

This instrument prepared by:
Forest Mill Homeowners Association

DECLARATION OF AMENDED COVENANTS AND RESTRICTIONS
FOREST MILL SUBDIVISION

WHEREAS, Forest Mill Subdivision, is a tract of land in the Sixth (6th) Civil District of Knox County, Tennessee, being of record in Map Cabinet M Slide 313B and Map Cabinet M, slide 314B, both in the Register's Office for Knox County, Tennessee, and;

WHEREAS, a majority of the lot owners in the Forest Mill Subdivision wish to amend the Declaration of Covenants and Restrictions and clarify said Covenants and Restrictions, and;

WHEREAS, all homes in the subdivision are now occupied and Jan P. Nielsen, original owner and developer of Forest Mill Subdivision has transferred all rights to the Forest Mill Homeowners Association, pursuant to Article IX of the original Declaration of Covenants and Restrictions; and;

WHEREAS, Jan P. Nielsen, original owner and developer of Forest Mill Subdivision has executed an Assignment of Developer's Rights for Forest Mill Subdivision, a copy of which is attached hereto and incorporated herein as Exhibit A, and;

WHEREAS, the Forest Mill Homeowners Association as described in the respective Declaration of Covenants and Restrictions has the power under Article XIX to amend said restrictions,

NOW, THEREFORE, in consideration of the premises and the mutual benefit to be derived by all parties concerned, the Owners, do hereby covenant and agree with all subsequent owners of lots in said subdivision, that the following restrictive covenants shall be covenants running with the land and shall be binding on all subsequent owners thereof, and shall insure to the benefit of all owners of, and any said lots in the subdivision.

ARTICLE I

DEFINITIONS

The following words when used in this Declaration or any supplemental Declaration (unless the context shall prohibit) shall have the following meaning:

- (a) "Association" shall mean and refer to the Forest Mill Homeowners Association.
- (b) "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of Common Properties and properties held or purchased by any religious group, organization or association.
- (c) "Homeowner" shall include any person who shall have occupied a home or held a valid contract to occupy a home before the execution of this Declaration of Covenants and Restrictions.
- (d) "Advisory Committee" shall mean and refer to that three (3) member body from the Homeowners Association selected by the Association, pursuant to Article IX, herein.

ARTICLE II

TERM

These covenants are to take effect immediately, and shall be binding on all parties and all persons claiming under them until January 1, 2013, at which time said covenants shall be automatically extended for successive periods of ten years, unless by vote of the majority of the then owners of lots, it is agreed to change said covenants in whole or in part.

ARTICLE III

ENFORCEMENT

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

ARTICLE IV

SEVERABILITY

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

ARTICLE V

LAND USE AND BUILDING TYPE

1. All the lots in the Subdivision shall be known and designated as residential lots, unless otherwise noted.
2. No structures shall be erected, altered, placed, or permitted to remain on any of the said lots other than one detached single-family dwelling not to exceed two and one-half stories in height, and an attached garage or garages, except by approval and sanction of the Association.
3. No metal storage sheds or storage sheds of any kind may be erected or placed on any lot without the express written permission of the Association.
4. No outside clothes lines, or other device utilized for drying clothes, airing out rugs, bedding, or other household items, shall be erected or placed on any lot or improvements located thereon, whether for temporary or permanent use.
5. No carports, either detached or attached to a residence, shall be permitted in Forest Mill Subdivision, without express written permission of the Association, and in no event, may a carport substitute for a required garage.
6. All private swimming pools must be enclosed and maintained in a manner consistent with the Knox County Health Department regulations, and all other appropriate governmental agencies;

and the plans and specifications must be submitted to, and approved by the Association, or its designee (which may include the Forest Mill Advisory Committee), prior to construction.

