

This instrument was Prepared By
JOHN H. FOWLER
1400 Hamilton Branch Building
Knoxville, Tennessee 37902

I HEREBY SWEAR THAT THE ACTUAL CONSIDERATION OR THE VALUE OF
THE PROPERTY TRANSFERRED, WHICHEVER IS GREATER, OR THE PRESENT
INDEBTEDNESS EVIDENCED BY THIS INSTRUMENT, IS \$ 1.00

John H. Fowler 9/30/76
AFFIANT DATE

My comm. expires Jan 23, 1977

MASTER DEED OF ENGLISH MOUNTAIN CONDOMINIUM

Person or Agency Responsible
For Payment of Taxes:

Name First Penn Mt. II

Address 1400 United Assoc
Knoxville Tenn 3

I. Submission Statement

United American Bank N.A., trustee with full power to sell or encumber without joinder of the beneficiary and without the Purchaser looking to the proceeds (hereinafter called the "Developer"), owns the fee simple title to that certain land in Sevier County, Tennessee, legally described in Exhibit 1 annexed hereto. Developer does hereby submit said land, and the improvements thereon and the appurtenances thereto, to condominium ownership pursuant to Tennessee Code Annotated, 64-2701 et seq (the "Horizontal Property Act"), and declares the same a condominium form of ownership. The condominium shall be known as English Mountain Condominium (the "Condominium").

This master deed is subject to all restrictions, reservations, covenants and conditions and easements herein and further all restrictions, reservations, covenants, conditions and easements contained herein shall constitute covenants running with the land and shall be binding on each apartment owner, his heirs, personal representatives, successors and assigns. Both the burdens imposed and the benefits provided shall run with the title to each apartment and their appurtenant interests in the common elements as defined herein.

II. Definitions

As used herein and in the By-Laws attached hereto and in all amendments thereto, unless the context requires otherwise:

A. "Assessment" means a share of the funds required for the payment of common expenses which from time to time are assessed against the apartment owner.

B. "Association" means ENGLISH MOUNTAIN CONDOMINIUM ASSOCIATION, INC., a not for profit Tennessee corporation, the entity responsible for the operation of the Condominium and is the "council of co-owners" as defined in TCA 64-7202(d).

C. "By-Laws" means the By-Laws of the Association.

D. "Condominium property" means and includes all real property and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the Condominium and includes the term "property" as defined in TCA 64-7202(e).

E. "Apartment" shall mean "Condominium Unit" which is the portion of the condominium property which is to be subject to independent use and private ownership. The limits of the apartments are described in Section III below.

F. "General Common Elements" means the portion of the condominium property not included in the apartments including the "General Common Elements" as defined in TCA 64-2702(g) 1-7.

G. "Common expenses" all those expenses under the Horizontal Property Act. Common expenses are those expenses necessary to maintain and preserve the General and Limited common elements as set forth in Section XII below and as determined from time to time by the Association.

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H. "Common surplus" means the excess of all receipts of the Association, including, but not limited to, assessments, rents, profits and revenues on account of the common elements over the amount of common expenses.

I. "Condominium" is that form of ownership of condominium property under which apartments in the improvements are subject to ownership by different owners and there is appurtenant to each apartment as part thereof an undivided share in the general and limited common elements.

J. "Condominium parcel" means an apartment together with the undivided share in the general and limited common elements which is appurtenant to the apartment.

K. "Master Deed" means this instrument, now or as it may from time to time be amended.

L. "Institutional lender" or "Mortgagee" means a bank, savings and loan association, insurance company, mortgage company, real estate investment trust, pension fund, pension trust, or any other generally recognized institutional-type lender or its loan correspondent, or agency of the United States Government, holding a mortgage encumbering a condominium parcel.

M. "Limited Common Elements" means those common elements which are reserved by virtue of this Master Deed for the use of a certain apartment or apartments to the exclusion of all other apartments.

N. "Owner" means a person, persons or entity owning an apartment and includes the term "co-owner" as defined in TCA §64-2702(d).

The definitions further set out in TCA §64-2702(b) through (m) if not previously defined are herein incorporated by reference as if set out herein.

