

BYLAWS OF HAYDEN HILL HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
DEFINITIONS

The following words and terms, as used in the Bylaws of Hayden Hill Homeowners Association, Inc., a Tennessee non-profit corporation, shall, unless the context should otherwise require, mean and be defined as follows:

1.1 “**Association**” shall mean and refer to the Hayden Hill Homeowners Association, Inc., a Tennessee nonprofit corporation, its successors and assigns.

1.2 “**Board**” shall mean and refer to the board of directors of the Association.

1.3 “**Bylaws**” means these bylaws of the Association, as same may be amended from time to time.

1.4 “**Charter**” shall mean the corporate charter for the Association filed with the Tennessee Secretary of State on February 13, 2016, as same may be amended from time-to-time.

1.5 “**Common Area**” shall mean all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners or other property designated by the Developer for the common use and enjoyment of all Owners.

1.6 “**Declaration**” shall mean the Declaration of Covenants, Conditions, and Restrictions of Hayden Hill recorded in the office of the Knox County Register of Deeds as instrument number 201610050022382 and the covenants, conditions, restrictions, easements and all other provisions therein, as such may from time to time be amended.

1.7 “**Developer**” shall mean and refer to (i) CMH Parks, Inc. or (ii) any successor-in-title or any successor-in-interest to CMH Parks, Inc. to all or any portion of the Property, provided in the instrument of conveyance to any such successor-in-title or interest, such successor-in-title is expressly designated as the “Developer” hereunder by the grantor of such conveyance, which grantor shall be Developer hereunder at the time of such conveyance.

1.8 “**Lot**” shall mean and refer to any parcel of land shown upon any recorded plat of the Property upon which a single-family residence may be constructed.

1.9 “**Organizational Meeting**” shall have the meaning attributed to such term in Section 3.2, below.

1.10 “**Owner**” shall mean and refer to the record owner, whether one or more Persons, of the fee simple title to any Lot which is a part of the Property, but excluding those having such interest merely as security for the performance of any obligation. The term “member” as used in these Bylaws may also mean Owner and vice versa.

1.11 “**Person**” shall mean and refer to a natural person, corporation, partnership, association, trust, or other legal entity, or any combination thereof.

1.12 “**Property**” shall mean and refer to that certain real property generally known as Hayden Hill and as more specifically identified and described in Exhibit A to the Declaration, together with such additional real property as may by subsequent amendment be added to and subjected to the Declaration.

1.13 “**Rules**” shall mean a set of rules and regulations governing the general use and enjoyment of the Property, the provisions of which are incorporated herein and deemed part of the Declaration.

Any other capitalized term used but not otherwise defined herein shall have the meaning ascribed to such term in the Declaration.

ARTICLE II

DECLARATION OF COVENANTS AND RESTRICTIONS

The covenants and restrictions contained in the Declaration shall be binding upon the Association and its members.

ARTICLE III

COMMENCEMENT OF OPERATIONS

3.1 **Name.** The name of the corporation is Hayden Hill Homeowners Association, Inc., a Tennessee nonprofit corporation.

3.2 **Organizational Meeting.** The Association shall commence its operation and business affairs on the date of its initial, organizational meeting (the “**Organizational Meeting**”) notwithstanding any earlier filing of the Charter. Such date shall be determined by the Developer, but shall be not later than ninety (90) days following the date upon which all Lots in Hayden Hill shall have been sold by Developer. The Developer may, in its sole discretion, hold such organizational meeting prior to such date.

3.3 **Principal Office.** The principal office of the Association shall be maintained at such location as to be determined in the Organizational Meeting.

3.4 **Place of Meetings.** All meetings of the Association shall be held at its principal office, unless some other place is stated in a notice delivered pursuant to these Bylaws.

3.5 **Purpose.** The specific purposes for which the Association is formed are as set forth in the Association’s Charter, which was recorded with the Office of the Tennessee Secretary of State on February 13, 2016.

3.6 **Powers.** The powers and rights of the Association shall be as specified in the Charter and Bylaws, the Declaration, and the Rules, all as may be amended from time to time. Such provisions are incorporated herein as fully and as completely as if specifically set forth.

