 3. Notice of Lender. Upon written request to the Association identifying the name and address of the holder, insurer or guarantor and the Lot number or address, any mortgage holder, insurer, or guarantor will be entitled to timely written notice of:

- a) Any condemnation or casualty loss that affects either a material portion of the project or the Lot securing its mortgage;
- b) Any sixty (60) day delinquency in the payment of assessments or charges owed by a respective Lot Owner(s)



on which it holds the mortgage;

- c) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and
- d) Any proposed action that requires the consent of a specified percentage of mortgage noteholders.

ARTICLE XI

INSURANCE



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Section 1. Insurance required by the Association. The Association shall obtain and maintain casualty and hazard insurance on all insurable improvements and fixtures for the full replacement cost thereof within the Property Common Areas and public liability insurance on the Common Areas and the Non-exclusive Joint Permanent Easement within the Property. The Association may obtain insurance against such other hazards and casualties as the Association may deem desirable, including such other real and/or personal property owned by the Association. The Association shall be the owner and beneficiary of all such insurance policies and fidelity bond obtained pursuant to this Article. The insurance coverage with respect to the Common Areas and Non-exclusive Joint Permanent Easement shall be written in the name of and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are common expenses included in the common assessments made by the Association as provided in ARTICLE IV herein.

Section 2. Fidelity Bonds. The Association shall also obtain and maintain fidelity bonds on all officers and directors of the Association who are responsible for handling, receipting for, and managing the monies and funds of the Association, which shall be carried for the protection of and in the name of the Association.

Section 3. Replacement or Repair of Property. In the event of damage to or destruction of any part of the Common Area improvements, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Reconstruction Assessment against all Lot Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other common assessments made against such Lot Owner as provided in ARTICLE IV herein. In the event that the Association is maintaining blanket casualty and fire insurance on the dwelling units on the Lots, the Association shall repair or replace the same from the insurance proceeds available.

Section 4. Dwelling Unit Replacement Election. In addition to casualty insurance on the Common Area(s), the Association, through the Board of Directors, may elect to obtain and continue fire insurance in such form as the Board of Directors deems

appropriate in an amount equal to the full replacement value, without deduction for depreciation or coinsurance, of all of the dwelling units, including the structural portions and fixtures thereof, owned by such Owner(s). Insurance premiums from any such blanket insurance coverage, and any other insurance premiums paid by the Association shall be a common expense of the Association to be included in the regular common assessments of the Owner(s), as levied by the Association in accordance with ARTICLE IV hereof. The insurance coverage with respect to the dwelling units shall be written in the name of, and the proceeds thereof shall be payable to the Association as Trustee for the Lot Owner(s).

Section 5. Ratable Assessments by the Association. The Association is hereby empowered to assess each Lot ratably for an amount equal to the sum of the current premium for said blanket hazard and casualty insurance based on the valuation of the improvements within the Common Areas and the premiums for the fidelity bonds. Such premiums shall be held in a separate account and accumulated from monthly assessments and collected for the specific purpose of paying the premiums on such insurance as the premiums become due.

Section 6. Annual Review of Insurance Policies and Fidelity Bonds. All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of any such property which is covered by said insurance and is subject to damage or destruction.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner(s) or Owners, shall have the right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner(s), to enforce any covenant or restriction herein contained shall not in any event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one (1) of these covenants or restrictions by judgment or court order shall not in any way affect any other provision, and all other provisions shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owner(s), and thereafter by an instrument signed by not less than seventy-five (75%) of the lot Owner(s). Any amendment will not be effective until it is recorded in the Register's Office of Knox County, Tennessee. As long as there is a Class B membership in the Association any amendment of this instrument shall only be effective with the prior written



approval of the Veterans' Administration and/or the Federal Housing Administration.

Section 4. Annexation. Additional residential property may be annexed to the Property by the Declarant within five (5) years of the sale of the first Lot, provided that the Federal Housing Administration and/or the Veterans' Administration determine that the annexation is in accord and conformity with the general plan heretofore approved. As long as there is a Class B membership in the Association, any amendment of this instrument shall only be effective with the prior written approval of the Veterans' Administration and/or the Federal Housing Administration.

Section 5. Dedication of Additional Common Areas. As long as Class B membership exists in the Association, additional common areas within the Property shall not be dedicated without the prior written consent of the Veterans' Administration and/or the Federal Housing Administration.

Section 6. Encroachments. It is understood that the residential units which adjoin each other and have a party wall built as a part of the original construction of the said units, which is placed upon the dividing line between adjoining Lots, may encroach on such adjoining Lots or Common Areas due to construction or other reasons, including the construction of chimneys and/or fireplaces. Accordingly, an easement is reserved for such encroachments as are contained in the buildings, whether the same now exist or may be caused or created by construction, settlement, or movement of the building(s), or by permissible repairs, construction, or alteration. With regard to any differences which may exist on the Plat entitled Deerfield Subdivision, A Planned Unit Development, as shown of record in Map Cabinet O, Slides _____, _____, and _____, in the Register's Office of Knox County, Tennessee, or in any other lands which may hereafter be platted or annexed to the Property and the party walls and Lot lines which exist on the additional plats and annexations to the Property, the Lot lines and party walls which actually exist shall control over discrepancies in such plats and annexations.

Section 7. Contracts. The Association, prior to passage of the Declarant's control period, is not bound either directly or indirectly to contracts or leases, including management contracts, unless there is a right of termination of any such contract or lease, without cause, which is exercisable without penalty at any time after transfer of control from Declarant upon not more than ninety (90) days notice to the other party.

ARTICLE XIII

JOINDER

Carlton Enterprises, Inc., a corporation organized and existing under the laws of the State of Tennessee, with its principal place of business being located in Lenoir City, Loudon County, Tennessee, joins herein as a contract purchaser of and BUILDER within the Planned Unit Development, and as such contract purchaser and BUILDER agrees to promote, carry on, and perpetuate the uniform development of the Subdivision as set forth herein.



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IN WITNESS WHEREOF, the undersigned Limited Liability Company and Corporation have hereunto caused their respective names to be signed by their duly authorized officers the day and year first above written.

DECLARANT:

DEERFIELD PROPERTIES, LLC

BY:

R. Gale Huneycutt, Jr.
R. Gale Huneycutt, Jr.
Chief Manager

BUILDER:

CARLTON ENTERPRISES, INC.

BY:

David K. Hayner General Manager
David K. Hayner
General Manager

STATE OF TENNESSEE, COUNTY OF KNOX:ss

On this 20th day of June, 1996, before me personally appeared David K. Hayner, with whom I am personally acquainted and who, upon oath acknowledged himself to be the General Manager of Carlton Enterprises, Inc., the within named Grantor, a corporation, and that such General Manager, being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the Corporation by himself as such General Manager. Witness My hand and official seal at Knox County, Tennessee. My Commission Expires: *12/21/97*, NOTARY PUBLIC



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STATE OF TENNESSEE, COUNTY OF KNOX:ss

On this 20th day of June, 1996, before me personally appeared R. Gale Huneycutt, Jr., with whom I am personally acquainted and who, upon oath acknowledged himself to be the Chief Manager of Deerfield Properties, LLC, the within named Grantor, a Limited Liability Company, and that such Chief Manager, being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the Limited Liability Company by himself as such Chief Manager. Witness My hand and official seal at Knox County, Tennessee. My Commission Expires: *12/21/97*, NOTARY PUBLIC

THIS INSTRUMENT PREPARED FOR RECORDING BY:

J. Nolan Sharbel, Attorney
Carlton Plaza, Suite 200
7815 Kingston Pike
Knoxville, Tennessee 37919

EXHIBIT "A"

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
DEERFIELD SUBDIVISION, a Planned Unit Development
DATED: 20 June, 1996

LOCATED and being situated partially within the FORTY-SIXTH (46th) Ward of the City of Knoxville, the FIFTH (5th) Civil District of the County of Knox, and partially within the SIXTH (6th) Civil District of the County of Knox, State of Tennessee, and being known and designated as follows, to wit:

BEGINNING at an iron pin in easterly margin of the right-of-way of ROBINSON ROAD 141.17 feet, more or less, in a southerly direction from the point of intersection of the easterly margin of the right-of-way of ROBINSON ROAD with the southerly margin of the right-of-way of STONEBROOK DRIVE; thence, from said BEGINNING Point and with the easterly margin of the right-of-way of ROBINSON ROAD, North 13 deg. 52 min. West 117.50 feet to a point; thence, following a curve to the right with a radius of 25 feet and an arc distance of 37.91 feet; a chord bearing North 29 deg., 34 min. East, a chord distance of 34.38 feet to a point; thence North 73 deg., 01 min. East 25.51 feet to a point; thence, following a curve to the left with a radius of 257.76 feet, an arc distance of 230 feet, a chord bearing North 47 deg., 27 min. East, a chord distance of 222.44 feet to a point; thence South 68 deg., 16 min. East 25.04 feet to an iron pin; thence North 55 deg., 23 min. East 203.43 feet to a point; thence North 50 deg., 50 min. East 150.05 feet to a point; thence North 27 deg. 08 min. East 137.60 feet to a point; thence North 27 deg., 04 min. East 159.20 feet to a point; thence North 26 deg., 49 min. East 167.76 feet to a point; thence North 13 deg., 01 min. East 197.34 feet to a point; thence North 62 deg., 25 min. East 65.84 feet to a point; thence South 31 deg., 33 min. East 245.69 feet to a point; thence South 31 deg., 35 min. East 52.60 feet to a point; thence South 31 deg., 40 min. East 220.04 feet to a point; thence South 31 deg., 38 min. East 138.44 feet to a point; thence South 30 deg., 48 min. East 50.74 feet to a point; thence South 3 deg., 24 min. West 148.74 feet to a point; thence South 3 deg., 15 min. West 612.28 feet to a point; thence South 5 deg., 49 min. West 84.80 feet to a point; thence South 83 deg., 54 min. West 321.38 feet to a point; thence South 3 deg., 34 min. West 161.46 feet to a point in the northeasterly margin of the right-of-way of MIDDLEBROOK PIKE; thence, following a curve to the left with a radius of 1,226.04 feet, an arc distance of 61.15 feet, a chord bearing North 57 deg., 45 min. West, a chord distance of 61.15 feet to a point; thence, continuing with said curve to the left with a radius of 932.51 feet, an arc distance of 370.03 feet, a chord bearing North 70 deg., 33 min. West, a chord distance of 367.61 feet to a point; thence North 38 deg., 24 min. West 300.70 feet to a point; thence South 45 deg., 31 min. West 76 feet to a point; thence South 80 deg., 55 min. West 22.88 feet to a point; thence South 46 deg., 34 min. West 70.54 feet to a point; thence South 44 deg., 42 min. West 45.60 feet to a point in the easterly margin in the right-of-way of ROBINSON ROAD; thence, with the easterly margin of the right-of-way of ROBINSON ROAD the following two (2) calls and distances: North 8 deg., 53 min. West 231 feet to a point; thence North 13 deg., 52 min. West 22.22 feet to the Point of BEGINNING, according to the survey of Urban Engineering, Inc., dated April 4, 1996.

BEING the same property described in the Knox County Register's Deed Book 2180, Page 743.