III. Condominium Parcel; Appurtenances; Limited Common Elements; Possession and Enjoyment

A. A condominium parcel is a separate parcel of real property, the ownership of which may be in fee simple, or any other estate in real property recognized by law.

B. A condominium apartment shall not be deemed to include the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding the condominium apartment, nor shall it be deemed to include pipes, wires, conduits or other public utility lines running through the condominium apartment which are utilized for or serve more than one condominium apartment, which items are by these presents hereby made a part of the general common elements. An apartment however, shall be deemed to include the interior walls and partitions which are contained in a condominium apartment, and also shall be deemed to include the inner decorated and/or finished surfaces of the perimeter walls, floors and ceilings of the condominium apartment, including plaster, paint and wallpaper. An apartment shall also be deemed to include all air conditioning machinery serving that apartment wherever located on condominium property.

C. There shall pass with each apartment as an appurtenance thereto:

1. An undivided interest in the general and limited common elements.

2. An undivided share in the common surplus.

3. An exclusive easement for the use of air space occupied by the apartment as it exists at any particular time and as the apartment may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.

4. Such other easements, rights or privileges which, pursuant to the provisions of this Master Deed and of law, are deemed appurtenances to the condominium parcel.

D. The owner of an apartment is entitled to the exclusive possession of his apartment. He shall be entitled to use the common elements in accordance with the purposes for which they are intended but no such use shall hinder or encroach upon the lawful rights of owners of other apartments. There shall be a joint use of the common elements (other than limited common elements) and a joint mutual easement for that purpose is hereby created.

E. Rear balconies adjoining each apartment are deemed limited common elements of that unit and the owner of an apartment shall have the exclusive use of the particular rear balcony adjoining his apartment. Each owner shall pay the cost of maintaining his sliding glass door in the entrance way; the replacement or repair of screening, wiring, electrical outlets and fixtures which are wholly within the unit; and of ordinary cleaning and maintenances of the rear balconies.

F. Storage areas serving each apartment shall be limited common elements to that apartment. The appurtenant apartment owner shall be responsible for maintenance and repair of these limited common elements.

G. An apartment may be used only for residential purposes.

IV. Restraint Upon Separation and Partition of Limited Common Elements and General Common Elements

The appurtenant limited common elements and the undivided share in the general common elements which are appurtenant to an apartment shall not be separated therefrom and shall pass with the title to the apartment, whether or not separately described.

A share in the general and limited common elements appurtenant to an apartment cannot be conveyed or encumbered except together with the apartment.

The share in the general and limited common elements appurtenant to apartments shall remain undivided, and no action for partition of the general and limited common elements shall lie.

V. General Common Elements

General common elements include within its meaning the following items:

A. All parts of the improvements which are not included within the apartments, or designated as limited common elements.

B. Easements through apartments for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to apartments and the general and limited common elements.

C. An easement of support in every portion of an apartment which contributes to the support of a building.

D. Installation for the furnishing of utility services to more than one apartment or to the general and limited common elements or to an apartment other than the apartment containing the installation.

E. A non-exclusive easement for ingress and egress over the walks and other rights of way of the general common elements as shall be necessary to provide access to the public ways to and from the apartments.

F. The property and installations in connection therewith required for the furnishing of services to more than one apartment or to the general and limited common elements.

G. All other property deemed to constitute general common elements as set out in TCA §64-2702(g).

VI. Condominium Property

A. The title to the condominium property being herewith submitted to condominium ownership shall be hereby subject to: taxes for the year in which the Master Deed is filed and subsequent years; conditions, restrictions, limitations, covenants and easements, utility agreements and other matters of record.

B. Annexed hereto as Exhibit 2 is a sketch of survey and plot plan of the land being submitted to condominium ownership, together with a graphic description of the improvements in which the apartments are located.

VII. Identification of Apartments; Ownership of Common Elements; Voting Rights

A. Each apartment has been given a numerical designation on Exhibit 2 for purposes of identification.

B. The share of the general and limited common elements appurtenant to each apartment is one one hundred and Eighteenth (1/118); each apartment having an equal share of the general and limited common elements.

C. Each apartment shall be entitled to one vote to be cast by its Owner(s) in accordance with the provisions of the By-Laws and Charter of the Association.

