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SECOND RESTATED RESTRICTIVE COVENANTS AND CONDITIONS
FOR EMORY HEIGHTS

The following covenants and conditions supersede the RESTRICTIVE COVENANTS AND CONDITIONS FOR EMORY HEIGHTS filed January 30, 2008 in the Office of the Register for Morgan County, Tennessee, in Record Book 76, at page 569, et seq., and the RESTATED RESTRICTIVE COVENANTS AND CONDITIONS FOR EMORY HEIGHTS filed October 27, 2008 in the Office of the Register for Morgan County, Tennessee, in Record Book 99, at Page 598, et seq., and shall apply to the numbered lots in the real estate development known as Emory Heights, lying and being situate in the Eleventh (11th) Civil District of Morgan County, Tennessee, being a portion of the real property conveyed unto Emory Heights, LLC, by a deed from K & S Properties, LLC, dated March 7, 2006 and recorded in the Office of the Register for Morgan County, Tennessee, in Record Book 49, at Page 751, et seq. A plat the numbered lots of Emory Heights, LLC, has been recorded in Plat Cabinet 1, at Page 745, in the Office of the Register for Morgan County, Tennessee, on October 27, 2008.

The RESTRICTIVE COVENANTS AND CONDITIONS FOR EMORY HEIGHTS and the RESTATED RESTRICTIVE COVENANTS AND CONDITIONS FOR EMORY HEIGHTS heretofore recorded in the Office of the Register for Morgan County, Tennessee, are superseded as follows:

By restating the restrictive covenants and conditions for Emory Heights previously recorded in their entirety by substituting in lieu thereof the following:

Each and every one of the covenants and conditions contained herein is, and all are, for the benefit of each owner of the various lots within Emory Heights or any interest therein, and shall be construed to run with the land and each and every part and parcel thereof, regardless of how title was acquired. These covenants and conditions shall remain in full force and effect unless and until modified by the owners of all of the lots of Emory Heights by formal amendment signed by each and every owner of each and every lot in Emory Heights and properly recorded.

In the event of violation or breach of the covenants and conditions contained herein, or threatened breach thereof, the owner or owners of any of the lots in Emory Heights shall have the right to enjoin said violation or threat thereof, by virtue of proceedings at law or equity against the person or persons violating or threatening to violate said covenants and conditions, and those enforcing the provisions of the covenants and conditions contained herein, shall have the right to recover damages for themselves and on behalf of all other owners of the various lots in Emory Heights as well as attorney's fees and other costs relating to any such enforcement by legal proceeding. No delay or omission in exercising any rights, powers or remedies provided under law or in this paragraph shall be construed as a waiver thereof or acquiescence of the violations or threatened violations.

Invalidation by any court of competent jurisdiction, of any specific covenant or condition contained herein shall in no way affect any other condition or covenant, and all covenants and conditions not expressly invalidated by a court of competent jurisdiction shall remain in full force and effect.

The Grantor herein is Emory Heights, LLC, who is also the developer of Emory Heights and its successors and assigns shall hereinafter be referred to as "Grantor". The Grantor believes it is essential to promote the use of renewable energy sources or backup power systems for new home construction. In the event that the Grantor constructs a new home on an Emory Heights lot, said home will include, free of charge, either a renewable energy power source or backup power system. However, an individual purchasing an unimproved lot in the development will not be subject to this requirement, in the event they utilize another builder for the construction of their structure.

1. Grantor shall assess the owner of each lot, including each lot that is created by the subdivision of an existing lot, when permitted by these RESTRICTIVE COVENANTS AND RESTRICTIONS, the amount of Five Hundred Seventy-Five Dollars (\$575.00) per year per lot, for the use, upkeep and maintenance of the rights-of-way within Emory Heights. The Grantor is exempt from this assessment with regard to any lots it retains or subsequently obtains in its name. The Grantor, its successors and assigns, shall be responsible for the aforesaid upkeep, and maintenance of the Emory Heights rights-of-way until the rights and responsibilities as created by this paragraph are delegated

by the Grantor to a lot owners association as described below. The Grantor and the property owners association, when created, have the right to a lien to any lot which is assessed pursuant to this paragraph, which is not paid, within thirty (30) days of the date the assessment is billed. The owner of each lot who fails to pay any assessment in a timely manner shall be required to pay all legal costs incurred to enforce payment and collection of the assessment. When more than one lot is owned by a party or parties, and in the event of resale by them of one or more of said lots, then the obligation to pay said fee shall be binding upon the purchaser or purchasers of said lots, without any provision in their deed of conveyance specifically so providing.

2. A lot owners association shall be established contemporaneously with the sale of the twenty-fifth (25th) lot of the development. At that time, the Grantor shall appoint an initial Board of Directors that shall serve until a meeting of the Association may be called and Officers elected. An election shall be held no later than one (1) year from the date of the appointment of the Board of Directors as aforesaid. The lot owners association shall develop its own rules and/or bylaws and shall take such steps as are necessary to carry out the maintenance, upkeep and snow removal and use of the rights-of-way within Emory Heights. Each lot owner shall be deemed a member of the lot owners association.