ARTICLE VI

BUILDING LOCATION

1. No building shall be located on any lot nearer to the front line than is permitted by standard setback restrictions, as zoning requires. In any event, no building shall be located on any lot nearer than 35 feet to the front lot line unless special permission is given in hardship cases. No building shall be located nearer than 12 feet to the boundary lines of a lot or lots owned by other persons.
2. For the purpose of this covenant, eaves, steps and open porches shall not be considered as part of the building, provided, however, this shall not be construed to permit any portion of the building to encroach upon another lot. Roofed porches shall be considered as part of the building and shall not be nearer than 12 feet to any lot line or in front of any building setback line, as shown on the map of record referred to above. Further, no building shall be located nearer than 25 feet from the rear boundary lines.

ARTICLE VII

DIVISION OF LOTS

Not more than one dwelling house may be erected on any one lot, as shown on the recorded map and no lot, as shown on said map, may be subdivided or reduced in size by any method, voluntary alienation, partition, judicial sale, or other process, or process of any kind, except, for the explicit purpose of increasing the size of another lot.

ARTICLE VIII

DWELLING SIZE

1. No dwelling shall be erected, placed, altered, or permitted to remain on any lot in Forest Mill Subdivision, unless the ground floor area of which shall contain at least 1,500 square feet in the case of one-story dwellings; and, all other types of dwellings shall contain a minimum living space of 1,750 square feet.
2. Basements, open porches, and garages shall not be considered in estimating the square footage of living area space.
3. The Association or its assigns must pass upon the requirements for all dwellings over one story in height in record to basic square footage.
4. All garages shall be a part of the main structure and shall have a capacity for at least one automobile.
5. No building shall be erected, placed, altered or permitted to remain on any building lot in the subdivision until the Association or its assigns have approved the building plans and specifications and a plan showing the location of the dwelling in writing.

6. A minimum of \$1,000.00 shall be deposited in escrow by the builder to guarantee conformity to the approved plans PROVIDED, HOWEVER, the Association and its assigns are exempt from this \$1,000.00 deposit requirement.

ARTICLE IX

FOREST MILL HOMEOWNERS ASSOCIATION

1. The Association shall be responsible for writing and recording its own bylaws and incorporation documents. Approval of said by-laws shall be by a quorum present at a meeting at which 2/3-majority vote shall be required at two (2) separate readings. Thereafter, the Association shall set its own rules and modus of operation but must operate within written documentation of its own actions and must operate under generally accepted accounting practices.
2. The Association shall have the authority to issue annual assessments effective upon the approval of the by-laws of the Association. The assessments for the Homeowners Association shall at all times be subordinate to the lien of any deed of trust mortgage of record for any of the lots in said subdivision.
3. All homeowners must be members of the Association.
4. It shall be the obligation of the Association to maintain the boulevard area at the entrance to the subdivision, and all improvements and appurtenances thereto.
5. No building shall be erected, placed, altered, or permitted to remain on any building lot in the subdivision until the building plans and specifications and a plan showing the location of the dwelling have been approved in writing by the Association or its assigns as to quality of workmanship and materials, harmony of external design with existing structures, and location with respect to topography and finish grade level and elevation.
6. The Association reserves the power to transfer its rights of plan design and approval to the Forest Mill Advisory Committee, at its discretion. The Forest Mill Advisory Committee shall be composed of three members appointed by the Association. A majority of the Committee may designate a representative to act for the Committee.
7. In the event of the death or resignation of any member of the Committee, the Association shall have the exclusive authority to designate a successor.
8. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant.
9. In the event the said Committee, or its designated representative fails to approve or disapprove in writing such plans or specifications within 15 days after the same have been submitted to it, such approval shall be implied and no longer required and this covenant will be deemed to have been fully complied with. Further, such plans must be left with Forest Mill Advisory Committee during the period of construction, after approval. Further, if no suit to enjoin the construction has been filed prior to the completion thereof, approval will not be required and approval shall be deemed to be fully made.

10. In the event the said Forest Mill Advisory Committee rejects plans submitted for approval under this covenant, upon written request or application by 75 percent of lot owners within a 300-foot radius desiring the approval be given, then same shall be deemed approved by the Forest Mill Advisory Committee.