VIII. Amendment of Master Deed.

This Master Deed may be amended at any regular or special meeting of the apartment owners of this Condominium called or convened in accordance with the By-Laws, by the affirmative vote of owners owning not less than two-thirds (2/3) of the apartments. All amendments shall be recorded and certified, as required by the Horizontal Property Act.

A. No amendment shall change any condominium parcel nor an apartment owner's proportionate share of the common expenses or common surplus nor the voting rights appurtenant to any apartment, unless the record owner(s) thereof and all record owners of mortgage or other liens thereon shall join in the execution of the amendment.

B. No amendment shall be passed which shall impair or prejudice the rights and priorities of mortgagees.

Notwithstanding anything to the contrary herein, the Developer reserves the right to amend the Master Deed and its Exhibits; where such amendments do not materially affect the rights of apartment owners, lienors or mortgagees. Such Amendment need be executed and acknowledged by the Developer only, and need not be approved by the Association, apartment owners, lienors or mortgagees of apartments, whether or not elsewhere required for amendments.

IX. The Association; Its Powers and Responsibilities

A. The Condominium is governed and administered by the Association, the Charter of which is annexed hereto and made a part hereof as Exhibit 3.

B. The powers and duties of the Association shall include those set forth in the By-Laws referred to in Article X below but, in addition thereto, the Association shall have all of the powers and duties set forth in the Horizontal Property Act, as well as all powers and duties granted to or imposed upon it by this Master Deed, including:

1. The irrevocable right to have access to each apartment from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any common elements therein, or for making emergency repairs therein necessary to prevent damage to the limited and general common elements or to other apartment or apartments.
2. The power to make and collect assessments and to lease, maintain, repair and replace the limited and general common elements.
3. The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by apartment owners at reasonable times during normal business hours.
4. The power to enter into contracts with others, for a valuable consideration, for maintenance and management and overall supervision of the condominium, including the normal maintenance and repair of the limited and general common elements: The duty and responsibility to maintain and preserve the landscaping, gardening, painting, repairing and replacement of the limited and general common elements, shall not relieve the apartment Owner from his personal responsibility to maintain and preserve the interior surface of the apartments and to paint, clean, decorate, maintain and repair the individual apartments and to bear the cost and expense of maintenance of his limited common elements.
5. The power to adopt reasonable rules and regulations for the maintenance and conservation of the condominium property and for the health, comfort, safety and welfare of the apartment owners, all of whom shall be subject to such rules and regulations.

X. By-Laws

The operation of the condominium property shall be governed by the By-Laws of the Association, a copy of which is attached hereto and made a part hereof as Exhibit 4. No modification of or amendment to these By-Laws shall be deemed valid unless set forth in or annexed to a duly recorded amendment. No amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage encumbering any condominium parcel.

XI. Maintenance; Limitation Upon Improvement

A. The maintenance of the general common elements and limited common elements shall be the responsibility of the Association but the apartment owner shall pay the cost of ordinary maintenance and repair of his limited common elements.

B. There shall be no material alteration or substantial additions to the general common elements or to the limited common elements, except in a manner provided herein.

C. No apartment Owner shall make any alterations in the portions of the improvements of the condominium which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do any work which would jeopardize the safety or soundness of the building containing his apartment or impair any easement. No balconies shall be improved or altered except with the express written permission of the Association.

XII. Common Expenses and Common Surplus

A. Common expenses shall include expenses of the operation, maintenance, repair or replacement of the general common elements, costs of carrying out the power and duties of the Association, and any other expenses designated as common expenses by this Master Deed and the By-Laws.

B. Common expenses and any common surplus shall be shared by the unit owners in accordance with their respective interests in the general and limited common elements.

C. Apartment No. 121 is hereby designated as the dwelling for the condominium manager and his family. This apartment shall be conveyed to the association by the developer for valuable consideration including a purchase money mortgage in the amount of \$32,000. Common expenses shall also include the utilities, mortgage and assessment on the manager's apartment so long as it is owned by the Association.