ARTICLE IV **MEMBERSHIP RIGHTS**

4.1 **Membership.** Every Person who is the Owner of a Lot or Lots of Hayden Hill shall be a member of the Association. Members shall not include Persons holding an interest merely as security for the performance of an obligation. The membership of each member shall be terminated when such member ceases to be an Owner; and, upon the sale, transfer, or other disposition of any such ownership interest in a Lot, any such member's membership shall be automatically transferred to the new Owner succeeding to such ownership interest.

4.2 **Voting Rights.** Voting rights shall be appurtenant to the Lots. One (1) vote may be cast on behalf of each Lot, except the Developer shall be entitled to four (4) votes for each Lot owned by the Developer. If more than one person owns any one Lot, all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot.

4.3 **Suspension of Membership Rights.** If an Owner shall have failed to pay when due any Assessment or charge lawfully imposed upon him or her on any property owned by him or her, or if the Owner, his or her family, or guests shall have violated any of the covenants contained in the Declaration or any of the Rules, then the Board shall provide written notice to the Owner by certified mail, setting forth in reasonable detail the nature of the violation and the specific action or actions required to remedy the violation. If the Owner shall not have taken reasonable steps toward the required remedy within fifteen (15) days of the mailing of the aforesaid notice of violation, then the Board may suspend the membership rights (including voting rights) of that Owner.

ARTICLE V **MEETINGS OF MEMBERS**

5.1 **Annual Meeting.** The first annual meeting of the Owners shall be held on the first anniversary of the date of the Organizational Meeting. Thereafter, the annual meeting of the Owners shall be on such date, at such time and at such place as designated by the Board. The Owners shall elect directors at their annual meetings; and, further, the Owners shall consider the annual budget, the Assessments, and any rules and regulations, and amendments thereto, suggested and presented by the Board. The Owners may reject or adopt any or all of the Board's recommendations, each in whole or in part, and may establish such budget, fix such Assessments, and effect such rules and regulations, and amendments thereto, of the Association as they may desire. (In the absence of a quorum for such annual meeting of the Owners, the budget, the Assessments, and rules and regulations, and amendments thereto, for the Association submitted by the Board shall be deemed to have been approved by the members.) In addition, the Owners shall consider such other business which may regularly come before the meeting.

5.2 **Special Meetings.** Special meetings of the Owners may be called by any two or more members of the Board. A special meeting may also be called upon the written petition of the Owners representing at least ten percent (10%) of all the votes entitled to be cast at such special meeting. Said petition shall be addressed to the president of the Association, who shall thereupon fix the most commonly convenient place for such meeting and a time not more than thirty (30) days after receipt of the petition. Petitions for such special meetings shall set forth the purpose for which the special meeting has been called; and the notice of any special meeting shall set forth the purpose of said meeting; and no business other than that specified in the notice of said meeting shall be considered at such special meeting.

5.3 **Notice.** Written or printed notice stating the place, date and hour of the meeting, and in cases of a special meeting the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting either personally or by mail to each member entitled to vote in such meetings. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his or her address as it appears on the records of the Association, with postage thereon prepaid.

5.4 **Voting.** The presence of a majority of the votes entitled to be cast, present in person or by proxy, shall constitute a quorum for the transaction of business. Where Lots have multiple Owners, the presence of any one Owner shall be sufficient to count the vote of that Lot, both to constitute a quorum and for actual voting. A meeting may be adjourned to a subsequent date or time despite the absence of a quorum, and the meeting may be held at the date and time so adjourned without further notice; provided, however, in no event shall such adjourned date and time be more than thirty (30) days after the original meeting date. When a quorum is present at any meeting, a majority of the votes there represented shall decide any question brought before such meeting, unless the question is one upon which, by express provision of the Charter, these Bylaws, the Declaration, the Rules or by statute or other applicable law, a larger or different vote is required, in which case such express provision shall govern the decision of such question. Members shall have no right to cumulate their votes on any matter submitted to a vote. In the case of Lots with multiple Owners, the Owners must unanimously agree as to the manner in which the vote of their Lot shall be cast; in the event the Owners of a particular Lot cannot so agree, the vote of such Lot shall not be counted for purposes of any vote (although such Lot shall be deemed present for quorum purposes).

5.5 **Proxies.** Every Owner entitled to vote at a meeting may do so either in person or by written proxy signed by such Owner or his attorney-in-fact, which proxy shall be filed with the secretary of the Association before the meeting. Such a proxy shall entitle the holder thereof to vote at any adjournment of such meeting, but shall not be valid after final adjournment thereof. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided for in the proxy. Provided, however, only one proxy may be submitted for each Lot and all Owners of such Lot shall sign such proxy or the Association shall be under no obligation to recognize the proxy.