ARTICLE X

NUISANCES

1. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.
2. No trash, garbage, rubbish, debris, waste materials, or other refuse shall be deposited or allowed to accumulate or remain on any part of said land, nor upon any land or lands continuous thereto.
3. The Association or its assigns may enforce removal of obnoxious or disharmonious improvements or changes made to property after construction is completed. However the homeowner may appeal said ruling and determination of the Association or its assigns by obtaining the approval of 75 percent of the homeowners within a 300-foot radius of the improvement.
4. Enforcement of the ruling made hereunder concerning obnoxious or disharmonious improvements or changes may be enforced by any means of law, including entry onto the property and removal by the Association or its assigns without any form of liability to the Association or its assigns.

ARTICLE XI

TEMPORARY STRUCTURES

No mobile homes, trailers(s), basement, tent, shack, garage, barn or other outbuildings erected on the tract shall at any time be used as a residence, temporarily or permanently, nor shall any structure of a temporary character be used as a residence.

ARTICLE XII

EASEMENTS

Easements five feet in width are reserved along all boundary lines for the installation and maintenance of telephone and electric lines and for drainage. No easements, right-of-way, or rights of access shall be deemed granted or in any way given to any person or companies through any lot in this subdivision, unless permission is given in writing by the Association or its assigns. Each homeowner shall be responsible for the mowing and general upkeep of the drainage easements and water detention area located on their properties.

ARTICLE XIII

SIGNS

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

ARTICLE XIV

LIVESTOCK AND POULTRY

No animals, livestock, poultry or fowl of any kind shall be raised, bred, or kept on any lot, except household pets such as dogs and cats may be kept, provided that they are not kept, bred, or maintained for any commercial purpose.

ARTICLE XV

GARBAGE AND REFUSE DISPOSAL

No lot shall be used or maintained as a dumping ground for rubbish, trash, garbage, or other waste, provided that there shall be no dumping left on the top of the ground, but it shall be permissible for the temporary dumping of building and/or construction materials.

ARTICLE XVI

FENCES AND WALLS

1. No fences or walls shall be erected, placed, or altered on any lot or parcel unless approved by the Association or its assigns.
2. If any fencing is constructed without the prior approval of the Association or its assigns, then the Association or its assigns may remove said fencing without proceeding through the judicial process for permissions thereof, except as provided herein for appeal.
3. Chain link fencing will not be approved, unless it is in the rear yard of any lot.

ARTICLE XVII

MISCELLANEOUS RESTRICTIONS

1. No one shall be permitted to store, or park house trailers, campers, trailers, trucks over one ton, buses, motor homes, pleasure or fishing boats, unless the same are stored or parked inside a garage or behind the rear building line of the dwelling, as projected to the lot lines, so as not to be readily visible from the street, including both streets in the case of corner lots.
2. No outside radio transmission towers, receiving antennas, television antennas, or solar panels may be installed or used, except as may be approved by the Homeowners Association.
3. With the exception of those activities involving the construction and sale of improved or unimproved lots within the subdivision, no commercial activities shall be permitted to be carried on from any lot or dwelling unit, which is inconsistent with zoning and building code restrictions, and/or, increase vehicular traffic to and from the lot or residence, so as to constitute a nuisance.
4. No automobiles or other vehicles which are operable or inoperable, shall be repeatedly parked, kept, repaired or maintained on the street, in any common areas, or in the front or side yard of any

property where said automobiles or vehicles would be readily visible from the street, including both streets in the case of corner lots.

5. No wall, hedge or shrub planting which obstructs sight lines above the roadways shall be placed or permitted to remain on any corner lot with the triangular area formed by the street property line connecting them at twenty-five (25) feet from the intersection of the street lines or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight line limitation shall apply on any lot within ten (10) feet of the intersection of street property line, with the edge of a driveway. No trees shall be permitted to remain within such sight distances of the intersection unless the foliage line is maintained at a sufficient height to prevent obstruction of such sight lines.
6. A Homeowner may erect one (1) satellite receiver dish of a diameter of a maximum of thirty-six (36) inches, or as approved by the Association, per lot. Said satellite receiver dish may not be installed in the front yard or attached to the front of the house unless approved by the Association. The Association will only consider such a satellite receiver dish variance after reasonable attempts have been made to locate the satellite receiver dish elsewhere.