XIII. Assessments; Liability, Lien and Priority; Interest; Collections

A. The Association, through its Board of Directors, shall have the power to fix and determine from time to time the sums necessary to provide for the common expenses of the condominium. An apartment owner, regardless of how title is acquired, except as provided in Section XX below, shall be liable for all assessments coming due while he is the owner of an apartment. In a voluntary conveyance, the grantee shall be jointly and severally liable with

the grantor for all unpaid assessments against the latter for his share of the common expenses up to the time of such voluntary conveyance.

B. Liability for assessments may not be avoided by abandonment of an apartment, or by waiver of the use of any common elements or other property which an owner is entitled to use or enjoy.

C. Assessments and installments thereon not paid within ten (10) days of when due shall bear interest from the date when due until paid at the rate of ten percent (10%) per annum until paid. Payments made shall be applied to interest first and then to principal. The Association shall furnish to the mortgagee of any apartment upon its written request, written notification of a default in assessment payments of the owner whose apartment is encumbered by that mortgage.

D. The Association shall have a lien on each apartment for any unpaid assessment and interest thereon against the owner of such apartment until paid. Such lien shall also include a reasonable attorney's fee incurred by the Association incident to the collection of such assessment for enforcement of such lien. Such liens shall be executed and recorded in the Public Records of Sevier County, Tennessee, in the manner provided by law but such liens shall not have priority ^{over} the lien of any mortgage or any other lien recorded prior to the time of the recording of the claim of lien by the Association. The Board of Directors may take such action as it deems necessary to collect assessments by personal action or by enforcing and foreclosing said lien, and may settle and compromise same if in the best interest of the Association.

E. Liens for assessments may be foreclosed by the Association in the manner provided by law. The Association may bid at any sale and apply as a cash credit against its bid all sums due the Association covered by the lien being enforced.

F. The Association, acting through its Board of Directors shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to the Developer or to any apartment owner or group of apartment owners, or to any third party.

XIV. Termination of Condominium

The condominium form of ownership may be terminated by a written instrument duly executed and acknowledged by all apartment owners, mortgagees and lienholders of record, provided that in such instrument said mortgagees and lienors agreed to accept as security the undivided portions of the property owned by their debtors. The subsequent ownership of the property shall be as tenants in common between the owners in proportion with their respective shares of the ownership of the general and limited common elements. The termination shall be effective on the recording of said instrument.

XV. Limitation of Liability

A. The liability of the owner of an apartment for common expenses shall be limited to the amounts for which he is assessed from time to time in accordance with this Master Deed or the By-Laws (including any interest, penalties, costs or fees provided for therein in the event of delinquency).

B. The owner of an apartment shall have no personal liability for any damages caused by the Association on or in connection with the use of the general common elements. An apartment owner shall be liable for injuries or damages resulting from

an accident in his own apartment to the same extent and degree that the owner of a single family detached dwelling would be liable for an accident occurring within his single family detached dwelling.

XVI. Liens

A. No liens of any nature may be created subsequent to the recording of this Master Deed against the condominium property as a whole (as distinguished from individual apartments) except with the unanimous consent of the apartment owners.

B. Unless an apartment owner has expressly requested or consented to work being performed or materials being furnished to his apartment, such labor or materials may not be the basis for the filing of a lien against same. No labor performed or materials furnished to the general and limited common elements shall be the basis for a lien thereon unless authorized by the Association, in which event same may be the basis for the filing of a lien against all apartments in the proportions for which the owners thereof are liable for common expenses.

C. In the event a lien against two or more apartments becomes effective, each owner thereof may relieve his apartment of the lien by paying the proportionate amount attributable to his apartment. Upon such payment, it shall be the duty of the lienor to release the lien of record for such apartment.

XVII. Easements

A. Owners of apartments shall have as an appurtenance thereto a perpetual easement for ingress and egress to and from their apartments, over walks and other common elements.

B. The condominium property shall be subject to perpetual easements for encroachments presently existing or which may hereafter be caused by settlement or movement of the buildings or minor inaccuracies in construction, which easements shall continue until such encroachment no longer exists. If the condominium property be destroyed and then rebuilt, encroachments due to construction shall be permitted and a valid easement for said encroachments and the maintenance thereof, shall exist. If any portion of the general and limited common elements encroaches upon any apartment or any apartment encroaches upon the common elements, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvements, a valid easement for the encroachment and for the maintenance of same shall exist so long as the encroachment exists.