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EXHIBIT "B"
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
DEERFIELD SUBDIVISION, a Planned Unit Development
DATED: 20 June, 1996

LOCATED and being situated partly within the FORTY-SIXTH (46th) Ward of the City of Knoxville, the FIFTH (5th) Civil District of the County of Knox, and partly within the SIXTH (6th) Civil District of the County of Knox, State of Tennessee, and being known and designated as follows, to wit:
COMMON AREAS, inclusive of the Non-exclusive, Joint Permanent Easement, (inclusive of ELMHURST WAY, APPIAN WAY, and PEPPERDINE WAY), DEERFIELD Subdivision, a Planned Unit Development, as shown of record in Map Cabinet O, Slides , and , in the Register's Office of Knox County, Tennessee, to which reference is here made, and being more particularly described as follows:

TRACT I:

BEGINNING at an iron pin in the easterly margin of the right-of-way of ROBINSON ROAD located 141.17 feet, more or less, in a southwesterly direction from the point of intersection of the easterly margin of the right-of-way of ROBINSON ROAD with the southerly margin of the right-of-way of STONEBROOK DRIVE; thence, from said BEGINNING Point and leaving the easterly margin of the right-of-way of ROBINSON ROAD and following a curve to the left with a radius of 25 feet, an arc distance of 39.48 feet, a chord bearing South 59 deg., 06 min. East, a chord distance of 35.5 feet to an iron pin; thence North 75 deg., 39 min. East 61.8 feet to an iron pin; thence, following a curve to the left with a radius of 330 feet, an arc distance of 113.35 feet, a chord bearing North 65 deg., 49 min. East, a chord distance of 112.79 feet to an iron pin; thence North 55 deg., 58 min. East 401.04 feet to an iron pin; thence, following a curve to the left with a radius of 980 feet, an arc distance of 434.53 feet, a chord bearing North 43 deg., 16 min. East, a chord distance of 430.98 feet to an iron pin; thence North 30 deg., 34 min. East 73.64 feet to a point; thence, following a curve to the left with a radius of 25 feet, an arc distance of 40.29 feet, a chord bearing North 15 deg., 36 min. West, a chord distance of 36.07 feet to an iron pin; thence, following a curve to the left with a radius of 100 feet, an arc distance of 38.13 feet, a chord bearing North 72 deg., 41 min. West, a chord distance of 37.90 feet to an iron pin; thence, following the margin of a cul-de-sac at the terminus of PEPPERDINE WAY with a radius of 40 feet, an arc distance of 168.95 feet, a chord bearing North 37 deg., 24 min. East, a chord distance of 68.57 feet to a point; thence, following a curve to the left with a radius of 100 feet, an arc distance of 54.11 feet, a chord bearing South 37 deg., 06 min. East, a chord distance of 53.45 feet to a point; thence South 52 deg., 36 min. East 68.04 feet to a point; thence, following a curve to the right with the radius of 270.00 feet, an arc distance of 264.12 feet, a chord bearing South 24 deg., 35 min. East, a chord distance of 253.71 feet to a point; thence South 3 deg., 27 min. West 434.89 feet to a point; thence, following a curve to the right with a radius of 210 feet, an arc distance of 421.82 feet, a chord bearing South 60 deg., 59 min. West, a chord distance of 354.40 feet to a point; thence North 61 deg., 28 min. West 103.26 feet to a point; thence, following a curve to the left with a radius of 340 feet, an arc distance of 129.56 feet, a chord bearing North 72 deg., 23 min. West, a chord distance of 128.78 feet to a point; thence North 83 deg., 18 min. West 120.88 feet to a point; thence, following a curve to the right with a radius of 210.00 feet, an arc distance of 143.12 feet, a chord bearing North 63 deg., 47 min.

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West, a chord distance of 140.37 feet to a point marking the northwest corner of Lot 72, in said Subdivision; thence, following a curve to the right with the radius of 210.00 feet, an arc distance of 11.76 feet, a chord bearing North 45 deg., 52 min. West, a chord distance of 11.76 feet to a point; thence North 45 deg., 45 min. East 40 feet to a point; thence, following a curve to the left with a radius of 170.00 feet, an arc distance of 9.72 feet, a chord bearing South 45 deg., 54 min. East, a chord distance of 9.72 feet to a point; thence, following a curve to the left with a radius of 170.00 feet, an arc distance of 115.86 feet, a chord bearing South 63 deg., 47 min. East, a chord distance of 113.63 feet to a point; thence South 83 deg. 18 min. East 120.88 feet to a point; thence, following a curve to the right with a radius of 380.00 feet, an arc distance of 144.80 feet, a chord bearing South 72 deg., 23 min. East, a chord distance of 143.93 feet to a point; thence South 61 deg., 28 min. East 103.26 feet to a point; thence, following a curve to the left with a radius of 170.00 feet, an arc distance of 341.47 feet, a chord bearing North 60 deg., 59 min. East, a chord distance of 286.89 feet to a point; thence North 3 deg., 27 min. East 434.89 feet to a point; thence, following a curve to the left with a radius of 230.00 feet, an arc distance of 213.11 feet, a chord bearing North 23 deg., 06 min. West, a chord distance of 205.57 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 43.53 feet, a chord bearing South 80 deg., 27 min. West, a chord distance of 38.24 feet to a point in the southeasterly margin of the right-of-way of ELMHURST WAY; thence South 30 deg., 34 min. West 63.55 feet to a point; thence, following a curve to the right with a radius of 1,020 feet, an arc distance of 324.70 feet, a chord bearing South 39 deg., 41 min. West, a chord distance of 323.33 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 38.19 feet, a chord bearing South 5 deg., 03 min. West, a chord distance of 34.59 feet to a point in the easterly margin of the right-of-way of APPIAN WAY; thence South 38 deg., 43 min. East 16.41 feet to a point; thence, following a curve to the left with a radius of 75 feet, an arc distance of 59.27 feet, a chord bearing South 61 deg., 22 min. East, a chord distance of 57.74 feet to a point; thence, following the margin of a cul-de-sac at the terminus of APPIAN WAY with a radius of 60 feet, an arc distance of 283.32 feet, a chord bearing South 51 deg., 17 min. West, a chord distance of 84.45 feet to a point; thence, following a curve to the left with a radius of 75 feet, an arc distance of 59.26 feet, a chord bearing North 16 deg., 05 min. West, a chord distance of 57.74 feet to a point; thence North 38 deg., 43 min. West 16.41 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 38.19 feet, a chord bearing North 82 deg., 29 min. West, a chord distance of 34.59 feet to a point; thence, following a curve to the right with a radius of 1,020.00 feet, an arc distance of 39.70 feet, a chord bearing South 54 deg., 52 min. West, a chord distance of 39.70 feet to a point; thence South 55 deg., 58 min. West 319.90 feet to a point; thence, following a curve to the left with a radius of 25 feet, an arc distance of 43.73 feet, chord bearing South 05 deg., 52 min. West, a chord distance of 38.37 feet to a point; thence South 44 deg., 15 min. East .45 feet to a point; thence South 45 deg., 45 min. West 40 feet to a point; thence North 44 deg., 15 min. West 16.83 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 34.15 feet, a chord bearing North 83 deg., 23 min. West, a chord distance of 31.56 feet to a point; thence, following a curve to the right with a radius of 370.00 feet, an arc distance of 117.40 feet, a chord bearing South 66 deg., 34 min. West, a chord distance of 116.90 feet to a point; thence South 75 deg., 39 min. West 68.38 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 36.89 feet, a chord bearing South 33 deg., 23 min.

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West, a chord distance of 33.63 feet to a point in the easterly margin of the right-of-way of ROBINSON ROAD; thence, with the easterly margin of the right-of-way of ROBINSON ROAD the following two (2) calls and distances: North 08 deg., 53 min. West 65.91 feet to a point; thence North 13 deg., 52 min. West 22.22 feet to the Point of BEGINNING; and

TRACT II:

BEGINNING at an iron pin in the easterly margin of the right-of-way of ROBINSON ROAD located 141.17 feet, more or less, in a southwesterly direction from the point of intersection of the easterly margin of the right-of-way of ROBINSON ROAD with the southerly margin of the right-of-way of STONEBROOK DRIVE; thence, from said BEGINNING Point and with the easterly margin of the right-of-way of ROBINSON ROAD, North 13 deg. 52 min. West 117.50 feet to a point; thence, following a curve to the right with a radius of 25 feet and an arc distance of 37.91 feet, a chord bearing North 29 deg., 34 min. East, a chord distance of 34.38 feet to a point; thence North 73 deg., 01 min. East 25.51 feet to a point; thence, following a curve to the left with a radius of 257.76 feet, an arc distance of 230 feet, a chord bearing North 47 deg., 27 min. East, a chord distance of 222.44 feet to a point; thence South 68 deg., 16 min. East 25.04 feet to a point; thence North 55 deg., 23 min. East 203.43 feet to a point; thence North 50 deg., 50 min. East 150.05 feet to a point; thence North 27 deg. 08 min. East 137.60 feet to a point; thence North 27 deg., 04 min. East 159.20 feet to a point; thence North 26 deg., 49 min. East 167.76 feet to a point; thence North 13 deg., 01 min. East 197.34 feet to a point; thence North 62 deg., 25 min. East 65.84 feet to a point; thence South 31 deg., 33 min. East 245.69 feet to a point; thence South 31 deg., 35 min. East 52.60 feet to a point; thence South 31 deg., 40 min. East 220.04 feet to a point; thence South 31 deg., 38 min. East 138.44 feet to a point; thence South 30 deg., 48 min. East 50.74 feet to a point; thence South 3 deg., 24 min. West 148.74 feet to a point; thence South 3 deg., 15 min. West 558.56 feet to a point; thence North 54 deg., 48 min. West 23.57 feet to a point marking the common corner of the common area herein-described and Lots 49 and 50, in said Subdivision; thence North 3 deg., 15 min. East 648.08 feet to a point marking the northeast corner of Lot 34, in said Subdivision; thence South 90 deg. West 102.03 feet to a point in the easterly margin of the right-of-way of a forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY); thence, with the easterly margin of said forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY) and following a curve to the left with a radius of 270 feet, an arc distance of 1.94 feet, a chord bearing North 9 deg., 38 min. West, a chord distance of 1.94 feet to a point marking the southwest corner of Lot 33 of said Subdivision; thence, leaving said forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY), North 65 deg. East 116.14 feet to a point marking the southeast corner of Lot 33, in said Subdivision; thence North 31 deg., 38 min. West 191.24 feet to a point marking the northeast corner of Lot 29, in said Subdivision; thence South 65 deg. West 112.42 feet to a point in the easterly margin of said forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY); thence, following a curve to the left with a radius of 270 feet, an arc distance of 6.51 feet, a chord bearing North 51 deg., 55 min. West, a chord distance of 6.51 feet to a point; thence North 52 deg., 36 min. West 43.08 feet to a point marking the southwest corner of Lot 28, in said Subdivision; thence, leaving the easterly margin of the right-of-way of said forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY), North 50 deg. East 111.51 feet to a point; thence North 39 deg., 47 min. West 189.95 feet to a point marking the northeast corner of Lot 24, in said

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Subdivision; thence South 50 deg. West 71.04 feet to a point; thence South 20 deg., 43 min. West 62.19 feet to a point; thence South 8 deg., 07 min. East 35.51 feet to a point in the terminus of the cul-de-sac at a terminus of a forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY); thence, following a curve to the left with a radius of 40 feet, an arc distance 60.17 feet, a chord bearing South 19 deg., 43 min. West, a chord distance of 54.66 feet to a point marking the northeast corner of Lot 23, in said Subdivision; thence South 66 deg., 37 min. West, 19.82 feet to a point; thence South 30 deg., 15 min. West 251.89 feet to a point; thence South 55 deg., 26 min. West 587.74 feet to a point marking the northwest corner of Lot 1, in said Subdivision; thence South 25 deg. East 118.26 feet to a point in the northerly margin of the right-of-way of a forty feet (40') non-exclusive, joint permanent easement (ELMHURST WAY); thence, with the northerly margin of the right-of-way of said forty feet (40') non-exclusive, joint permanent easement (ELMHURST WAY), South 55 deg., 58 min. West 9.68 feet to a point; thence, following a curve to the right a radius of 330 feet, an arc distance of 113.35 feet, a chord bearing South 65 deg., 49 min. West, a chord distance of 112.79 feet to a point; thence South 75 deg., 39 min. West 61.80 feet to a point; thence, following a curve to the right with a radius of 25 feet, an arc distance of 39.48 feet, a chord bearing North 59 deg., 06 min. West, a chord distance of 35.50 feet to the Point of BEGINNING; and,

TRACT III:



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BEGINNING at an iron pin in the easterly margin of the right-of-way of ROBINSON ROAD located 229.3 feet, more or less, in a southwesterly direction from the point of intersection of the easterly margin of the right-of-way of ROBINSON ROAD with the southerly margin of the right-of-way of STONEBROOK DRIVE, said iron pin marking the point of intersection of the southerly margin of the right-of-way of a forty feet (40') non-exclusive, joint permanent easement (ELMHURST WAY) with the easterly margin of the right-of-way of ROBINSON ROAD; thence, with the southerly margin of the right-of-way of said forty feet (40') non-exclusive, joint permanent easement (ELMHURST WAY) and following a curve to the right with a radius of 25 feet, an arc distance of 36.87 feet, a chord bearing North 33 deg., 23 min. East, a chord distance of 33.63 feet to a point in the curve; thence, North 75 deg., 39 min. East 68.38 feet to a point; thence, following a curve to the left with a radius of 370 feet, an arc distance of 117.40 feet, a chord bearing North 66 deg., 34 min. East, a chord distance of 116.90 feet to a point; thence, following a curve to the right with a radius of 25 feet, an arc distance of 34.15 feet, a chord bearing South 83 deg., 23 min. East, a chord distance of 31.56 feet to a point; thence, South 44 deg., 15 min. East 16.83 feet to a point; thence, following a curve to the left with a radius of 210 feet, an arc distance of 11.76 feet, a chord bearing South 45 deg., 52 min. East, a chord distance of 11.76 feet to a point marking the northwest corner of Lot 72, in said subdivision; thence, leaving the southerly margin of the right-of-way of a forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY) South 20 deg. West 112.61 feet to a point; thence, South 70 deg., 23 min. East 546.17 feet to a point; thence, North 79 deg., 52 min. East 310.56 feet to a point; thence, North 34 deg., 37 min. East 118.74 feet to a point marking the common area herein described and common corners of the Lots 49 and 50, in said subdivision; thence, South 54 deg., 48 min. East 23.57 feet to a point; thence, South 3 deg., 15 min. West 53.72 feet to a point; thence South 5 deg., 49 min. West 84.80 feet to a point; thence, South 83 deg., 54 min. West 321.38 feet to a point; thence, South 3 deg., 33 min. West 161.46 feet to a point in the northerly margin of the right-of-way of MIDDLEBROOK PIKE;

thence, with the northerly margin of the right-of-way of MIDDLEBROOK PIKE the following two (2) calls and distances: following a curve to the left with a radius of 1,226.04 feet, an arc distance of 61.15 feet, a chord bearing North 57 deg., 45 min. West, a chord distance of 61.15 feet to a point; thence, following a curve to the left with a radius of 932.51 feet, an arc distance of 370.03 feet, a chord bearing North 70 deg., 33 min. West, a chord distance of 367.61 feet to a point; thence, leaving the northerly margin of the right-of-way of MIDDLEBROOK PIKE, North 38 deg., 24 min. West 300.70 feet to a point; thence South 45 deg., 31 min. West 76 feet to a point; thence South 80 deg., 55 min. West 22.88 feet to a point; thence South 46 deg., 34 min. West 70.54 feet to a point; thence South 44 deg., 42 min. West 45.60 feet to a point in the easterly margin of the right-of-way of ROBINSON ROAD; thence, with the easterly margin of ROBINSON ROAD, North 8 deg., 53 min. West 165.09 feet to the Point of BEGINNING, according to the survey of Urban Engineering, Inc., dated 4 April, 1996.

BEING part of the same property described in the Knox County Register's Deed Book 2180, Page 743.



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EXHIBIT "C"
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
DEERFIELD SUBDIVISION, a Planned Unit Development
DATED: 20 June, 1996

DECLARATION OF NON-EXCLUSIVE, JOINT PERMANENT EASEMENT

THIS DECLARATION, made and entered into the 20th day of June, 1996, by Deerfield Properties, LLC, a Limited Liability Company, organized and existing under the laws of the State of Tennessee, with its principal place of business being located in Knox County, Tennessee, hereinafter referred to as Grantor, and Carlton Enterprises, Inc., a Corporation organized and existing under the laws of the State of Tennessee, with its principal place of business being located in Loudon County, Tennessee, hereinafter referred to as Builder.

WITNESSETH:

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That the Grantor for good and valuable consideration in hand paid, does hereby declare, grant and convey and bargain a Non-exclusive, Joint Permanent Easement for access and ingress and egress in and to DEERFIELD SUBDIVISION, a Planned Unit Development, as shown of record in Map Cabinet O, Slides _____, and _____, in the Register's Office of Knox County, Tennessee, to which reference is here made, from and to ROBINSON ROAD, for the benefit of the Lot Owner(s) in DEERFIELD SUBDIVISION, a Planned Unit Development, and Members of DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION, their respective successors and assigns, in said Planned Unit Development, said Non-exclusive, Joint Permanent Easement being more particularly described in EXHIBIT "A", attached hereto and made a part hereof.

BEING PART of the same property described in the Knox County Register's Deed Book 2180, Page 743.

The Grantor, for itself, its successors and assigns, covenants that it is the owner of the property on which this easement is granted; that it has a good right to grant this easement; that said property is free and clear of all encumbrances, except those of record, and that it, its successors and assigns will forever warrant and defend the said rights, privileges and premises against the lawful claims of all persons whomsoever, claiming by, through, or under the Grantor.

MAINTENANCE AGREEMENT: Pursuant to and in satisfaction of the requirements set by the Knox County Metropolitan Planning Commission, DEERFIELD PROPERTIES, LLC, and CARLTON ENTERPRISES, Inc., and their respective successors and assigns, being the interested owners and parties in interest hereto and for the sole purpose of satisfying the requirements of Knox County Metropolitan Planning Commission, does hereby make this binding Maintenance Agreement and assume the obligations of the installation and maintenance of said non-exclusive, joint permanent easement designated as the ELMHURST WAY, APPIAN WAY, and PEPPERDINE WAY for ingress and egress to all the Lots appearing on the recorded plat of said Subdivision, dated April 4, 1996, said maps being recorded in the Map Cabinet O, Slides _____, and _____, in the Register's Office for Knox County, Tennessee. Deerfield Properties, LLC, its successors and assigns, does hereby

affirmatively contract and agree to construct, cause to be constructed, and contribute the total cost of the installation of said non-exclusive, joint permanent easement, inclusive of the final top coat thereof, and Carlton Enterprises, Inc., its' successors and assigns, does hereby affirmatively contract and agree to contribute the cost of maintenance of said non-exclusive, joint permanent easement during the construction phase of the Subdivision and maintain the surface of the non-exclusive, joint permanent easement in such condition as to be fully prepared for the final top coat of paving at the conclusion of construction, and bear the sole cost and expense and without any contribution whatsoever by the State of Tennessee or the County of Knox, and to maintain the non-exclusive, joint permanent easement, and bear the cost and expense and without any contribution whatsoever by the State of Tennessee or the County of Knox, and to maintain the same until such time as Knox County should in its' sole election elect to assume the maintenance of said non-exclusive, joint permanent easement, but without any obligation to do so by the granting of any building permits to the adjoining Lot Owner(s).

It is specifically contracted and agreed between Deerfield Properties, LLC, and Carlton Enterprises, Inc., and their respective successors and assigns, that in the event the adjoining Lot Owner(s), or any person claiming a right to use the non-exclusive, joint permanent easement covered hereby through any contract holder, etc., wish to make any improvements to said non-exclusive, joint permanent easement, and approval and agreement is obtained as provided in the constituent documents establishing DEERFIELD SUBDIVISION, a Planned Unit Development, then all adjoining Lot Owner(s) agree to contribute their respective pro-rata share of the cost of such improvements upon the letting of any contract for the same. In the event any such Lot Owner(s) or anyone claiming through a Lot Owner(s) should fail to contribute his or her pro-rata share of all such improvements, it shall give rise to a lien in favor of the persons paying for the improvement against the lot or lots of the non-participants, enforceable by the filing of a Notice of Lien in the Office of the Register of Deeds for Knox County, Tennessee, and within ninety (90) days thereafter from the commencement of an action to collect the debt owing in any court of competent jurisdiction for the enforcement of such lien created hereby.

The covenants and agreements contained herein shall run appurtenant to the land of Deerfield Properties and Carlton Enterprises, Inc., its' successors and assigns, and shall be binding upon the undersigned, and its' successors and assigns. The obligations assumed hereunder shall be from and after the date hereof enforceable by any parties in easement to the land served by said non-exclusive, joint permanent easement.

TERMINATION OF GRANTOR'S INTEREST: Grantor covenants and agrees that all of its' right, title and interest in and to this non-exclusive, joint permanent easement in its' capacity as DECLARANT shall expire on the date as provided in ARTICLE III, Section 2, of the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS for the conversion of Class B Membership in the cognizant Homeowners' Association, as shown of record in the Knox County Register's Deed Book 2216, Page 335, as amended hereby; provided that, notwithstanding anything herein to the contrary, the nature and use of said non-exclusive, joint permanent easement shall continue in full force and effect and be binding upon all Lot Owner(s) appurtenant thereto and the members of the DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION in accordance with all rights and duties attendant therewith and recognized at law and equity.



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Wherever applicable, words used herein in the plural shall include singular, and words used in the masculine shall include the feminine and the neuter.

IN WITNESS WHEREOF, Deerfield Properties, LLC, and Carlton Enterprises, Inc. have caused this Non-exclusive, Joint Permanent and Maintenance Agreement to be executed by their respective corporate officer the day and year first above written.

CARLTON ENTERPRISES, INC.

DEERFIELD PROPERTIES, LLC.

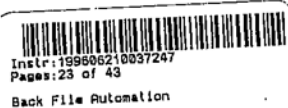
BY: David K. Hayner
General Manager

BY: R. Gale Huneycutt, Jr.
Chief Manager

STATE OF TENNESSEE, COUNTY OF KNOX: ss

On this 19th day of June, 1996, before me, the undersigned authority of the State and County mentioned, personally appeared David K. Hayner, with whom I am personally acquainted, and who upon oath, acknowledged himself to be General Manager of the Carlton Enterprises, Inc. the within named bargainor, a corporation, and that he as such General Manager, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by signing the name of the corporation as General Manager.

My Commission Expires: _____, NOTARY PUBLIC



STATE OF TENNESSEE, COUNTY OF KNOX: ss

On this 19th day of June, 1996, before me, the undersigned authority of the State and County aforesaid, personally appeared R. Gale Huneycutt, Jr., with whom I am personally acquainted, and who upon oath, acknowledged himself to be Chief Manager of the Deerfield Properties, LLC, the within named bargainor, a Limited Liability Company, and that he as such Chief Manager, executed the foregoing instrument for the purpose therein contained, by signing the name of the Limited Liability Company by signing the name of the Limited Liability Company as Chief Manager.

My Commission Expires: _____, NOTARY PUBLIC

THIS INSTRUMENT PREPARED FOR RECORDING BY:
J. Nolan Sharbel, Attorney
Carlton Plaza, Suite 200
7815 Kingston Pike
Knoxville, Tennessee 37919

EXHIBIT "A"
DECLARATION OF NON-EXCLUSIVE, JOINT PERMANENT EASEMENT
DEERFIELD SUBDIVISION, a Planned Unit Development
DATED: 20 June, 1996

LOCATED and being situated partially in the FORTY-SIXTH (46th) Ward of the City of Knoxville, the FIFTH (5th) and SIXTH (6th) Civil Districts of the County of Knox, State of Tennessee, and being known and designated as follows, to wit:
Non-exclusive, Joint Permanent Easement, (inclusive of ELMHURST WAY, APPIAN WAY, and PEPPERDINE WAY), as shown of record in Map Cabinet O, Slides _____, and _____, in the Register's Office of Knox County, Tennessee, to which reference is here made, and being more particularly described as follows:

BEGINNING at an iron pin in the easterly margin of the right-of-way of ROBINSON ROAD located 141.17 feet, more or less, in a southwesterly direction from the point of intersection of the easterly margin of the right-of-way of ROBINSON ROAD with the southerly margin of the right-of-way of STONEBROOK DRIVE; thence, from said BEGINNING Point and leaving the easterly margin of the right-of-way of ROBINSON ROAD and following a curve to the left with a radius of 25 feet, an arc distance of 39.48 feet, a chord bearing South 59 deg., 06 min. East, a chord distance of 35.5 feet to an iron pin; thence North 75 deg., 39 min. East 61.8 feet to an iron pin; thence, following a curve to the left with a radius of 330 feet, an arc distance of 113.35 feet, a chord bearing North 65 deg., 49 min. East, a chord distance of 112.79 feet to an iron pin; thence North 55 deg., 58 min. East 401.04 feet to an iron pin; thence, following a curve to the left with a radius of 980 feet, an arc distance of 434.53 feet, a chord bearing North 43 deg., 16 min. East, a chord distance of 430.98 feet to an iron pin; thence North 30 deg., 34 min. East 73.64 feet to a point; thence, following a curve to the left with a radius of 25 feet, an arc distance of 40.29 feet, a chord bearing North 15 deg., 36 min. West, a chord distance of 36.07 feet to an iron pin; thence, following a curve to the left with a radius of 100 feet, an arc distance of 38.13 feet, a chord bearing North 72 deg., 41 min. West, a chord distance of 37.90 feet to an iron pin; thence, following the margin of a cul-de-sac at the terminus of PEPPERDINE WAY with a radius of 40 feet, an arc distance of 168.95 feet, a chord bearing North 37 deg., 24 min. East, a chord distance of 68.57 feet to a point; thence, following a curve to the left with a radius of 100 feet, an arc distance of 54.11 feet, a chord bearing South 37 deg., 06 min. East, a chord distance of 53.45 feet to a point; thence South 52 deg., 36 min. East 68.04 feet to a point; thence, following a curve to the right with the radius of 270.00 feet, an arc distance of 264.12 feet, a chord bearing South 24 deg., 35 min. East, a chord distance of 253.71 feet to a point; thence South 3 deg., 27 min. West 434.89 feet to a point; thence, following a curve to the right with a radius of 210 feet, an arc distance of 421.82 feet, a chord bearing South 60 deg., 59 min. West, a chord distance of 354.40 feet to a point; thence North 61 deg., 28 min. West 103.26 feet to a point; thence, following a curve to the left with a radius of 340 feet, an arc distance of 129.56 feet, a chord bearing North 72 deg., 23 min. West, a chord distance of 128.78 feet to a point; thence North 83 deg., 18 min. West 120.88 feet to a point; thence, following a curve to the right with a radius of 210.00 feet, an arc distance of 143.12 feet, a chord bearing North 63 deg., 47 min. West, a chord distance of 140.37 feet to a point marking the northwest corner of Lot 72, in said Subdivision; thence, following a curve to the right with the radius of 210.00 feet, an arc



distance of 11.76 feet, a chord bearing North 45 deg., 52 min. West, a chord distance of 11.76 feet to a point; thence North 45 deg., 45 min. East 40 feet to a point; thence, following a curve to the left with a radius of 170.00 feet, an arc distance of 9.72 feet, a chord bearing South 45 deg., 54 min. East, a chord distance of 9.72 feet to a point; thence, following a curve to the left with a radius of 170.00 feet, an arc distance of 115.86 feet, a chord bearing South 63 deg., 47 min. East, a chord distance of 113.63 feet to a point; thence South 83 deg. 18 min. East 120.88 feet to a point; thence, following a curve to the right with a radius of 380.00 feet, an arc distance of 144.80 feet, a chord bearing South 72 deg., 23 min. East, a chord distance of 143.93 feet to a point; thence South 61 deg., 28 min. East 103.26 feet to a point; thence, following a curve to the left with a radius of 170.00 feet, an arc distance of 341.47 feet, a chord bearing North 60 deg., 59 min. East, a chord distance of 286.89 feet to a point; thence North 3 deg., 27 min. East 434.89 feet to a point; thence, following a curve to the left with a radius of 230.00 feet, an arc distance of 213.11 feet, a chord bearing North 23 deg., 06 min. West, a chord distance of 205.57 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 43.53 feet, a chord bearing South 80 deg., 27 min. West, a chord distance of 38.24 feet to a point in the southeasterly margin of the right-of-way of ELMHURST WAY; thence South 30 deg., 34 min. West 63.55 feet to a point; thence, following a curve to the right with a radius of 1,020 feet, an arc distance of 324.70 feet, a chord bearing South 39 deg., 41 min. West, a chord distance of 323.33 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 38.19 feet, a chord bearing South 5 deg., 03 min. West, a chord distance of 34.59 feet to a point in the easterly margin of the right-of-way of APPIAN WAY; thence South 38 deg., 43 min. East 16.41 feet to a point; thence, following a curve to the left with a radius of 75 feet, an arc distance of 59.27 feet, a chord bearing South 61 deg., 22 min. East, a chord distance of 57.74 feet to a point; thence, following the margin of a cul-de-sac at the terminus of APPIAN WAY with a radius of 60 feet, an arc distance of 283.32 feet, a chord bearing South 51 deg., 17 min. West, a chord distance of 84.45 feet to a point; thence, following a curve to the left with a radius of 75 feet, an arc distance of 59.26 feet, a chord bearing North 16 deg., 05 min. West, a chord distance of 57.74 feet to a point; thence North 38 deg., 43 min. West 16.41 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 38.19 feet, a chord bearing North 82 deg., 29 min. West, a chord distance of 34.59 feet to a point; thence, following a curve to the right with a radius of 1,020.00 feet, an arc distance of 39.70 feet, a chord bearing South 54 deg., 52 min. West, a chord distance of 39.70 feet to a point; thence South 55 deg., 58 min. West 319.90 feet to a point; thence, following a curve to the left with a radius of 25 feet, an arc distance of 43.73 feet, chord bearing South 05 deg., 52 min. West, a chord distance of 38.37 feet to a point; thence South 44 deg., 15 min. East 45 feet to a point; thence South 45 deg., 45 min. West 40 feet to a point; thence North 44 deg., 15 min. West 16.83 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 34.15 feet, a chord bearing North 83 deg., 23 min. West, a chord distance of 31.56 feet to a point; thence, following a curve to the right with a radius of 370.00 feet, an arc distance of 117.40 feet, a chord bearing South 66 deg., 34 min. West, a chord distance of 116.90 feet to a point; thence South 75 deg., 39 min. West 68.38 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 36.89 feet, a chord bearing South 33 deg., 23 min. West, a chord distance of 33.63 feet to a point in the easterly margin of the right-of-way of ROBINSON ROAD; thence, with the

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easterly margin of the right-of-way of ROBINSON ROAD the following two (2) calls and distances: North 08 deg., 53 min. West 65.91 feet to a point; thence North 13 deg., 52 min. West 22.22 feet to the Point of BEGINNING, according to the survey of Urban Engineering, Inc., dated 4 April, 1996.

BEING part of the same property described in the Knox County Register's Deed Book 2180, Page 743.



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EXHIBIT "D"
DECLARATION OF CONVENANTS, CONDITIONS AND RESTRICTIONS
DEERFIELD SUBDIVISION, a Planned Unit Development
DATED: 20 June, 1996

CHARTER

OF

DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION

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The undersigned corporation, Deerfield Properties, LLC, a limited liability company, organized and existing under the laws of the State of Tennessee, with its principal place of business being located in Knox County, Tennessee, having the capacity to contract and acting as the incorporator of a not-for-profit, mutual-benefit corporation under the Tennessee Nonprofit Corporation Act, adopts the following charter for said corporation:

ARTICLE I

The name of the corporation is DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION, hereafter referred to as the ASSOCIATION, being a corporation organized and existing under the laws of the State of Tennessee.

ARTICLE II

The Initial Registered Office and Principal Office of the ASSOCIATION is located at c/o Carlton Enterprises, Inc., 2110 Town Creek Road, East, Lenior City, Loudon County, Tennessee 37772; and its initial registered agent at this office is John L. Carlton.

ARTICLE III

The Incorporator of the not-for-profit, mutual benefit corporation is Deerfield Properties, LLC, whose principal place of business is 5731 Lyons View Drive, Suite 206, Knoxville, Knox County, Tennessee 37919.

ARTICLE IV

The ASSOCIATION does not contemplate pecuniary gain or profit to the members thereof, and the specific purpose for which it is formed is as a not-for-profit, mutual-benefit corporation to provide for the maintenance, preservation, and architectural control of the residential Lots, Common Areas, and Easements within that certain tract of real property being more particularly described as follows, to wit:

LOCATED and being situated partly within the FORTY-SIXTH (46th) Ward of the City of Knoxville, the FIFTH (5th) Civil District of the County of Knox and partially within the SIXTH

(6th) Civil District of the County of Knox, State of Tennessee, and being known and designated as follows, to wit:

DEERFIELD SUBDIVISION, a Planned Unit Development, as shown of record in Map Cabinet O, Slides _____, and _____, to which reference is here made for a more particular description thereof, and being more particularly described in EXHIBIT "A", attached hereto and made a part hereof;

BEING the same property described in the Knox County Register's Deed Book 2180, Page 743;

and to promote the health, safety, and welfare of the residents within the above-described Property and any addition(s) thereto, as may hereafter be brought within the jurisdiction of the ASSOCIATION, and for this purpose to:

A. exercise all powers and privileges and to perform all of the duties of the ASSOCIATION as setforth in that certain DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS, hereinafter called the "DECLARATION", applicable to the property and to be recorded in the Office of the Register of Deeds of Knox County, Tennessee, and as the same may be amended from time to time as therein provided, said DECLARATION being incorporated herein as if setforth verbatim;

B. fix, levy, collect, and enforce payment by any lawful means, all charges and/or assessments pursuant to the terms of the DECLARATION; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the ASSOCIATION, including all licenses, taxes, and/or governmental charges levied or imposed against the property of the ASSOCIATION;

C. acquire, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real and/or personal property in connection with the affairs of the ASSOCIATION;

D. borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its' real and/or personal property as security for money borrowed or debts incurred;

E. participate in mergers and consolidations with other non-profit, mutual benefit corporations organized for the same purposes or annex additional residential property, provided that any such merger, consolidation, or annexation shall have the assent of two-thirds (2/3) of any class(es) of members;

F. dedicate, sell, transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members; such dedication or transfer shall not be effective unless an instrument has been signed by 2/3rds of any class(es) of members, agreeing to such dedication, sale or transfer;

G. have and to exercise any and all powers rights, and privileges, which a not-for-profit, mutual-benefit corporation organized under the Tennessee Nonprofit Corporation Act by law may now or hereafter have or exercise.

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ARTICLE V

Every person or entity who is an owner of public record of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the ASSOCIATION, including contract sellers shall be a member of the ASSOCIATION; provided that, the foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of and obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by ASSOCIATION.



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ARTICLE VI

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The ASSOCIATION shall have two (2) classes of voting membership:

Class A: Class A members shall be all Owner(s) of the Lots within the Property, with the exception of the DECLARANT, and shall be entitled to one (1) vote for each Lot owned; all such person(s) shall be member(s). The vote for any such Lot shall be exercised as said Lot Owner(s) may determine; but in no event shall more than one (1) vote be cast with respect to any one (1) Lot.

Class B: The Class B member(s) shall be the DECLARANT, its successors and assigns, (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

- (a) After seventy-five percent (75%) of the Lots in the Property have been conveyed to Lot Purchasers; or
- (b) Five (5) years following the conveyances of the first Lot to a Lot Owner(s); or
- (c) June 1, 2001; whichever event occurs first.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of nine (9) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the By-Laws of the Association. The name and address of the persons who are to act in the capacity of interim directors until the selection of their successors are:

R. Gale Huneycutt, Jr.	John L. Carlton
c/o Deerfield Properties, LLC	c/o Carlton Enterprises, Inc.
7322 Wheatfield Place	2110 Town Creek Road East
Knoxville, Tennessee 37922	Lenoir City, Tennessee 37772

At the first annual meeting, the members shall elect five (5) directors for a term of one (1) year, two (2) directors for a term of two (2) years and two (2) directors for a term of three (3) years; and at each annual meeting thereafter the members

shall elect five (5) directors for a term of one (1) year and other directors as required.

ARTICLE VIII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of all class(es) of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-for-profit, mutual benefit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

DURATION

The corporation shall exist perpetually.

ARTICLE X

AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership, provided that, as long as a Class B membership exists in the Association, any amendment of this charter, shall be approved in writing by the Veterans' Administration and the Federal Housing Administration.

IN WITNESS WHEREOF, for the purpose of forming this not-for-profit, mutual-benefit corporation under the laws of the State of Tennessee, the undersigned, constituting the incorporator of this ASSOCIATION, has executed this Charter for incorporation this 20th day of June, 1996.

