

STEVE HALL
REGISTER OF DEEDS
KNOX COUNTY

This Instrument Prepared By:

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DECLARATION OF COVENANTS AND RESTRICTIONS

OF

CUTTER'S RUN

This Declaration of Covenants and Restrictions is made and entered into as of April 26, 2005, by Saddlebrook Development, LLC, a limited liability company ("Developer").

Developer is the owner of certain real property located in Knox County, Tennessee as more particularly described as follows (the "Property"):

Developer desires to create on the Property a residential community known as Cutter's Run (the "Subdivision") as shown on the plat of record Instrument Number 200505020084929 in the Register's Office for Knox County, Tennessee which may have common facilities for the use and benefit of the residents of the Subdivision.

Developer desires to provide for the preservation of the values in the Subdivision and, to this end, desires to subject the Property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Property and each owner thereof.

NOW, THEREFORE, the Developer declares that the Property and all Lots which are a part thereof are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I

DEFINITIONS

1.1 The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

"Developer" shall mean Saddlebrook Development, LLC and its successors and assigns.


Instr: 200505020084930 Page: 1 OF 9
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RECORD FEE: \$47.00
M. TAX: \$0.00 T. TAX: \$0.00

"Lot" shall mean and refer to any plot of land shown upon any recorded subdivision of the Property with the exception of Common Area as heretofore defined.

"Owner" shall mean and refer to the owner, whether one or more persons or entities, of the fee simple title to any Lot but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

"Traditional Architecture" shall be defined as residential architecture categorized as Williamsburg, Cape Cod, American Colonial, Georgian, French Provincial, English Tudor, and all other Traditional single family residential architecture common in the United States and not typically referred to as "contemporary".

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, 2030, 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 and assigns shall violate or attempt to violate any of the covenants or restrictions herein, it shall be lawful for the Developer or any Owner 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.



Instr: 200505020006930
PAGE: 2 OF 9

ARTICLE V

BUILDING LOCATION

No building shall be located on any Lot nearer to the front boundary than 20 feet unless such requirement is waived by the Developer for so long as said Developer shall own any Lot in the Subdivision. As to all other front, rear and side set back requirements, the regulations of the applicable municipal zoning authority shall be controlling and said zoning authority shall have the exclusive authority to permit or deny variances as to rear and side set back requirements.

ARTICLE VI

DIVISION OF LOTS

Not more than one single family dwelling may be erected on any Lot and no Lot may be subdivided or reduced in size by any method such as voluntary alienation, partition, judicial sale, or other process of any kind except for the express purpose of increasing the size of another Lot; provided however, the Developer may subdivide or otherwise change the boundaries of any Lot.

ARTICLE VII

CUTTER'S RUN ADVISORY COMMITTEE

No building shall be erected, placed, altered (including, without limitation, any change of exterior color), or permitted to remain on any Lot until the building plans and specifications and a plan showing the location of a dwelling have been approved in writing by the Cutter's Run Advisory Committee (the "Advisory Committee") as to quality of workmanship and materials, harmony of exterior design with existing structures and as to location with respect to topography and finish grade level and elevation. The Advisory Committee shall be composed of three members appointed by the Developer. A majority of the Committee may designate a representative to act for the Committee. In the event of the death or resignation of any member of the Committee, the Developer shall have the exclusive authority to designate a successor. In the event the said Committee or its designated representative fails to approve or disapprove such plans or specifications within twenty (20) days after the same have been submit, as to the Lot for which such plans and specifications were 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 Advisory Committee during the period of construction after approval. If no suit to enjoin the construction has been filed prior to completion thereof, approval will not be required and the covenant shall be deemed to

be fully satisfied. In the event Advisory Committee rejects plans submitted for approval under this covenant, upon written application for approval by 75 percent of the Owners within a 200 foot radius of the affected Lot the said proposed plans shall be deemed approved by the Advisory Committee. The Developer shall continue to have the exclusive authority to appoint the Members of the Advisory Committee until such time as it shall in writing expressly confer such authority to a third party or the Owners.