C. Easements are reserved through the condominium property as may be required for utility services, in order to serve the condominium adequately; provided, however, such easements through an apartment shall only be according to the plans and specifications for the buildings. This provision is in no way intended to abridge any other rights or privileges granted to the Condominium Association hereunder.

XVIII. Membership in Association.

The Association has been formed to perform the acts and duties desirable in connection with the management of the apartments and common elements defined and described in this Master Deed and to levy and enforce collection of assessments necessary to perform such acts and duties. All apartment owners shall automatically be members of the Association, and said membership shall terminate when they no longer own said apartments.

XIX. Assessments

A. The Board of Directors of the Association shall approve annual budgets in advance for each fiscal year, which budget shall project anticipated income and estimated expenses in sufficient detail to show separate estimates for insurance, operating and maintenance expenses, and other reasonable and necessary expenses.

B. Annual assessments shall be due and payable in advance in monthly installments unless the Board of Directors provides otherwise. In addition, the Association has the power to levy special assessments against each apartment in their respective percentages, if a deficit should develop in the treasury for the payment of common expenses.

C. The annual assessment may include sums to establish reasonable reserves against future contingencies.

D. Assessments shall be payable by each apartment owner but not by the developer for any unsold apartments in the condominium.

XX. Developer's Rights

Notwithstanding any other provisions herein, the Developer, in submitting the subject property to condominium ownership, is hereby irrevocably empowered to sell apartments to any purchasers. The said Developer shall have the right to transact, any business necessary to consummate sales of said apartments, including, but not limited to, the right to maintain model apartment have signs, employees in the offices, use the general and limited common elements and show apartments. Sales office signs and all items pertaining to sale shall not be considered common elements and remain the property of the Developer. The Developer is further hereby empowered to rent, lease, mortgage or otherwise deal with apartments that it owns without approval from the Association.

XXI. Obligations of Members

In addition to other obligations and duties heretofore set out in this Declaration, each non-developer apartment owner shall:

A. Promptly pay the assessments levied by the Association.

B. Maintain in good condition and repair his apartment and all interior surfaces within or surrounding his apartment (such as the surfaces of the walls, ceilings, floors), whether or not a part of the apartment or general and limited common elements, and maintain and repair the fixtures therein and pay for any utilities which are separately metered to his apartment. In addition, each apartment owner shall pay his pro-rata share of the water and sewer bill assessed to the condominium.

C. Not permit or suffer anything to be done or kept in his apartment which will increase the insurance rates on his apartment or the general and limited common elements, or which will obstruct or interfere with the rights of other owners or annoy them by unreasonable noises or otherwise; nor shall a owner commit or permit any nuisance, immoral or illegal act in his apartment or on the general and limited common elements.

D. Conform to and abide by the By-Laws and uniform rule and regulations in regard to the use of the apartment and general and limited common elements which may be adopted in writing from time to time by the Board of Directors of the Association, and to see that all persons using owners' property by, through or under him do likewise.

E. Make no alteration, decoration, repair, replacement, or change of the general and limited common elements or to any ~~outside or exterior~~ portion of the building without the express written consent of the Association.

F. Allow the Board of Directors or the agents and employees of the Association to enter any apartment for the purpose of maintenance, inspection, repair, replacement of the improvements within apartments or the general and limited common elements, or in case of emergency threatening apartments or the common elements, or to determine compliance with this Master Deed.

G. Show no sign, advertisement or notice of any type on the general and limited common elements or his apartment.

H. Make no repairs to any plumbing or electrical wiring except within an apartment. Plumbing and electrical repairs within an apartment shall be the financial obligation of the owner of the apartment and paid for forthwith. The Association shall pay for and be responsible for plumbing repairs and electrical wiring within the general common elements.