ARTICLE XVIII

BOUNDARY LINE SCREEN AGREEMENT

Pursuant to an Agreement dated January 17 1992, between the Association and William S. Arnett, no trees greater than three (3) inches in diameter shall be cut, if located within 15 feet of the common boundary of Forest Mill Subdivision, and Tract .10, of the re-subdivision of Trio Property of Universal Land Development Company, as shown on plat of same record in Map Book 85-S, page 44 (Map Cabinet F, Slide 190B), in the Register's Office or Knox County, Tennessee, unless it has been determined by the parties to the Agreement or their successors in title that any trees within the area are critically diseased, critically damaged, or dead. The intention of this provision is to retain a screen between the properties, where it now exists.

ARTICLE XIX

WAIVER AND MODIFICATION

Association and its assigns hereby reserve the right in their absolute discretion, at any time, to annul, waive, change or modify any of the restrictive covenants or condition contained herein, provide that said modifications do not reduce the general standards of Forest Mill Subdivision. Association and its assigns, specifically reserves the right to amend the restrictive covenants that might hinder the subdivision qualifying for FHA/VA or conventional mortgage financing, up to twelve (12) months from the date of the execution of this Declaration of Covenants and Restrictions.

ARTICLE XX

ASSIGNMENT OR TRANSFER

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

ARTICLE XXI

INTERPRETATION AND CLARIFICATION CLAUSE

The laws of the State of Tennessee shall control in interpreting these Covenants and Restrictions. As used in this Declaration of Covenants and Restriction, words used in the singular shall be deemed to include the plural and the plural, the singular, and words used in the masculine gender shall be deemed to include the feminine, if appropriate.

IN WITNESS WHEREOF, the undersigned members of the Forest Mill Homeowners Association have caused this instrument to be executed on this _____ day of _____, 20____, said execution to reflect their vote approving this amendment to the existing restrictive covenants.

Personally appeared before me, the Undersigned authority, a Notary Public in and for the aforesaid County and State, _____, the within named bargainer, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand and seal this ____ day of _____, 20____.

Notary Public

My commission expires: _____

Personally appeared before me, the Undersigned authority, a Notary Public in and for the aforesaid County and State, _____, the within named bargainer, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that he executed the within instrument for the purposes therein contained.

Witness my hand and seal this ____ day of _____, 20____.

Notary Public

My commission expires: _____

ity, a Notary Public in and for the aforesaid County and State, _____

Forest Mill Homeowners Association

Policy Resolution No. 2007-1

Defined Procedures of Enforcement of Covenant, By-laws and/or Rules and Regulations

WHEREAS, the Articles of incorporation charge the Forest Mill Homeowners Association ("Association") with providing for the maintenance, preservation and architectural control of the Lots and Common Area of the Forest Mill community;

WHEREAS, the Declaration of Covenants, Conditions and Restrictions ("Declaration") establishes that the Board of Directors ("Board") is responsible for the architectural control of the Forest Mill community;

WHEREAS, the Declaration authorizes the Association to enforce the covenants contained in the Declaration;

WHEREAS, Tennessee Code Annotated authorizes the Board to enforce such rules as have been promulgated pursuant to the areas of responsibility;

WHEREAS, Tennessee Code Annotated empowers the Board to assess charges against any member for any violation of the Declaration or rules and regulations for which the member or his family members, tenants, guests or other invites are responsible; and

WHEREAS, the Board has determined to establish procedures for the enforcement of the Covenants, By-laws and/or Rules and Regulations;

NOW, THEREFORE, BE IT RESOLVED THAT the following policies and procedures are hereby adopted

1) If a complaint regarding a violation of the Declaration is received by the Association via mail or verbal communication, or if the Board of Directors becomes aware of such a violation in any manner, the Board Member in receipt of such complaint will record the date and time the complaint was received, and how it was received (i.e., telephone, letter, during regular board meeting, etc.) or how and when the Board otherwise became aware of the violation.