DEERFIELD PROPERTIES, LLC

By: R. Gale Huneycutt, Jr., Chief Manager
of Deerfield Properties, LLC,
Incorporator



EXHIBIT "A"
CHARTER of
DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION
DATED: 20 June, 1996

LOCATED and being situated partially within the FORTY-SIXTH (46th) Ward of the City of Knoxville, the FIFTH (5th) Civil District of the County of Knox, and partially within the SIXTH (6th) Civil District of the County of Knox, State of Tennessee, and being known and designated as follows, to wit:

BEGINNING at an iron pin in easterly margin of the right-of-way of ROBINSON ROAD 141.17 feet, more or less, in a southerly direction from the point of intersection of the easterly margin of the right-of-way of ROBINSON ROAD with the southerly margin of the right-of-way of STONEBROOK DRIVE; thence, from said BEGINNING Point and with the easterly margin of the right-of-way of ROBINSON ROAD, North 13 deg. 52 min. West 117.50 feet to a point; thence, following a curve to the right, with a radius of 25 feet and an arc distance of 37.91 feet, a chord bearing North 29 deg., 34 min. East, a chord distance of 34.38 feet to a point; thence North 73 deg., 01 min. East 25.51 feet to a point; thence, following a curve to the left with a radius of 257.76 feet, an arc distance of 230 feet, a chord bearing North 47 deg., 27 min. East, a chord distance of 222.44 feet to a point; thence South 68 deg., 16 min. East 25.04 feet to an iron pin; thence North 55 deg., 23 min. East 203.43 feet to a point; thence North 50 deg., 50 min. East 150.05 feet to a point; thence North 27 deg. 08 min. East 137.60 feet to a point; thence North 27 deg., 04 min. East 159.20 feet to a point; thence North 26 deg., 49 min. East 167.76 feet to a point; thence North 13 deg., 01 min. East 197.34 feet to a point; thence North 62 deg., 25 min. East 65.84 feet to a point; thence South 31 deg., 33 min. East 245.69 feet to a point; thence South 31 deg., 35 min. East 52.60 feet to a point; thence South 31 deg., 40 min. East 220.04 feet to a point; thence South 31 deg., 38 min. East 138.44 feet to a point; thence South 30 deg., 48 min. East 50.74 feet to a point; thence South 3 deg., 24 min. West 148.74 feet to a point; thence South 3 deg., 15 min. West 612.28 feet to a point; thence South 5 deg., 49 min. West 84.80 feet to a point; thence South 83 deg., 54 min. West 321.38 feet to a point; thence South 3 deg., 34 min. West 161.46 feet to a point in the northeasterly margin of the right-of-way of MIDDLEBROOK PIKE; thence, following a curve to the left with a radius of 1,226.04 feet, an arc distance of 61.15 feet, a chord bearing North 57 deg., 45 min. West, a chord distance of 61.15 feet to a point; thence, continuing with said curve to the left with a radius of 932.51 feet, an arc distance of 370.03 feet, a chord bearing North 70 deg., 33 min. West, a chord distance of 367.61 feet to a point; thence North 38 deg., 24 min. West 300.70 feet to a point; thence South 45 deg., 31 min. West 76 feet to a point; thence South 80 deg., 55 min. West 22.88 feet to a point; thence South 46 deg., 34 min. West 70.54 feet to a point; thence South 44 deg., 42 min. West 45.60 feet to a point in the easterly margin in the right-of-way of ROBINSON ROAD; thence, with the easterly margin of the right-of-way of ROBINSON ROAD the following two (2) calls and distances: North 8 deg., 53 min. West 231 feet to a point; thence North 13 deg., 52 min. West 22.22 feet to the Point of BEGINNING, according to the survey of Urban Engineering, Inc., dated April 4, 1996.

BEING the same property described in the Knox County Register's Deed Book 2180, Page 743.

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EXHIBIT "E"
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
DEERFIELD SUBDIVISION, a Planned Unit Development
DATED: 20 June, 1996

BY-LAWS

OF

DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION

Name and location: The name of the corporation is DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION, hereinafter referred to as the "ASSOCIATION". The principal office of the corporation shall be located c/o Carlton Enterprises, Inc. at 2110 Town Creek Road, East, Lenoir City, Tennessee 37772, but meetings of the members and directors may be held at such places within the State of Tennessee, County of Knox, as may be designated by the Board of Directors.

DEFINITIONS

Section 1. "ASSOCIATION" shall mean and refer to DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION, its successors and assigns.

Section 2. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Lot" shall mean and refer to any numbered Lot of land shown upon any recorded subdivision plat of the Property, with the exception of the Common Areas and the Joint Permanent Easement.

Section 4. "Owner(s)" shall mean and refer to the record Owner(s), whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of any obligation.

Section 5. "Declarant" shall mean and refer to Deerfield Properties, LLC, a Limited Liability Company, organized and existing under the laws of the State of Tennessee, its successors and/or assigns.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded in the Office of the Register of Deeds of Knox County, Tennessee.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 8. "Lender" as used herein shall mean and be defined as any lender, whether institutional investor, bank, savings and loan association, or loan broker, whose loan is secured by a Lot in the Property and shall include, without limitation, the Secretary of Housing and Urban Development, acting by and through the Federal Housing Administration (FHA), the Secretary of the Veterans' Administration (VA), the Federal National Mortgage Association (FNMA), and the Federal Home Loan Mortgage Corporation.

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Section 9. "Common Areas" shall mean all real property (including the improvements thereto) owned by the ASSOCIATION for the common use and enjoyment of the Owner(s). The Common areas to be owned by the ASSOCIATION at the time of the conveyance of the first Lot is described in EXHIBIT "A", attached hereto and made a part hereof.

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the ASSOCIATION, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock p.m. If the day of the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4th) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

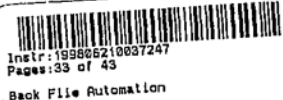
Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10th) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Charter of the Association the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than an announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his/her Lot.

DIRECTORS

Section 1. Number. The affairs of the Association shall be managed by a Board of nine (9) directors, who need not be members of the Association.

Section 2. Term in Office. At the first annual meeting, the members shall elect five (5) directors for a term of one (1) year, two (2) directors for a term of two (2) years and two (2) director for a term of three (3) years; and at each annual meeting thereafter the members shall elect five (5) directors



for a term of one (1) year, and other directors as required to maintain a Board of nine (9) Directors.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his/her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his/her predecessor.

Section 4. Compensation. Directors shall not receive compensation for any service they may render to the Association. However, any director may be reimbursed for their actual expenses incurred in the performance of their respective duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 6. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 7. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 8. Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors after not less than three (3) days written notice to each director. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 9. Powers. The Board of Directors shall have the power to:

- (a) adopt and publish rules and regulations governing the use of the common areas and facilities and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

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(b) suspend the voting rights and right to use the common areas recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed 60 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Charter of the Association, or the Declaration of Covenants, Conditions and Restrictions;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary and prescribe their duties.

Section 10. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4th) of the Class A members who are entitled to vote.

(b) supervise all officers, agents and employees of the Association and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) establish the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; and

(2) send written notice of each assessment to all Owner(s) subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or bring an action at law against the Owner(s) personally obligated to pay the same;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

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(g) cause the exterior of the residential dwellings to be maintained.

OFFICERS

Section 1. Enumeration of Offices. The officers of the Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Officers' Duties.

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) The vice-president shall act in the place and stead of the president in the event of his/her absence, inability or refusal to act as required of him/her by the Board.

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the



Board.

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

COMMITTEES

The Board of Directors shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its' purpose.

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Charter of the Association, and the By-Laws of the Association shall be available for inspection by any member of the Association at the principal office of the Association, where copies may be purchased at reasonable cost.

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of TEN percent (10%) per annum, and the ASSOCIATION may bring an action at law against the Owner(s) personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Owner(s) may not waive or otherwise escape liability for the assessments provided for herein by nonuse of any Common Areas or abandonment of his/her Lot.

AMENDMENTS

Section 1. These By-Laws may be amended at a regular or special meeting of the members by a vote of a majority of a quorum of members present in person or by proxy; provided that, as long as a Class B membership exists in the Association, any amendment of these by-laws shall be approved in writing by the Veterans' Administration and the Federal Housing Administration.

Section 2. In the case of any conflict between the Charter of the ASSOCIATION and these By-Laws, the Charter shall control; and in the case of any conflict between the Declaration and these

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By-Laws, the Declaration shall control.

MISCELLANEOUS

Section 1. The fiscal year of the ASSOCIATION shall begin on the first(1st) day of January and end on the thirty-first (31st) day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 2. The ASSOCIATION shall not have a corporate seal.

IN WITNESS WHEREOF, the undersigned being, the sole interim director of DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION has hereunto set his hand this 25th day of June, 1996.

DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION

BY:

John L. Carlton
President

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the acting secretary of DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION, whose principal office is in Knox County, Tennessee; and

That the foregoing By-Laws constitute the original By-Laws of said corporation, as duly adopted at a meeting of the Board of Directors thereof, held on the 25th day of June, 1996.

IN WITNESS WHEREOF, I have hereto subscribed the name of the corporation by signing my name thereto as secretary this 25th day of June, 1996.

Angela Jo Martin, Secretary


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EXHIBIT "A"
BY-LAWS of
DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION
DATED: 25 June, 1996



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LOCATED and being situated partly within the FORTY-SIXTH (46th) Ward of the City of Knoxville, the FIFTH (5th) Civil District of the County of Knox, and partly within the SIXTH (6th) Civil District of the County of Knox, State of Tennessee, and being known and designated as follows, to wit:
COMMON AREAS, inclusive of the Non-exclusive, Joint Permanent Easement, (inclusive of ELMHURST WAY, APPIAN WAY, and PEPPERDINE WAY), DEERFIELD Subdivision, a Planned Unit Development, as shown of record in Map Cabinet O, Slides _____, and _____ in the Register's Office of Knox County, Tennessee, to which reference is here made, and being more particularly described as follows:

TRACT I:

BEGINNING at an iron pin in the easterly margin of the right-of-way of ROBINSON ROAD located 141.17 feet, more or less, in a southwesterly direction from the point of intersection of the easterly margin of the right-of-way of ROBINSON ROAD with the southerly margin of the right-of-way of STONEBROOK DRIVE; thence, from said BEGINNING Point and leaving the easterly margin of the right-of-way of ROBINSON ROAD and following a curve to the left with a radius of 25 feet, an arc distance of 39.48 feet, a chord bearing South 59 deg., 06 min. East, a chord distance of 35.5 feet to an iron pin; thence North 75 deg., 39 min. East 61.8 feet to an iron pin; thence, following a curve to the left with a radius of 330 feet, an arc distance of 113.35 feet, a chord bearing North 65 deg., 49 min. East, a chord distance of 112.79 feet to an iron pin; thence North 55 deg., 58 min. East 401.04 feet to an iron pin; thence, following a curve to the left with a radius of 980 feet, an arc distance of 434.53 feet, a chord bearing North 43 deg., 16 min. East, a chord distance of 430.98 feet to an iron pin; thence North 30 deg., 34 min. East 73.64 feet to a point; thence, following a curve to the left with a radius of 25 feet, an arc distance of 40.29 feet, a chord bearing North 15 deg., 36 min. West, a chord distance of 36.07 feet to an iron pin; thence, following a curve to the left with a radius of 100 feet, an arc distance of 38.13 feet, a chord bearing North 72 deg., 41 min. West, a chord distance of 37.90 feet to an iron pin; thence, following the margin of a cul-de-sac at the terminus of PEPPERDINE WAY with a radius of 40 feet, an arc distance of 168.95 feet, a chord bearing North 37 deg., 24 min. East, a chord distance of 68.57 feet to a point; thence, following a curve to the left with a radius of 100 feet, an arc distance of 54.11 feet, a chord bearing South 37 deg., 06 min. East, a chord distance of 53.45 feet to a point; thence South 52 deg., 36 min. East 68.04 feet to a point; thence, following a curve to the right with the radius of 270.00 feet, an arc distance of 264.12 feet, a chord bearing South 24 deg., 35 min. East, a chord distance of 253.71 feet to a point; thence South 3 deg., 27 min. West 434.89 feet to a point; thence, following a curve to the right with a radius of 210 feet, an arc distance of 421.82 feet, a chord bearing South 60 deg., 59 min. West, a chord distance of 354.40 feet to a point; thence North 61 deg., 28 min. West 103.26 feet to a point; thence, following a curve to the left with a radius of 340 feet, an arc distance of 129.56 feet, a chord bearing North 72 deg., 23 min. West, a chord distance of 128.78 feet to a point; thence North 83 deg., 18 min. West 120.88 feet to a point; thence, following a curve to the right with a radius of 210.00 feet, an arc distance of 143.12 feet, a chord bearing North 63 deg., 47 min.