XXII. Insurance

A. Purchase of Insurance: The Association shall obtain fire and windstorm insurance on all of the insurable improvements within the condominium, including fixtures, installations or additions within the apartments. This insurance shall be obtained from companies whose ratings meet the standards of institutional mortgagees granting mortgages on the units in an amount which shall be equal to at least 80% of the maximum insurable replacement value as determined annually. The premiums for such coverage and other expenses in connection with said insurance shall be assessed against the apartment owners as part of the common expenses. The named insured shall be the Association, individually and as agent for the unit owners, without naming them, and as agent for the mortgagees. The Association shall obtain other insurance as set forth below, the cost of which shall be a common expense.

B. Coverage:

1. Casualty. All buildings and improvements upon the Condominium property shall be insured in an amount equal to at least 80% of the insurable replacement value, excluding foundation and excavation costs, all as determined annually by the Board of Directors of the Association. Such coverage shall afford protection against loss or damage by fire and windstorms.

2. Public liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association, including but not limited to hired automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the unit owners as a group to a unit owner.

3. Workmen's compensation policy to meet the requirements of law, if applicable.

4. Such other insurance as the Board of Directors of the Association shall determine from time to time desirable.

C. Distribution of proceeds. Proceeds of insurance policies received shall be distributed to the parties in interest in the following manner:

1. Reconstruction or repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the apartment owners, remittance to apartment owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of an apartment and may be enforced by such mortgagee.

2. Failure to reconstruct or repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the apartment owners, remittances to apartment owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of the mortgagee of an apartment and may be enforced by such mortgagee.

D. Apartment owners obligation. The insurance purchased by the Association does not cover claims against an owner due to accidents occurring within his apartment nor does it cover casualty or theft loss to the contents of an owner's apartment. It shall be the obligation of the individual apartment owner to purchase and pay for insurance as to all such risks.

XXIII. Reconstruction or Repair After Casualty

A. Determination to reconstruct or repair. If any part of the condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

1. Apartments. Apartment owners shall promptly reconstruct or repair any damaged apartment restoring it to its prior condition. Upon failure to so reconstruct the Association shall undertake to perform such work and shall assess the cost and expense of same to the apartment owner which shall constitute a special assessment against that apartment and which may be foreclosed as other liens against said apartment.

2. General and Limited Common Elements. The Association shall promptly reconstruct any property destroyed or damaged where less than 2/3 of the condominium property has been subject to said damage. Reconstruction shall not be compulsory where 2/3 or more of the improvements have been damaged unless reconstruction is unanimously agreed upon by the apartment owners. In the event that reconstruction is not undertaken promptly but in no event longer than 120 days undertaken the condominium regime shall be terminated by appropriate instrument as herein above provided for; which instrument all apartment owners shall be obligated to execute.

B. Plans and specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and by 2/3 of the owners.

C. Assessments. The amount by which an award of insurance proceeds is reduced on account of a deductible clause in an insurance policy shall be assessed against all apartment owners in proportion to their shares in the general and limited common elements. If the proceeds of such assessments and of the insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair are insufficient, assessments shall be made against the apartment owners in the case of damage to general and limited common elements, in sufficient amounts to provide funds for the payment of such costs. Such assessments against apartment owners for damage to apartments shall be in proportion to the cost of reconstruction and repair of their respective apartments. Such assessments on account of damage to general and limited common elements shall be in proportion to the owner's share in the general and limited common elements.

XXIV. Use Restrictions.

The following are restrictions as to the uses to which the apartments, limited common elements and general common elements may be put:

A. No pets shall be allowed except small dogs or cats as may be approved by the Board of Directors of the Association.

B. No nuisances, as such may from time to time be determined by the Board of Directors of the Association, shall be permitted on any part of the condominium property.

C. The Board of Directors may promulgate additional use restrictions from time to time.

XXV. Amendments Required by Mortgagees.

Should any institutional mortgagee or governmental agency require an Amendment to this Master Deed or the By-Laws, then said Amendment may be made and filed by the Developer without regard to any other provisions herein contained regarding amendments, and without any requirement of securing the consent of any apartment owners.

XXV. Eminent Domain or Condemnation Proceedings

If eminent domain or condemnation proceedings are successfully litigated against all or any part of the condominium property, the entire eminent domain or condemnation award is to be secured to the Association in accordance with the ratio of ownership herein provided as it pertains to the general and limited common elements, and disburse to apartment owners and their mortgagee as their interests appear of record. The Association shall give prompt written notice to each holder of a mortgage of record of any such eminent domain or condemnation proceedings.