Each lot owner shall be responsible for maintenance of their respective individual driveways from its intersection with the subdivision road and these driveways shall not be subject to being maintained by the Grantor or the lot owners association. In instances where a "spur" road comes off the main development road to two lots, maintenance of the spur shall be the responsibility of the Grantor and/or the association to the point where the roads diverge to provide access to each individual lot, and from that point, the individual lot owners will be responsible for maintenance of their own driveway.

The Grantor shall, at the time of the appointment of the Board of Directors, turn over to the Board of Directors the balance of the funds that the Grantor has collected pursuant to the provisions of Paragraph 1, along with a simple accounting of all funds collected and dispersed during the period the Grantor has been responsible for said collections and road maintenance.

3. The Grantor reserves the right to use any and all subdivision roads to access any property it currently owns or obtains in the future adjacent to Emory Heights. The Grantor reserves unto itself, its successors and assigns, a strip of land twenty-five feet (25') wide at any point along the side, rear or front lines of any of the lots in Emory Heights for purposes of installing, repairing and maintaining utilities, along with a right of ingress and egress to said easements for said purpose. When two lots immediately adjacent to one another are owned by the same individual or group of individuals and said lots are not separated by a right-of-way along the entire boundary, then and in that event, said owner or owners may build permanent structures within said twenty-five foot (25') easement, with the express understanding that in the event this action is taken, the Grantor reserves a right-of-way twenty feet (20') in width along the outside boundary of either lot for the purposes set forth above.

4. The owner of each lot, and their successors and assigns, shall have a perpetual easement for ingress and egress to the common area located on the Emory River. The property owners association shall be responsible to establishing the rules for use, maintenance, upkeep and repairs to any improvements located on the common area.

5. At present, there are eighty-eight (88) lots constituting, and represented on the plat of, Emory Heights; however, these covenants and conditions shall apply to any additional lots created by the Grantor.

6. No subdivision of any lots containing less than ten (10) acres within Emory Heights shall be permitted. Any lot which contains ten (10) or more acres may be subdivided into parcels each of which contains a minimum of five (5) acres.

7. No trucks, old cars or unsightly or unlicensed vehicles of any type, nature or kind shall be permitted to remain on any lot. A motor vehicle that does not have current license plates or has an inspection sticker that is six (6) months or more out of date, shall not be permitted to remain on any lot.

8. No parking is permitted on any road described or set forth on the plat for Emory Heights, at any time, and the owner of each lot shall provide adequate off-road parking for the owner and guests.

9. No signs of any type shall be erected or maintained on any lot other than directional and/or information signs erected by the Grantor, except that For Sale signs or rental signs not to exceed six (6) square feet in area may be erected on the lots by the owner; however, said signs must comply with any ordinances related thereto. The Grantor specifically reserves for itself, the right to erect a billboard type advertising sign on one of the development lots immediately adjacent to the development entrance; however, the erection of said sign shall take place prior to the lot being sold by the Grantor and responsibility for maintenance of said sign shall be incumbent upon the Grantor.

10. Mobile homes and trailers, including doublewides, are prohibited on any lot within Emory Heights. No building of a temporary nature shall be erected or placed on any lot except those customarily erected in connection with construction operations and in such cases, for a period not to exceed eight (8) months, provided however, nothing herein shall be construed to prevent an owner from maintaining a storage container or from erecting tents on the lot and to camp overnight in said tents for a period of up to fifteen (15) days. One (1) camping or travel trailer, up to and including thirty feet (30') in length, shall be permitted on any lot with a residence; however, it cannot be occupied as a residence. A second camping or travel trailer, up to and including thirty feet (30') in length, may be kept on a lot but cannot remain there for more than thirty (30) days in any calendar year. No additions of any type, nature or kind shall be permitted to be built on any camping or travel trailer during its temporary stay.

11. Not more than one (1) single-family residence shall be erected on a lot. Residences shall contain a minimum of one thousand (1,000) square feet for a single-story or ranch style residence, and a minimum of one thousand four hundred (1,400) square feet for a two-story residence. Such square foot minimum is of living area, excluding basement area, garage, porch, carport, deck and overhanging eaves. All exterior construction, improvements or exterior remodeling or renovation must be completed and closed in within twelve (12) months of the commencement of construction. All structures erected upon said lot shall be upon a solid foundation (poured concrete, concrete block, or solid stone), and shall be constructed of good finishing materials and constructed in a good and workmanship-like manner. Tarpaper, rolled siding, insulation siding and

concrete block are specifically not considered to be finishing materials. No exterior metal siding, vinyl siding, masonry block or cinder blocks shall be permitted. Exterior finishes consisting of natural materials (example: stone, brick and wood) and fiber cement siding shall be permitted. Use of other materials will require special permission of the lot owners association. Guest Homes are permitted provided they comply with the size and siding requirements set forth above, and that they are not occupied on a permanent basis.