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West, a chord distance of 140.37 feet to a point marking the northwest corner of Lot 72, in said Subdivision; thence, following a curve to the right with the radius of 210.00 feet, an arc distance of 11.76 feet, a chord bearing North 45 deg., 52 min. West, a chord distance of 11.76 feet to a point; thence North 45 deg., 45 min. East 40 feet to a point; thence, following a curve to the left with a radius of 170.00 feet, an arc distance of 9.72 feet, a chord bearing South 45 deg., 54 min. East, a chord distance of 9.72 feet to a point; thence, following a curve to the left with a radius of 170.00 feet, an arc distance of 115.86 feet, a chord bearing South 63 deg., 47 min. East, a chord distance of 113.63 feet to a point; thence South 83 deg. 18 min. East 120.88 feet to a point; thence, following a curve to the right with a radius of 380.00 feet, an arc distance of 144.80 feet, a chord bearing South 72 deg., 23 min. East, a chord distance of 143.93 feet to a point; thence South 61 deg., 28 min. East 103.26 feet to a point; thence, following a curve to the left with a radius of 170.00 feet, an arc distance of 341.47 feet, a chord bearing North 60 deg., 59 min. East, a chord distance of 286.89 feet to a point; thence North 3 deg., 27 min. East 434.89 feet to a point; thence, following a curve to the left with a radius of 230.00 feet, an arc distance of 213.11 feet, a chord bearing North 23 deg., 06 min. West, a chord distance of 205.57 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 43.53 feet, a chord bearing South 80 deg., 27 min. West, a chord distance of 38.24 feet to a point in the southeasterly margin of the right-of-way of ELMHURST WAY; thence South 30 deg., 34 min. West 63.55 feet to a point; thence, following a curve to the right with a radius of 1,020 feet, an arc distance of 324.70 feet, a chord bearing South 39 deg., 41 min. West, a chord distance of 323.33 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 38.19 feet, a chord bearing South 5 deg., 03 min. West, a chord distance of 34.59 feet to a point in the easterly margin of the right-of-way of APPIAN WAY; thence South 38 deg., 43 min. East 16.41 feet to a point; thence, following a curve to the left with a radius of 75 feet, an arc distance of 59.27 feet, a chord bearing South 61 deg., 22 min. East, a chord distance of 57.74 feet to a point; thence, following the margin of a cul-de-sac at the terminus of APPIAN WAY with a radius of 60 feet, an arc distance of 283.32 feet, a chord bearing South 51 deg., 17 min. West, a chord distance of 84.45 feet to a point; thence, following a curve to the left with a radius of 75 feet, an arc distance of 59.26 feet, a chord bearing North 16 deg., 05 min. West, a chord distance of 57.74 feet to a point; thence North 38 deg., 43 min. West 16.41 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 38.19 feet, a chord bearing North 82 deg., 29 min. West, a chord distance of 34.59 feet to a point; thence, following a curve to the right with a radius of 1,020.00 feet, an arc distance of 39.70 feet, a chord bearing South 54 deg., 52 min. West, a chord distance of 39.70 feet to a point; thence South 55 deg., 58 min. West 319.90 feet to a point; thence, following a curve to the left with a radius of 25 feet, an arc distance of 43.73 feet, chord bearing South 05 deg., 52 min. West, a chord distance of 38.37 feet to a point; thence South 44 deg., 15 min. East 45 feet to a point; thence South 45 deg., 45 min. West 40 feet to a point; thence North 44 deg., 15 min. West 16.83 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 34.15 feet, a chord bearing North 83 deg., 23 min. West, a chord distance of 31.56 feet to a point; thence, following a curve to the right with a radius of 370.00 feet, an arc distance of 117.40 feet, a chord bearing South 66 deg., 34 min. West, a chord distance of 116.90 feet to a point; thence South 75 deg., 39 min. West 68.38 feet to a point; thence, following a curve to the left with a radius of 25.00 feet, an arc distance of 36.89 feet, a chord bearing South 33 deg., 23 min.

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West, a chord distance of 33.63 feet to a point in the easterly margin of the right-of-way of ROBINSON ROAD; thence, with the easterly margin of the right-of-way of ROBINSON ROAD the following two (2) calls and distances: North 08 deg., 53 min. West 65.91 feet to a point; thence North 13 deg., 52 min. West 22.22 feet to the Point of BEGINNING; and



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TRACT II:

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BEGINNING at an iron pin in the easterly margin of the right-of-way of ROBINSON ROAD located 141.17 feet, more or less, in a southwesterly direction from the point of intersection of the easterly margin of the right-of-way of ROBINSON ROAD with the southerly margin of the right-of-way of STONEBROOK DRIVE; thence, from said BEGINNING Point and with the easterly margin of the right-of-way of ROBINSON ROAD, North 13 deg., 52 min. West 117.50 feet to a point; thence, following a curve to the right with a radius of 25 feet and an arc distance of 37.91 feet, a chord bearing North 29 deg., 34 min. East, a chord distance of 34.38 feet to a point; thence North 73 deg., 01 min. East 25.51 feet to a point; thence, following a curve to the left with a radius of 257.76 feet, an arc distance of 230 feet, a chord bearing North 47 deg., 27 min. East, a chord distance of 222.44 feet to a point; thence South 68 deg., 16 min. East 25.04 feet to a point; thence North 55 deg., 23 min. East 203.43 feet to a point; thence North 50 deg., 50 min. East 150.05 feet to a point; thence North 27 deg., 08 min. East 137.60 feet to a point; thence North 27 deg., 04 min. East 159.20 feet to a point; thence North 26 deg., 49 min. East 167.76 feet to a point; thence North 13 deg., 01 min. East 197.34 feet to a point; thence North 62 deg., 25 min. East 65.84 feet to a point; thence South 31 deg., 33 min. East 245.69 feet to a point; thence South 31 deg., 35 min. East 52.60 feet to a point; thence South 31 deg., 40 min. East 220.04 feet to a point; thence South 31 deg., 38 min. East 138.44 feet to a point; thence South 30 deg., 48 min. East 50.74 feet to a point; thence South 3 deg., 24 min. West 148.74 feet to a point; thence South 3 deg., 15 min. West 558.56 feet to a point; thence North 54 deg., 48 min. West 23.57 feet to a point marking the common corner of the common area herein described and Lots 49 and 50, in said Subdivision; thence North 3 deg., 15 min. East 648.08 feet to a point marking the northeast corner of Lot 34, in said Subdivision; thence South 90 deg. West 102.03 feet to a point in the easterly margin of the right-of-way of a forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY); thence, with the easterly margin of said forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY) and following a curve to the left with a radius of 270 feet, an arc distance of 1.94 feet, a chord bearing North 9 deg., 38 min. West, a chord distance of 1.94 feet to a point marking the southwest corner of Lot 33 of said Subdivision; thence, leaving said forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY), North 65 deg. East 116.14 feet to a point marking the southeast corner of Lot 33, in said Subdivision; thence North 31 deg., 38 min. West 191.24 feet to a point marking the northeast corner of Lot 29, in said Subdivision; thence South 65 deg. West 112.42 feet to a point in the easterly margin of said forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY); thence, following a curve to the left with a radius of 270 feet, an arc distance of 6.51 feet, a chord bearing North 51 deg., 55 min. West, a chord distance of 6.51 feet to a point; thence North 52 deg., 36 min. West 43.08 feet to a point marking the southwest corner of Lot 28, in said Subdivision; thence, leaving the easterly margin of the right-of-way of said forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY), North 50 deg. East 111.51 feet to a point; thence North 39 deg., 47 min. West 189.95 feet to a point marking the northeast corner of Lot 24, in said

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Subdivision; thence South 50 deg. West 71.04 feet to a point; thence South 20 deg., 43 min. West 62.19 feet to a point; thence South 8 deg., 07 min. East 35.51 feet to a point in the terminus of the cul-de-sac at a terminus of a forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY); thence, following a curve to the left with a radius of 40 feet, an arc distance 60.17 feet, a chord bearing South 19 deg., 43 min. West, a chord distance of 54.66 feet to a point marking the northeast corner of Lot 23, in said Subdivision; thence South 66 deg., 37 min. West, 19.82 feet to a point; thence South 30 deg., 15 min. West 251.89 feet to a point; thence South 55 deg., 26 min. West 587.74 feet to a point marking the northwest corner of Lot 1, in said Subdivision; thence South 25 deg. East 118.26 feet to a point in the northerly margin of the right-of-way of a forty feet (40') non-exclusive, joint permanent easement (ELMHURST WAY); thence, with the northerly margin of the right-of-way of said forty feet (40') non-exclusive, joint permanent easement (ELMHURST WAY), South 55 deg., 58 min. West 9.68 feet to a point; thence, following a curve to the right a radius of 330 feet, an arc distance of 113.35 feet, a chord bearing South 65 deg., 49 min. West, a chord distance of 112.79 feet to a point; thence South 75 deg., 39 min. West 61.80 feet to a point; thence, following a curve to the right with a radius of 25 feet, an arc distance of 39.48 feet, a chord bearing North 59 deg., 06 min. West, a chord distance of 35.50 feet to the Point of BEGINNING; and,

TRACT III:

BEGINNING at an iron pin in the easterly margin of the right-of-way of ROBINSON ROAD located 229.3 feet, more or less, in a southwesterly direction from the point of intersection of the easterly margin of the right-of-way of ROBINSON ROAD with the southerly margin of the right-of-way of STONEBROOK DRIVE, said iron pin marking the point of intersection of the southerly margin of the right-of-way of a forty feet (40') non-exclusive, joint permanent easement (ELMHURST WAY) with the easterly margin of the right-of-way of ROBINSON ROAD; thence, with the southerly margin of the right-of-way of said forty feet (40') non-exclusive, joint permanent easement (ELMHURST WAY) and following a curve to the right with a radius of 25 feet, an arc distance of 36.87 feet, a chord bearing North 33 deg., 23 min. East, a chord distance of 33.63 feet to a point in the curve; thence, North 75 deg., 39 min. East 68.38 feet to a point; thence, following a curve to the left with a radius of 370 feet, an arc distance of 117.40 feet, a chord bearing North 66 deg., 34 min. East, a chord distance of 116.90 feet to a point; thence, following a curve to the right with a radius of 25 feet, an arc distance of 34.15 feet, a chord bearing South 83 deg. 23 min. East, a chord distance of 31.56 feet to a point; thence, South 44 deg., 15 min. East 16.83 feet to a point; thence, following a curve to the left with a radius of 210 feet, an arc distance of 11.76 feet, a chord bearing South 45 deg., 52 min. East, a chord distance of 11.76 feet to a point marking the northwest corner of Lot 72, in said subdivision; thence, leaving the southerly margin of the right-of-way of a forty feet (40') non-exclusive, joint permanent easement (PEPPERDINE WAY) South 20 deg. West 112.61 feet to a point; thence, South 70 deg., 23 min. East 546.17 feet to a point; thence, North 79 deg., 52 min. East 310.56 feet to a point; thence, North 34 deg., 37 min. East 118.74 feet to a point marking the common area herein described and common corners of the Lots 49 and 50, in said subdivision; thence, South 54 deg., 48 min. East 23.57 feet to a point; thence, South 3 deg., 15 min. West 53.72 feet to a point; thence South 5 deg., 49 min. West 84.80 feet to a point; thence, South 83 deg., 54 min. West 321.38 feet to a point; thence, South 3 deg., 33 min. West 161.46 feet to a point in the northerly margin of the right-of-way of MIDDLEBROOK PIKE;

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thence, with the northerly margin of the right-of-way of MIDDLEBROOK PIKE the following two (2) calls and distances: following a curve to the left with a radius of 1,226.04 feet, an arc distance of 61.15 feet, a chord bearing North 57 deg., 45 min. West, a chord distance of 61.15 feet to a point; thence, following a curve to the left with a radius of 932.51 feet, an arc distance of 370.03 feet, a chord bearing North 70 deg., 33 min. West, a chord distance of 367.61 feet to a point; thence, leaving the northerly margin of the right-of-way of MIDDLEBROOK PIKE, North 38 deg., 24 min. West 300.70 feet to a point; thence South 45 deg., 31 min. West 76 feet to a point; thence South 80 deg., 55 min. West 22.88 feet to a point; thence South 46 deg., 34 min. West 70.54 feet to a point; thence South 44 deg., 42 min. West 45.60 feet to a point in the easterly margin of the right-of-way of ROBINSON ROAD; thence, with the easterly margin of ROBINSON ROAD, North 8 deg., 53 min. West 165.09 feet to the Point of BEGINNING, according to the survey of Urban Engineering, Inc., dated 4 April, 1996.