5.6 **Action without a Meeting.** An action required or permitted to be taken at a meeting of members may be taken without a meeting if all members entitled to vote on the action

consent in writing to taking such action without a meeting. If all members entitled to vote on the action consent in writing to taking such action without a meeting, the affirmative vote of the number of votes that would be necessary to authorize or take such action at a meeting shall be the act of the members. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each member entitled to vote on the action in one (1) or more counterparts, indicating each signing member's vote or abstention on the action and delivered to the Association for inclusion in the minutes or filing with the corporate records.

ARTICLE VI **BOARD OF DIRECTORS**

6.1 **Composition.** The affairs of the Association shall be governed by the Board. The initial Board shall be composed of three (3) persons. The initial directors may be appointed by the Developer on or before the Organizational Meeting and need not be Owners. Otherwise, the directors shall be Owners or spouses of Owners; provided, however, that no Owner and his or her spouse may serve on the Board at the same time. In the event that an Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any shareholder, officer or beneficiary or individual trustee of such trust, or manager of such other legal entity, may be eligible to serve as a director. A director may succeed himself or herself in office. The number of directors may be changed from time-to-time as approved by the Owners; provided, however, the total number of directors shall never be less than three (3) and not more than seven (7) and shall never be an even number.

6.2 **Elections.** Nomination for election to the Board shall be made by any existing director or by the president. Any number of qualified individuals may be nominated, but no less than the number of directors to be elected. The nominations shall be made at least twenty-one (21) days prior to the annual meeting and a brief statement about the qualifications of each individual nominated shall be included with the notice of the annual meeting. Nominations by the Owners shall also be allowed from the floor at the meeting. Failure to comply with the provision hereof shall in no way invalidate the election of directors so nominated. At each meeting of the Owners at which directors are elected, the Owners shall be entitled to cast one (1) vote for each director position subject to election, but only one (1) vote for any one candidate. For purposes of illustration only, if three (3) director positions are subject to election and there are five (5) candidates, Owners can vote for any three (3) candidates but can only cast one (1) vote for any one (1) candidate. The number of candidates receiving the highest number of votes with respect to the number of positions to be filled shall be deemed to be elected.

6.3 **Term of Office.** Each director, except in case of death, resignation, retirement, disqualification or removal, shall serve until his or her successor shall have been elected and qualified.

6.4 **Removal of Directors.** At any regular or special meeting of the Owners duly called, any one or more of the directors may be removed with or without cause by a majority vote of the Owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Owners shall be given at least ten

(10) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

6.5 **Vacancies.** Vacancies on the Board caused by any reason, but excluding the removal of a director by vote of the Owners, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board for the remainder of the term of the director being replaced. Said director shall serve until a successor is elected at the annual meeting of the members to fill the unexpired portion of the term.

6.6 **Compensation.** Directors shall not be compensated, unless and to the extent two-thirds (2/3) of the Owners authorize compensation at any meeting duly called for that purpose.

6.7 **Regular Meetings.** Regular meetings of the Board may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least once every six (6) months. The Board shall meet within ten (10) days after each annual meeting of Owners.

6.8 **Special Meetings.** Special meetings of the Board may be called by the President of the Association or by at least two (2) directors on three (3) days notice to each director given by mail, in person or by telephone, which notice shall state the time, place and purpose of the meeting.

6.9 **Quorum.** A quorum of directors shall be deemed present throughout any Board meeting at which a majority of the directors are present at the beginning of such meeting.

6.10 **Action without a Meeting.** Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if all of the directors consent in writing to such action. Such written consent or consents shall be filed with the minutes of the Board.

6.11 **Powers and Duties.** The Board shall exercise for the Association all powers, duties and authority vested therein by the Declaration, Bylaws and/or the Rules, except for such powers, duties and authority reserved thereby to the Owners or the Developer. The Board shall have the following powers and duties:

- (a) to elect the officers of the Association as hereinafter provided;
- (b) to administer the affairs of the Association;
- (c) to engage the services of an agent (hereinafter sometimes referred to as the “**Managing Agent**”) to maintain, repair, replace, and administer the Common Areas or any part thereof upon such terms and for such compensation as the Board may approve, including a Managing Agent which is affiliated with one or more directors, or the Developer, or both;
- (d) to provide for the operation, care, upkeep, maintenance, repair, replacement and improvement of the Common Areas and payments therefore, and to approve

payment vouchers or to delegate such approval to the officers of the Association or the Managing Agent;