12. No structure of any type, nature or kind on the lots in Emory Heights, may be erected closer than twenty-five feet (25') to any road or right-of-way within Emory Heights, nor shall any structure of any type, nature or kind be erected or placed closer than twenty-five feet (25') to the perimeter boundary of any lot.

13. No building shall be constructed and no well shall be drilled on any lot unless the proper construction and sewage disposal permits have been obtained, and all other necessary and appropriate permits have been acquired.

14. Each lot shall be used for residential/recreational purposes only, and any garage, barn or Guest House not conforming generally in appearance and material with any dwelling on said lot, is prohibited.

15. No businesses shall be operated on any lot within Emory Heights, with the exception that home occupations conducted by occupants, and businesses operated on an electronic basis from within the structures situate on any lot, shall be permitted; however, no advertising for said business shall be permitted and no traffic relating to said business shall be permitted within Emory Heights, or on any lot.

16. No owner of any lot shall interfere with the natural drainage or surface water of said lot to the detriment of any other lot. Consequently, in the construction of driveways into any lot, a minimum twelve-inch (12") diameter culvert shall be used in constructing the driveway in order to facilitate natural drainage. No owner of any lot shall disturb any wetlands existing on any lots without first securing all permits required from all federal, state or local government agencies.

17. The owner of each lot shall promptly maintain, repair and restore, as necessary, the exterior of any building

or other improvements erected on their lot. Owners likewise must repair and restore promptly, to its prior condition, any part of a road or right-of-way within Emory Heights that is damaged by equipment of any lot owner or his contractor en route to or from owner's lot. All lots, improved or unimproved, must be maintained by the owner in a neat and orderly condition at all times. No garbage, rubbish, junk, refuse, trash or other debris shall be permitted to accumulate or remain on any lot. Each lot owner is responsible for keeping all trash and garbage in insect and rodent-proof receptacles and shall remove or dispose of trash at least every fourteen (14) days.

18. No hunting within 500 yards of the boundary of Emory Heights is permitted at any time.

19. Livestock, other than chickens, dogs and cats, shall be limited in number to four (4). Up to ten (10) chickens may be kept on a lot; however, no commercial poultry operation of any type, nature or kind on any lot is permitted. All species of porcine are prohibited to be kept on any lot. No owner may keep or maintain on a lot a Pit Bull or other vicious dog as defined by Tennessee law. No pet shall be allowed to be a nuisance or danger to other lot owners. A continually barking dog shall be deemed to be a public nuisance and shall be removed from any lot forthwith. All pets must be kept within the physical boundaries of each lot and lot owners are expected to use reasonable care so that pets maintained by the owner do not trespass on another owner's property. Tennessee has strict laws that charge an owner or keeper of dogs with liability for damages inflicted by a dog regardless of the disposition of the animal. Each pet owner has a non-delegable duty to inquire with the State of Tennessee concerning his duties as a pet owner. No wild animal may be kept on a lot. The State of Tennessee has adopted laws defining what is a wild animal versus a domesticated animal, and an owner assumes the duty of inquiry. An owner may keep up to four (4) large animals (defined to mean weighing over forty (40) pounds, except that a dog shall not be considered a large animal regardless of weight), such as horses or cattle. The offspring, i.e. calf or foal, shall be excluded from this number for a period of one (1) year after its birth. No large animals shall be kept or maintained in violation of any local, state or federal laws. All animals kept or maintained on any lot shall be suitably confined by fence or other accessory that restrains the animal from trespassing on rights-of-way, common easements or other owners' property. Any animals kept on a year-round basis shall be housed in an appropriate shelter or

barn that is regularly maintained so as not to deter from the value of surrounding lots.

20. The use or operation of any motorcycle, dirt bike, all-terrain vehicle or any vehicle that produces unusually loud or disturbing noise shall not be permitted within Emory Heights, from 10:00 p.m. until 8:00 a.m. daily. Said vehicles shall only be used on subdivision roads as necessary to obtain ingress and egress from the public road. In other words, repetitive joy or pleasure riding up and down subdivision roads for recreational purposes is prohibited. No owner shall create a track for purposes of racing off-road vehicles, dirt bikes or other all-terrain vehicles, or similar motorized conveyances. Racing is strictly prohibited.

21. No commercial timbering shall be permitted on any lot; however, reasonable cutting of wood and timber for purposes of clearing a building site is permitted, and standing or fallen dead wood may be cut for personal use of the lot owner.

22. No obnoxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon that may be or may become an annoyance or nuisance to others in the development.

The Grantor reserves the right to correct any deficiencies or errors found in these Covenants and Conditions as necessary or appropriate for the purpose of maintaining the desirability and value of all lots within the development or to bring the development into compliance with the requirements of any government regulations.

WITNESS the following signature and seal this the _____ day of March, 2017.

EMORY HEIGHTS, LLC

BY: _____
GLENN BAILEY
It's Managing Member