BEING part of the same property described in the Knox County Register's Deed Book 2180, Page 743.



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

This Amendment, made and entered into this 25th day of June, 1996, by Deerfield Properties, LLC, a Limited Liability Company, organized and existing under the laws of the State of Tennessee, with its principal place of business being located in Knoxville, Knox County, Tennessee, hereinafter referred to as "Declarant."

WITNESSETH:

The Declarant is the owner of certain real property more particularly described in the Knox County Register's Deed Book 2216, Page 743, as shown of record in Map Cabinet O, Slides 195-B, 195-C, and 195-D, in the Register's Office of Knox County, Tennessee, to which reference is here made, and designated as DEERFIELD SUBDIVISION, a Planned Unit Development, which the Declarant has subdivided into said Subdivision in the Knox County Register's Map Cabinet O, Slides 195-B, 195-C, and 195-D; and

The Declarant has caused constituent legal documents for said Subdivision to be record in the Knox County Register's Deed Book 2216, Page 329, and Deed Book 2216, Page 335, and Charter Book 126, Page 199, and Charter Book 126, Page 204, inclusive of the Declaration of Non-exclusive Joint Permanent Easement for ELMHURST WAY, APPIAN WAY, and PEPPERDINE WAY, the Declaration of Covenants, Conditions, and Restrictions for said Planned Unit Development, and the Charter and Restated Charter for the Deerfield Subdivision Homeowners' Association, in order to meet the Knox County Metropolitan Planning Commission subdivision guidelines prior to the recording of the Plat for DEERFIELD SUBDIVISION.

NOW THEREFORE, in consideration of the foregoing, the benefit to be derived herefrom, one dollar cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Declarant does now desire and does hereby complete all of the aforesaid recorded constituent legal documents for said Subdivision as a Planned Unit Development by incorporating therein the recorded Plat for DEERFIELD SUBDIVISION of record in the Knox County Register's Map Cabinet O; Slides 195-B, 195-C, and 195-D, where the plat reference has theretofore been omitted in said recorded constituent legal documents and the legal descriptions thereto; and

The Declarant does hereby incorporate all the documents heretofore executed and recorded to establish and create DEERFIELD SUBDIVISION and DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION within this amendment by reference as if set forth verbatim herein as the same appear in the Knox County Register's Deed Book 2216, Page 329, Deed Book 2216, Page 335, and Charter Book 126, Page 199, and Charter Book 126, Page 204, in order to amend all of the aforesaid constituent legal documents and descriptions by reference to said recorded plat in said recorded constituent legal documents.

INST: 1077 WB 2217 PG: 788
REC'D FOR REC 07/03/1996 11:02:10 KNOX CO. TN
RECORD FEE: \$ 8.00
MORTGAGE TAX: \$ 0.00 TRANSFER TAX: \$ 0.00

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SEE WB 2210 PG 204 THIRD AMENDMENT

See WB 2210 PG 204 3rd Amendment
for WB 2213 PG 153 Amend (2nd)

to include the location of the filing of the plat in the Knox County Register's Map Cabinet O, Slides 195-B, 195-C, and 195-D, to which reference is here made; and

The Declarant does hereby ratify, confirm and affirm the recording of the original constituent legal documents as if set forth verbatim herein as the same appear in the Knox County Register's Deed Book 2216, Page 329, Deed Book 2216, Page 335, and Charter Book 126, Page 199, and Charter Book 126, Page 204, to create DEERFIELD SUBDIVISION by including in said constituent legal documents the plat references as recorded in the Knox County Register of Deeds' Plat Cabinet.

IN WITNESS WHEREOF, the undersigned Limited Liability Company has hereunto caused its' name to be signed by its' duly authorized officer the day and year first above written.

DEERFIELD PROPERTIES, LLC

CARLTON ENTERPRISES, INC.

BY:

R. Gale Huneycutt, Jr.
Chief Manager

BY:

John L. Carlton
John L. Carlton
President

STATE OF TENNESSEE, COUNTY OF KNOX:ss

On this 25th day of June, 1996, before me personally appeared R. Gale Huneycutt, Jr. with whom I am personally acquainted and who, upon oath acknowledged himself to be the Chief Manager of DEERFIELD PROPERTIES, LLC, the within named Grantor, a Limited Liability Company, and that such Chief Manager, being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the Limited Liability Company himself as such Chief Manager.

Witness My hand and official seal at Knoxville, Tennessee

My Commission Expires: 12/18/98 NOTARY PUBLIC



STATE OF TENNESSEE, COUNTY OF KNOX:ss

On this 25th day of June, 1996, before me personally appeared John L. Carlton, with whom I am personally acquainted and who, upon oath acknowledged himself to be the president of Carlton Enterprises, Inc., the within named Grantor, a Corporation, and that such president, being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the Corporation by himself as such president.

Witness My hand and official seal at Knoxville, Tennessee.

My Commission Expires: 12/18/98 NOTARY PUBLIC



THIS INSTRUMENT PREPARED FOR RECORDING BY:
J. Nolan Sharbel, Attorney
Carlton Plaza, Suite 200
7815 Kingston Pike
Knoxville, Tennessee 37919

INST: 1077 MO 2217 PG: 789

Instr: 199607030037976
Pages: 2 of 2
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SECOND AMENDMENT

STEVE HALL
REGISTER OF DEEDS
KNOX COUNTY

TO THE

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF

DEERFIELD SUBDIVISION, A PLANNED UNIT DEVELOPMENT

This Amendment, made and entered into this 31st day of January, 1997, by Deerfield Properties, LLC, a Limited Liability Company, organized and existing under the laws of the State of Tennessee, with its principal place of business being located in Knoxville, Knox County, Tennessee, hereinafter referred to as "Declarant," and Carlton Enterprises, Inc., a Corporation organized and existing under the laws of the State of Tennessee, with its principal place of business being located in Lenior City, Loudon County, Tennessee, hereinafter referred to as "Owner."

WITNESSETH:

The Declarant and Owner are the owners of certain real property more particularly described in the Knox County Register's Deed Book 2180, Page 743, and Deed Book 2224, Page 790, as shown of record in Map Cabinet O, Slides 195-B, 195-C, and 195-D, in the Register's Office of Knox County, Tennessee, to which reference is here made, and designated as DEERFIELD SUBDIVISION, a Planned Unit Development, which the Declarant has subdivided into said Subdivision in the Knox County Register's Map Cabinet O, Slides 195-B, 195-C, and 195-D; and

The Declarant has caused constituent legal documents for said Subdivision to be record in the Knox County Register's Deed Book 2216, Page 329, and Deed Book 2216, Page 335, as amended in Deed Book 2217, Page 788, and Charter Book 126, Page 199, and Charter Book 126, Page 204, inclusive of the Declaration of Non-exclusive, Joint Permanent Easement for ELMHURST WAY, APPIAN WAY, and PEPPERDINE WAY, the Declaration of Covenants, Conditions, and Restrictions for said Planned Unit Development, and the Charter and Restated Charter for the Deerfield Subdivision Homeowners' Association, which has set forth an annual homeowners' assessment in Article IV, Section 3, of the Declaration of Covenants, Conditions and Restrictions, which has become inadequate to maintain projected Association expenses and the financial obligations of the DEERFIELD SUBDIVISION HOMEOWNERS' ASSOCIATION.

NOW THEREFORE, in consideration of the foregoing, the benefit to be derived herefrom, ONE AND 00/100***Dollar (\$1.00) cash in hand paid, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Declarant and Owner do now desire and do hereby amend Article IV, Section 3, of the Declaration of Covenants, Conditions and Restrictions, of the recorded constituent legal documents for said Subdivision as a Planned Unit Development by increasing the initial annual homeowners' assessment in the aforesaid ARTICLE IV, Section 3, from SIX HUNDRED AND 00/100***Dollars (\$600.00) an initial amount of NINE HUNDRED AND 00/100***Dollars (\$900.00) per annum payable as the Association may establish.

The Declarant and Owner do hereby ratify, confirm and affirm the recording of the original constituent legal documents as if set forth verbatim herein as the same appear in the Knox County Register's Deed Book 2216, Page 335, as amended in Deed Book 2217, Page 788, and Deed Book 2216, Page 329, and Charter Book 126, Page

INST 78781 ME 221 PG 153
REC'D FOR REC 06/16/1997 11:12:42 KNOX CO, TN
RECORD FEE: \$ 0.00
MORTGAGE TAX: \$ 0.00 TRANSFER TAX: \$ 0.00

199, and Charter Book 126, Page 204, to create DEERFIELD SUBDIVISION, except as modified hereby.

IN WITNESS WHEREOF, the undersigned Declarant and Owner have hereunto caused their respective names to be signed by its duly authorized officer the day and year first above written.

"DECLARANT"
DEERFIELD PROPERTIES, LLC

"OWNER"
CARLTON ENTERPRISES, INC.

BY: R. Gale Huneycutt
R. Gale Huneycutt, Jr.
Chief Manager

BY: John L. Carlton
John L. Carlton
President

STATE OF TENNESSEE, COUNTY OF KNOX: ss
On this 21 day of January, 1997, before me personally appeared R. Gale Huneycutt, with whom I am personally acquainted and who, upon oath, acknowledged himself to be the Chief Manager of DEERFIELD PROPERTIES, LLC, the within named Grantor, a Limited Liability Company, and that such Chief Manager, being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the Limited Liability Company by himself as such Chief Manager.
Witness My hand and official seal at Knoxville, Tennessee.

My Commission Expires: 10/20/99 Angela L. L. L. NOTARY PUBLIC

STATE OF TENNESSEE, COUNTY OF KNOX: ss
On this 31st day of January, 1997, before me personally appeared John L. Carlton, with whom I am personally acquainted and who, upon oath, acknowledged himself to be the president of Carlton Enterprises, Inc., the within named Grantor, a Corporation, and that such president, being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the Corporation by himself as such president.
Witness My hand and official seal at Knoxville, Tennessee.

My Commission Expires: 10/20/99 Angela L. L. L. NOTARY PUBLIC

THIS INSTRUMENT PREPARED FOR RECORDING BY:
J. Nolan Sharbel, Attorney
Carlton Plaza, Suite 200
7815 Kingston Pike
Knoxville, Tennessee 37919

518011-1
REGISTER OF DEEDS
KNOX COUNTY

THIS INSTRUMENT PREPARED BY:
WOOLF, McCLANE, BRIGHT,
ALLEN & CARPENTER, PLLC
900 Riverview Tower
900 Gay Street
Knoxville, TN 37902
(423) 215-1000

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

This Amendment is made and entered into as of the 20th day of June, 1996, by DEERFIELD PROPERTIES, LLC, a Tennessee limited liability company (hereinafter "Declarant"), WELDEN & ASSOCIATES, LLC, a Tennessee limited liability company (hereinafter "Welden") and CARLTON ENTERPRISES, INC., a Tennessee corporation (hereinafter "Carlton").