(e) to engage or contract for the services of others, including attorneys, accountants, and bookkeepers, and to make purchases for the maintenance, repair, replacement administration, management and operation of the Common Area, and to delegate any such powers to a Managing Agent (and any employee or agents of a Managing Agent);

(f) to appoint committees and to delegate to such committees the Board's authority to carry out certain duties of the Board;

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

(h) to determine the fiscal year of the Association and to change said fiscal year from time to time, as the Board deems advisable;

(i) to estimate the amount of, prepare, adopt and distribute the budget for the Association not less frequently than annually, to provide the manner of assessing, levying on and collecting from the Owners the annual and special Assessments, and to present to the members at their annual meetings a budget for the coming year, suggested Assessments for the coming year, and any amendments, addition or deletions to the Rules to be implemented;

(j) to cause to be kept a complete record of all its acts and corporate affairs, to present a statement thereof to the Owners at the annual meeting of the Owners or at any special meeting when such statement is requested in writing by one-fourth (1/4) vote of the Owners;

(k) to enforce by legal means the provisions of this Declaration, the Bylaws and the Rules, and to establish penalties for infractions thereof and amend the Rules as deemed necessary from time-to-time with respect to the Property;

(l) to incur, renew, extend or compromise indebtedness to or by the Association;

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

(n) to call special meetings of the Owners whenever it deems necessary;

(o) to apply for, obtain, pay the costs or premiums of, and maintain insurance in such limits and forms and from such companies as the Board shall consider appropriate for this type of development, and in compliance with all applicable laws, and in this regard, annually to review the amounts of coverage afforded by such policies;

(p) to establish, levy, assess and collect Assessments, fines or charges pursuant to the provisions of the Declaration and/or the Rules, subject, however, to the proviso

that the Owners shall have the right of approval of the establishment, fixing and increasing of Assessments, as provided in Article VI of the Declaration.

6.12 **Nondelegation.** Nothing in this Article or elsewhere in these Bylaws shall be considered to grant to the Board, the Association or to the officers of the Association any powers or duties which, by law, have been delegated to the Owners.

ARTICLE VII **OFFICERS**

7.1 **Designation.** The Association shall have a president, vice president, secretary and treasurer and such other officers as the Board shall deem necessary. Any two or more offices may be held by the same person, except the offices of president and secretary. All officers shall be Owners, except that the initial officers appointed by the Developer need not be Owners.

7.2 **Election.** The initial officers of the Association shall be appointed by the Developer at the Organizational Meeting. Thereafter, officers shall be elected by majority vote of the Board. Each officer shall serve for a term of one year or until such officer's resignation or removal.

7.3 **Powers and Duties.** All officers shall have such authority and perform such duties in the management of the Association as are normally incident to their offices and as the Board may provide. In addition:

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

(b) **Vice President.** The vice president shall perform all the duties of the president in his or her absence.

(c) **Secretary.** The secretary shall record the votes and keep the minutes of all proceedings in a book to be kept for that purpose; sign all certificates of membership in the absence of the president; authenticate all records of the Association; keep the general records of the Association; record in a book kept for that purpose the names of all members of the Association, together with their addresses as registered by such members. The secretary shall receive and deposit in appropriate bank accounts all monies of the Association.

(d) **Treasurer.** The treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the president or the vice president. The treasurer shall disburse such funds as directed by resolution of the Board, provided, however, that a resolution of the Board shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The treasurer shall keep proper books of account and, upon direction of the Board or majority vote of the Owners, cause an annual audit of the Association books to be made at the completion of each fiscal year by a committee of three persons to be appointed by the president. (One person on such

committee must be a member of the Board, but may not be the treasurer.) The treasurer shall prepare an annual budget and balance sheet statement, and the budget and balance sheet statement shall be presented to the Board prior to the annual meeting of the Owners.

7.4 **Resignation.** Any officer of the Association may resign at any time by giving written notice to the Board or to the president or the secretary of the Association. Any such resignation shall take effect at the time specified therein, or, if no time is specified, then upon its acceptance by the Board.

7.5 **Removal.** Any officer or agent of the Association may be removed by the Board at any time with or without cause.