ARTICLE VIII

DWELLING RESTRICTIONS

8.1 Design Requirements. No dwelling shall be erected, placed, altered or permitted to remain on any Lot unless it conforms to the following requirements:

1. The dwelling and related improvements must be of Traditional Architecture and design as defined herein.
2. The minimum living area square footage requirements shall be determined by the Advisory Committee on a case by case basis and shall be within the sole discretion of the Committee.
3. All dwellings shall have a minimum roof pitch of 6/12.
4. All dwellings shall have not less than a one car attached garage.
5. Except by approval of the Advisory Committee, there shall be no occupancy permitted of any dwelling until such time as the dwelling, yard and landscaping are complete.
6. The finished grading for all Lots shall be completed in conformity with the recorded plat for the Subdivision and in such manner as to retain all surface water drainage on said Lot or Lots in "property line swales" designated to direct the flow of all surface waters into the drainage easements as created by the overall drainage plan for the subdivision, as approved by the municipal authority having jurisdiction over said subdivision.
7. There shall be no above-ground swimming pools, outbuildings or accessory structures built or constructed on any Lot. Basketball goals are permitted upon written approval of the Developer but shall not be placed in the street, street right-of-way or attached to the home in any manner.

8.2 Miscellaneous Restrictions.

1. Mail boxes shall be of a traditional type and design consistent with the overall character and appearance of the subdivision and as selected by the Developer.
2. No outside radio transmission towers, receiving antennas, television antennas, satellite antennas or dishes or solar panels may be installed or used, provided, however, satellite dishes of not more than thirty-six (36) inches in diameter may be installed behind the back plane of a house if properly screened to prevent viewing from any road or any other lot.
3. No automobiles which are inoperable or being stored shall be repeatedly parked, kept, repaired or maintained on the street, driveway or lawn of any Lot.
4. Builders will be responsible for providing silt control devices on each Lot during construction activities.
5. Clotheslines and other devices or structures designed and customarily used for drying or airing of clothes, blankets, bed linen, towels, rugs or any other type of household ware shall not be permitted and it shall be strictly prohibited for articles or items of any description or kind to be displayed or placed on the yard or exterior of any dwelling for the purpose of drying, airing or curing of said items.

ARTICLE IX

TEMPORARY STRUCTURES

No trailer, basement, tent, shack, garage, barn or other outbuildings erected on a Lot 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 X

EASEMENTS

Easements and other restrictions in conformity with the recorded plat of the Subdivision are expressly reserved for the overall development of the subdivision, and no easements, rights of way or rights of access shall be deemed granted or given to any person or entity over, across, upon or through any Lot unless prior written permission is granted by the Developer.



Instr: 200505020085930
PAGE: 5 OF 9

ARTICLE XI

COMMISSION OF WASTE AND UNSIGHTLINESS

At no time shall any Lot be stripped of its topsoil, trees, or allowed to go to waste or waste away by being neglected, excavated, or having refuse or trash thrown, dropped or dumped upon it. No lumber, brick, stone, cinder block, concrete block or other materials used for building purposes shall be stored upon any Lot for more than a reasonable time for the construction in which they are to be used to be completed. No person shall place on any Lot refuse, stumps, rock, concrete blocks, dirt or building materials or other undesirable materials. Any person doing so shall be subject to notification by the Developer to correct said condition within five (5) days of notification and if said condition is not corrected within said time period, the Developer shall have the right to injunctive relief against the Owner of the affected Lot and the contractor or agent of the Owner and, further, the Developer may make all necessary corrections and the expense of same shall be a lien upon the Lot.

ARTICLE XII

SIGNS

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

ARTICLE XIII

LIVESTOCK AND POULTRY

No animals, livestock, poultry or fowl of any kind shall be raised, bred or kept on any Lot except pets such as dogs or cats; provided they are not kept, bred or maintained for any commercial purpose and do not create a nuisance.