WITNESSETH:

WHEREAS, the Declarant and Welden are the owners of certain real property more particularly described in Deed Book 2180, Page 743, Deed Book 2258, Page 271, and Deed Book 2258, Page 275, in the Office of the Knox County Register of Deeds, and shown of record in Map Cabinet O, Slides 195-B, 195-C and 195-D, in the Office of the Knox County Register of Deeds, to which reference is made, and designated as Deerfield Subdivision, a planned unit development (hereinafter "Subdivision"); and

WHEREAS, Welden purchased Phase I of the Subdivision, which is more particularly described in Deed Book 2258, Page 271, in the Office of the Knox County Register of Deeds, on July 30, 1997, from Carlton; and

WHEREAS, Welden purchased Phase II of the Subdivision, which is more particularly described in Deed Book 2258, Page 275, in the Office of the Knox County Register of Deeds, on July 30, 1997, from Declarant; and

WHEREAS, Declarant and Welden own all of the Lots in the Subdivision and no Lot has been sold to an individual homeowner; and

WHEREAS, Declarant and Carlton entered into a Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development (hereinafter "Declaration"), on June 20, 1996, which is of record in the Office of the Knox County Register of Deeds at Warranty Book 2216, Page 335; and

WHEREAS, Declarant and Carlton entered into a First Amendment to the Declaration on June 25, 1996, which is of record in the Office of the Knox County Register of Deeds at Warranty Book 2217, Page 788 (hereinafter "First Amendment") for the purpose of incorporating all of the documents executed and recorded to create the Subdivision within the First Amendment and to amend the documents of record regarding the Subdivision to include the location of the filing of the subdivision plat; and

INST. 36296 LG 2270 PS: 204
REC'D FOR REG 12/02/1997 15:03:02 KNOX CO, TN
RECORD FEE: \$ 20.00
MORTGAGE TAX: \$ 0.00 TRANSFER TAX: \$ 0.00

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WHEREAS, Declarant formed Deerfield Subdivision Homeowners' Association on July 1, 1996, by filing a Charter with the Tennessee Secretary of State; and

WHEREAS, Declarant and Carlton entered into a Second Amendment to the Declaration on January 31, 1997, which is of record in the Office of the Knox County Register of Deeds at Warranty Book 2217, Page 788 (hereinafter "Second Amendment") for the purpose of increasing the annual homeowners' assessment provided in Article IV, Section 3 of the Declaration; and

WHEREAS, Declarant, Welden and Carlton wish to revise the Declaration regarding the date of commencement of the annual assessments, the amount of the annual assessment and the date for establishing the replacement reserves.

NOW THEREFORE, in consideration of the foregoing, the benefit to be derived therefrom, and One and No/100 Dollar (\$1.00) cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby declare as follows:

1. Declaration. The Declaration, First Amendment and Second Amendment, are incorporated herein by reference. Capitalized terms not defined herein shall have the same meaning given to them in the Declaration. As amended hereby, the Declaration shall remain in full force and effect.

2. Purpose of Assessments. Article IV, Section 2 of the Declaration is amended by adding "and the Non-exclusive, Joint Permanent Easement" after "common areas" on line five (5) of this section.

3. Maximum Annual Assessment. Article IV, Section 3 of the Declaration is amended by deleting first sentence thereof in its entirety, and by deleting the provisions in the Second Amendment regarding the maximum annual assessment, and substituting in their place the following:

Maximum Annual Assessment. Until January 1 of the year immediately following the commencement of the annual assessment pursuant to Section 8 of this Article IV, the maximum annual assessment shall be Six Hundred and No/100 Dollars (\$600.00) per Lot, payable in a lump sum payment or installments as the members of the Deerfield Homeowners' Association may establish.

Subparts (a) and (b) of Article IV, Section 3 are amended by deleting the provision: "the conveyance of the first Lot to an Owner(s)," and substituting the following in its place: "the commencement of the annual assessment pursuant to Section 8 of this Article IV."

4. Replacement Reserves. Article IV, Section 4 of the Declaration is amended by deleting the last sentence thereof in its entirety and substituting in its place the following:

Replacement Reserves. The initial Replacement Reserves fund shall be established by Builder in an amount equal to two (2) months assessments allocated for each Lot and shall be collected from and transferred by the

Builder to the Replacement Reserves Fund of the Association at the time of the closing of the sale of each Lot in the Property to an Owner (i) who plans to build a dwelling on the Lot for occupation by Owner, or (ii) who plans to occupy an existing dwelling on the Lot.

5. Special Assessments for Capital Improvements. Article IV, Section 5 is amended by adding "the cost of any reconstruction or repair of the Non-exclusive, Joint Permanent Easement and after "in whole or in part" on line five (5) of this section.

6. Date of Commencement of Annual Assessment. Article IV, Section 8 of the Declaration is amended by deleting the first sentence thereof in its entirety and substituting in its place the following:

Date of Commencement of Annual Assessments.
The annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of the first Lot to an Owner (i) who plans to build a dwelling on the Lot for occupation by Owner, or (ii) who plans to occupy an existing dwelling on the Lot.

7. Exterior Maintenance. Article VII of the Declaration is amended by deleting this article in its entirety and substituting in its place the following:

The Association shall maintain the Common Areas, including the structures which may exist or hereafter be constructed within the Common Areas shown on the recorded plat or plats, and the Non-Exclusive Joint Permanent Easement. The Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: lawn mowing, paint, repair, replacement and care of roofs, gutters, down spouts, exterior building surfaces, and sidewalks. Such exterior maintenance shall not include glass surfaces. In the event that the need for maintenance or repair of a Lot or the improvements thereon is caused through the willful or negligent acts of its Owner(s), or through the willful or negligent acts of the family, guests, or invitees of the Owner(s), of the Lot needing such maintenance or repair, the costs of such exterior maintenance shall be added to and become a part of the assessment to which such Lot is subject, and shall be collected in accordance with the terms of this Declaration.

8. Annexation. Article XII, Section 4 of the Declaration is amended by deleting the first sentence of this section in its entirety and substituting in its place the following:

Additional residential property may be annexed to the Property by the Declarant if annexed by June 1, 2001, provided that the Federal Housing Administration and/or Veterans' Administration determine that the annexation is in accord and conformity with the general plan heretofore approved. After June 20, 2001, additional residential property may be annexed to the Property with the approval of two-thirds (2/3) of each class of members.

9. Substitution. The Declaration is further amended to substitute Welden as Builder in the place of Carlton. All references to Carlton as Builder are hereby changed to Welden.

10. Effective Date. The effective date of this Amendment is June 20, 1996.

IN WITNESS WHEREOF, the parties have executed this Third Amendment on the dates on which their signatures are acknowledged, but effective as of June 20, 1996.

DECLARANT:

Deerfield Properties, LLC,
a Tennessee limited liability company

By: [Signature]
R. Gale Huneycutt, Jr.
Its: Chief Manager

WELDEN:

Welden & Associates, LLC
a Tennessee limited liability company

By: [Signature]
Ray W. Stewart
Its: Chief Manager

CARLTON:

CARLTON ENTERPRISES, INC.,
a Tennessee corporation

By: [Signature]
John L. Carlton
Its: President

STATE OF TENNESSEE
COUNTY OF KNOX

Before me, the undersigned, a Notary Public in and for the state and county aforesaid, personally appeared R. Gale Hineycult, 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 the Chief Manager of DEERFIELD PROPERTIES, LLC, the within named bargainor, a Tennessee limited liability company, and that he, as such Chief Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Chief Manager.

Witness my hand and seal, this 21st day of Nov 1997.

My Commission Expires:
12/31/2001

NOTARY PUBLIC



STATE OF TENNESSEE
COUNTY OF KNOX

Before me, the undersigned, a Notary Public in and for the state and county aforesaid, personally appeared Ray W. Stewart, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Chief Manager of WELDEN & ASSOCIATES, LLC the within named bargainor, a Tennessee limited liability company, and that he, as such Chief Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Chief Manager.

Witness my hand and seal, this 25 day of November 1997.



STATE OF TENNESSEE
COUNTY OF KNOX

Before me, the undersigned, a Notary Public in and for the state and county aforesaid, personally appeared John L. Carlton, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the President of CARLTON ENTERPRISES, INC. the within named bargainor, a Tennessee corporation, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

Witness my hand and seal, this 27th day of November 1997.

My Commission Expires:
12/28/98

NOTARY PUBLIC



REGISTER OF DEEDS
KNOX COUNTY

This Instrument Prepared By:
WOOLF, McCLANE, BRIGHT,
ALLEN & CARPENTER, PLLC
900 Riverview Tower
900 S. Gay Street
Knoxville, Tennessee 37902-1810
(423) 215-1000 (MAM)

CONSENT TO THIRD AMENDMENT

This CONSENT TO THIRD AMENDMENT made and entered into as of the 2nd day of December, 1997, by FIRST AMERICAN NATIONAL BANK, a national banking corporation ("FANB"), WELDEN & ASSOCIATES, LLC, a Tennessee limited liability company ("Welden"), FIRST BANK OF EAST TENNESSEE, N.A., a national banking corporation ("FBET"), and DEERFIELD PROPERTIES, LLC, a Tennessee limited liability company ("Deerfield").

WITNESSETH:

WHEREAS, Welden and Deerfield are the owners of certain real property more particularly described in Deed Book 2180, Page 743, Deed Book 2258, Page 271, and Deed Book 2258, Page 275, in the Office of the Knox County, Tennessee Register of Deeds, and shown of record in Map Cabinet O, Slides 195-B, 195-C and 195-D, in the Office of the Knox County, Tennessee Register of Deeds, to which reference is made, and designated as Deerfield Subdivision, a planned unit development (hereinafter "Subdivision"); and

WHEREAS, Welden purchased Phase I of the Subdivision, which is more particularly described in Deed Book 2258, Page 271, in the Office of the Knox County, Tennessee Register of Deeds, on July 30, 1997, from Carlton Enterprises, Inc. ("Carlton"); and

WHEREAS, Welden purchased Phase II of the Subdivision, which is more particularly described in Deed Book 2258, Page 275, in the Office of the Knox County, Tennessee Register of Deeds, on July 30, 1997, from Deerfield; and

WHEREAS, Deerfield and Carlton entered into a Declaration of Covenants, Conditions and Restrictions for Deerfield Subdivision, a Planned Unit Development (hereinafter "Declaration"), on June 20, 1996, which is of record in the Office of the Knox County, Tennessee Register of Deeds at Warranty Book 2216, Page 335; and

WHEREAS, Deerfield and Carlton entered into a First Amendment to the Declaration on June 25, 1996, which is of record in the Office of the Knox County, Tennessee Register of Deeds at Warranty Book 2217, Page 788 (hereinafter "First Amendment") for the purpose of incorporating all of the documents executed and recorded to create the Subdivision within the First Amendment and to amend the documents of record regarding the Subdivision to include the location of the filing of the subdivision plat; and

WHEREAS, Deerfield and Carlton entered into a Second Amendment to the Declaration on January 31, 1997, which is of record in the Office of the Knox County, Tennessee Register of Deeds at Warranty Book 2217, Page 788 (hereinafter "Second Amendment"), for the purpose of increasing the annual homeowners' assessment provided in Article IV, Section 3 of the Declaration; and

WHEREAS, Deerfield, Welden and Carlton entered into the Third Amendment to the Declaration as of June 20, 1996, which is attached hereto as Exhibit A, which is of record in the Office of the Knox County, Tennessee Register of Deeds at Warranty Book 2270, Page 204 (hereinafter "Third Amendment") for the purpose of revising the Declaration regarding the

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LIST: 68753, TB 3365, Pg 1810
REC'D FOR REC. 03/12/1998 16:27:14 KNOX CO. TN
REC'D FOR REC. 3 44.00
MORTGAGE TAX \$ 0.00 TRANSFER TAX \$ 0.00

TRACT I: SITUATED in District No. Five (5) of Knox County, Tennessee, and within the 46th Ward of the City of Knoxville, Tennessee, and being known and designated as Lots 1 through 23, inclusive, and Lots 73 through 98, inclusive, in Deerfield Subdivision, a subdivision to Knox County, Tennessee, as shown by maps of said subdivision of record in Map Cabinet O, Slides 195-B, 195-C and 195-D, all in the Knox County Register's Office, said lots being more particularly bounded and described as shown by maps aforesaid, to which maps specific reference is hereby made for a more particular description.

BEING the same property conveyed to Welden & Associates, LLC, by deed from Carlton Enterprises, Inc. dated July 30, 1997, of record in Deed Book 2358, Page 277, Knox County Register's Office.

TRACT II: SITUATED in District No. Five (5) of Knox County, Tennessee, and within the 46th Ward of the City of Knoxville, Tennessee, and being known and designated as Lots 24 through 49, inclusive, and Lots 97 through 113, inclusive, in Deerfield Subdivision, a subdivision to Knox County, Tennessee, as shown by maps of said subdivision of record in Map Cabinet O, Slides 195-B, 195-C and 195-D, all in Knox County Register's Office, said lots being more particularly bounded and described as shown by maps aforesaid, to which maps specific reference is hereby made for a more particular description.

BEING the same property conveyed to Welden & Associates, LLC, by deed from Deerfield Properties, LLC, dated July 30, 1997, of record in Deed Book 2358, Page 280, Knox County Register's Office.

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