7.6 **Vacancies.** Vacancies occurring in any office for any reason, including removal of an officer, may be filled by the vote of a majority of the directors then in office, even if less than a quorum exists; and that officer shall serve until his or her successor is elected and qualified at a meeting of the directors held for such purpose.

ARTICLE VIII WAIVER OF NOTICE

Owners and directors may waive any notice required to be given by the Bylaws or the Tennessee Nonprofit Corporation Act, either before or after the date and time stated in the notice, by written waiver of notice signed by the Owner or director, as the case may be, who was entitled to the notice, delivered to the Association and filed with the minutes or records of the Association. The attendance at or participation in a meeting by a director waives any required notice of the meeting unless the director, at the beginning of the meeting or promptly upon his or her arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. An Owner's attendance at a meeting waives objection to lack of notice or defective notice of the meeting unless the Owner, at the beginning of the meeting or promptly upon his arrival, objects to holding the meeting or transacting business at the meeting; and such attendance waives objection to consideration of a particular matter at the meeting that is not within the purposes described in the meeting notice, unless the Owner objects to considering the matter when it is presented.

ARTICLE IX INDEMNIFICATION

The Association shall indemnify its officers and directors in the manner and to the extent allowed by the Tennessee Nonprofit Corporation Act and the Association's Charter, as they may be amended from time to time. Without limiting the generality of the foregoing, it is the Association's intent that: the directors of the Board and the officers of the Association shall not be liable to the Owners for any acts or omissions made in good faith as members of the Board or as officers. The Association shall indemnify and hold harmless directors or officers against all contractual liability to others arising out of contracts made by such directors or officers on behalf of the Association, unless any such contract shall have been made in bad faith or contrary to the provisions of this Declaration or the Bylaws of the Association. Every director and every officer

of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred or imposed upon him or her in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of his or her being or having been a director or officer of the Association, or any settlement thereof, whether or not he or she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE X **AMENDMENTS**

10.1 **Amendment Generally.** Consistent with the Tennessee Nonprofit Corporation Act, and except as otherwise provided in the Bylaws or the Declaration, these Bylaws may be amended, added to, or repealed in either of the following manners:

(a) At any duly constituted meeting of the Owners, by two-thirds of the votes cast or a majority of the total voting power of the membership, whichever is less; provided, however, any amendment of a bylaw that changes a voting requirement for Owners must be adopted by the same voting requirement then in effect or proposed to be adopted, whichever is greater.

(b) By a majority vote of the entire Board. Provided, however, any change in the Bylaws made by the Board may be amended or repealed by the Owners.

10.2 **Amendment to Provisions Governed by Declaration.** Any matter stated in the Bylaws to be or which is in fact governed by the Declaration may not be amended except as provided in such Declaration.

ARTICLE XI **BOOKS AND PAPERS**

The books, records and papers of the Association shall be subject to the inspection of any Owner at all reasonable times upon reasonable notice. No Owner shall have the right to remove any record. Any copies of books, records and papers of the Association requested by an Owner shall be at the expense of the Owner.

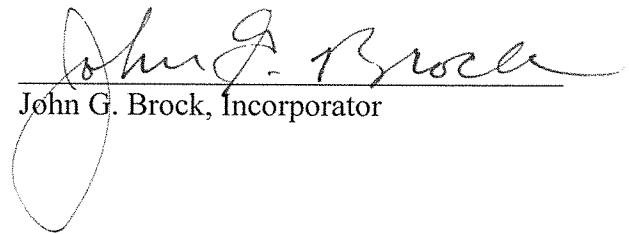
ARTICLE XII **CONSTRUCTION OF PROVISIONS**

12.1 **Conflict with Law.** If any provisions of these Bylaws shall be found to be contrary to or in conflict with any provision of the Tennessee Nonprofit Corporation Act or contrary to or in conflict with any other proper and applicable law, rule, regulation, or ordinance, federal, state or local, then and in that event, any such provision hereof shall be so construed as

being in compliance with such provision of the said Tennessee Nonprofit Corporation Act or with such other law, rule, regulation or ordinance, adhering as closely as possible to the intent of said provision as originally herein set forth.

12.2 **Conflict with other Documents.** In the case of any conflict between the Charter and these Bylaws, the Charter shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control. In the case of any conflict between these Bylaws and the Rules, these Bylaws shall control.

Approved and adopted by the Incorporator this 15th day of February, 2017.


John G. Brock, Incorporator