ARTICLE XIV

GARBAGE AND REFUSE DISPOSAL

No Lot shall be used or maintained as a dumping ground for trash or rubbish. Trash, garbage or other waste shall not be kept except on a temporary basis and in



Instr: 200505020006930
PAGE: 6 OF 9

sanitary covered containers. All incinerators or other equipment for the storage of such material shall be kept in a clean and sanitary condition, subject to the approval of the Developer, and may be used only during the construction period.

ARTICLE XV

FENCES AND WALLS

No fences or walls or hedge rows shall be erected, placed or altered on any Lot unless approved by the Developer or the Advisory Committee as the case may be. Chain link fences and dog runs are prohibited. No fences may be erected in the side or front yard setback including corner lots having two front yard setbacks.

ARTICLE XVI

ASSESSMENT FOR SIGNS

Each purchaser of a Lot from the Developer will pay a one time assessment of \$200 to the Cutter's Run Condominium Association, Inc. Such amount shall be paid in lieu of any Owner in the Subdivision having any obligation to maintain the landscaping and sign at the entrance to the Subdivision. All such maintenance shall be the responsibility of the Cutter's Run Condominium Association, Inc. The payment of the assessment shall be the obligation of the purchaser of a Lot from the Developer only and shall not be paid by any subsequent purchaser of a Lot from an Owner.

ARTICLE XVII

WAIVER AND MODIFICATION

Developer hereby reserves the right in its absolute discretion at any time to annul, waive, change or modify any of the restrictions, conditions or covenants contained herein as to any part of the Subdivision then owned by Developer and with the consent of the Owners as to any other Lot in the Subdivision. Developer shall have the further right before a sale to change the size of or locate or relocate any Lots, streets, or roads shown on any of the plats of the Subdivision.



Instr: 200505020086930
PAGE: 7 OF 9

ARTICLE XVIII

ASSIGNMENT OR TRANSFER

Any or all of the rights and powers, titles, easements and estates reserved or given to Developer in this Declaration may be assigned to any one or more corporations or entities which 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 have the same rights and powers and be subject to the same obligations and duties as are herein given to and assumed by Developer and Developer shall thereupon be released therefrom.

ARTICLE XIX

FUTURE ADDITIONS

Additional land may be annexed by the Developer without the consent of Members within twenty (20) years of the date of this instrument.

ARTICLE XX

AMENDMENTS

The covenants, conditions and restrictions set forth herein may be amended during the first twenty year period by an amended declaration signed by not less than ninety percent (90%) of the then Owners of the Lots in the Subdivision, and thereafter by an amended declaration signed by no less than seventy-five percent (75%) of the then Owners of the Lots. Any amendment must be properly recorded to be effective.

IN WITNESS WHEREOF, Saddlebrook Development, LLC, a Tennessee limited liability company, has caused this instrument to be executed and its name to be signed by its president as of the date set forth above.

SADDLEBROOK DEVELOPMENT, LLC

By: [Signature]

Title: Chief Manager



Instr: 200505020088930
PAGE: 8 OF 9

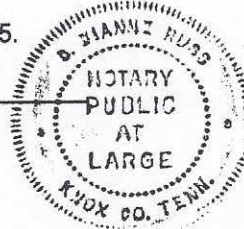
STATE OF TENNESSEE

COUNTY OF KNOX

Before me, a notary public of the state and county aforesaid, personally appeared Robert Mohney, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath acknowledged himself/herself to be the Chief Manager of Saddlebrook Development, LLC, the within named bargainer, a Tennessee limited liability company, and that he/she as such officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself/herself as such officer.

Witness my hand and seal, this 26 day of April, 2005.

C. Dianne Russ
Notary Public
C. Dianne Russ



My commission expires: April 29, 2006

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Instr: 200505020086930
PAGE: 9 OF 9