2) The Board will investigate and determine whether the conduct at issues constitutes a violation of the Declaration. If the Board determines that a violation is occurring, it may proceed as stated below.

INFORMAL CONTACT

3) The Association's first citation notice will be an informal means of contact either by telephone or in person by the Board President or his/her designated representative with the property owner. At this time the Board President or his/her designated representative

will state the violation and the particular provision of the Declaration that is being violated. The Board President or his/her representative will allow up to fourteen (14) days or, if necessary, another mutually agreed-to timeframe for the member to comply. If the member does not correct the violation, formal notification procedures will be instituted.

4) The Board President or his/her representative will monitor member responses to the informal contact by verifying, within 14 days, that the violation(s) has been corrected. The Board will keep a record of the date the verification took place.

5) No informal contact is required if the Board determines that a homeowner has made changes to his/her property without prior Board approval, assuming that such approval is required. Informal contact is also not required for cases in which the homeowner was denied approval for proposed changes to his/her property, but decided to make the proposed changes anyway.

FIRST FORMAL NOTICE

6) The Association's first formal notice of citation shall be issued in writing and delivered by hand or by registered or certified mail, return receipt requested, to the member at his/her address listed in the Association's records, as well as to the address of the property within the Association, if the member's listed address is different from the property address. The Association will deem notification effective if any member fails or refuses to sign for any registered or certified mailing from the Association.

7) In the first formal notice of citation, the Association shall advise the member of the nature of the violation, cite the specific provision of the Declarations that the member has allegedly violated, specify the remedy required, and state that within thirty (30) days the member must complete corrective action or request a hearing before the Board.

8) A member may request a hearing before the Board in writing no later than ten (10) days from the date of the notice.

9) The Board will contact the member within ten (10) days of receipt of the request for a hearing to schedule the time, date, and place of the hearing.

10) At the hearing, the Board shall provide the member with a reasonable amount of time to present any and all defenses to the citation.

SECOND FORMAL NOTICE

11) If no hearing is requested and the property owner does not remedy the violation, the Board will issue a second and final citation that shall follow the basic format of the first formal notice of citation and shall include any additional information deemed important by the Board concerning the offense. The Association shall deliver the second formal written notice of citation by hand or by registered or certified mail, return receipt

requested; to the member at his/her address listed in the Associations' records, as well as to the property address, if the member's listed address is different from the property address. The Association will deem notification effective if any member fails or refuses to sign for any registered or certified mailing form the Associations.

12) The second formal written notice will state that the member must comply within ten (10) days to correct the alleged violation or the member will be assessed (a) a one-time charge of fifty dollars (\$50.00) for each single violation, (b) a charge of ten dollars (\$10.00) per day for up to ninety (90) days for a continuing violation; and (c) the commencement of a suit against a violator to enjoin the violation(s) or to recover monetary damages or both. The date of the assessment will start on the date corrective actions(s) should have been completed as specified in the first formal notice of citation, unless the Board waives the assessment as a result of the hearing.

LEGAL ACTION


13) If the member does not remedy the violation after the second formal notice, the Board reserves the right to turn the entire matter, with all written documentation, over to the Association's attorney for appropriate legal action.

14) The Board reserves the right to hold members legally responsible for ensuring that their tenants, guests, or invitees comply with the provisions of the Declarations. To that end, the Board encourages members who lease out their property to either (1) obtain an additional copy of the Declarations and/or (2) provide his/her copy to the lessee of the property.

The Board may apply procedures outlined in the Resolution to all violations of the Association's rules and regulations. Nothing in the resolution shall constitute a waiver of, or preclude the Association from exercising, any lawful remedy it possesses with respect to any violation of the Declarations or the rules and regulations. The Board reserves the right to assign all of its powers and responsibilities herein to a standing or special committee of its choice.

ADOPTED by the Board of Directors this 12th day of November, 2007.

By: The Forest Mill Homeowners Association,


_____, President
(KRIS MEYER)