XXVI. Additional Provisions

A. Should any dispute or litigation arise between any of the parties whose rights and/or duties are affected or determined by this Master Deed or any of the Exhibits attached hereto, said dispute or litigation shall be determined pursuant to the laws of the State of Tennessee.

B. In the event that any of the terms, provisions or covenants of the Master Deed or any of the Exhibits attached hereto are held to be partial or wholly invalid or unenforceable for any reason whatsoever, such holdings will not affect, alter, modify, or impair in any manner whatsoever any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable herein.

C. Notwithstanding anything to the contrary herein contained, unless institutional mortgagees have given their prior written approval, the Association shall not be entitled to: (1) change the prorata interest or obligations of any apartment for purposes of levying assessments and charges and determining shares of common elements and proceeds of the Condominium; (2) partition or subdivide any unit or the general and limited common elements of the Condominium; nor (3) by act or omission seek to abandon the Condominium regime, except as provided by statute in case of substantial loss to apartments, or to general and limited common elements of the Condominium.

D. Whenever the context so permits, the use of the plural shall include the singular, and any gender shall be deemed to include all genders.

E. Notwithstanding anything to the contrary herein, nothing shall prevent the combining of apartments in the condominium but said combined apartments shall retain their original appurtenant shares of the common elements, expenses, surplus and voting rights.

F. Captions used in these documents are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of the documents.

G. Upon written request, mortgagees of the apartments herein shall have the right to examine the books and records of the Association.

UNITED AMERICAN BANK N.A., Trustee
with full power to sell or encumber
without joinder of the beneficiary
and without the Purchase looking to
the proceeds

By: _____

Title: _____

STATE OF TENNESSEE
COUNTY OF KNOX

Before me, a Notary Public of the State and County aforesaid, personally appeared R. A. Davidson, Jr. with whom I am personally acquainted, and who, upon oath, acknowledged himself to be Senior Vice-president of UNITED AMERICAN BANK N.A., the within named bargainer, a corporation, and that he as such Senior Vice-president, being authorized so to do, executed the foregoing instrument for the

purpose therein contained, by signing the name of the corporation by himself as Senior Vice-President.

WITNESS my hand and seal, at office in KNOX
County, this 30th day of September, 1976.

Ralph G. Hipman
NOTARY PUBLIC

My Commission Expires:

January 23, 1978

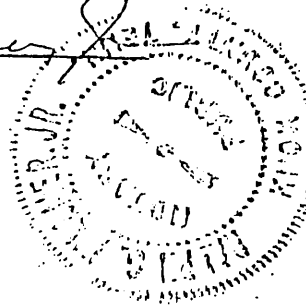


EXHIBIT 1

LEGAL DESCRIPTION OF ENGLISH MOUNTAIN CONDOMINIUM

SITUATED, LYING AND BEING in the First (1st) Civil District of Sevier County, Tennessee, and being known and designated as all of Lot 78, Revised Sections "P" Addition, English Mountain Subdivision as shown on map of the same of record in Map Book 17, Page 45 in the Register's Office for Sevier County, Tennessee; said lot being more particularly bounded and described as follows TO-WIT:

BEGINNING at the point of intersection of the eastern right-of-way line of Green Bay Drive and the southern right-of-way line of Cove Road, same being the northwest corner of the lot herein described and designated as Lot 78, Section "P" Addition of English Mountain Subdivision; thence with the southern right-of-way of Cove Road, North 84° East, 102.7 feet; thence North 56° East 59.25 feet to the northwest corner of Lot 79; thence with the western boundary of Lot 79 and Lot 80, South 34° East, 170.22 feet to the Southwest corner of Lot 80; thence with the Southern line of Lot 80, North 66° 51' East, 66.17 feet to the western right-of-way line of Cove Road; thence with the said right-of-way line South 23° 9' East 349.45 feet to the Northeast corner of Lot 81; thence with the North boundary of said lot South 66° 51' West, 150.00 feet to the northwestern corner of Lot 81; thence North 82° 2' 24" West, 229.4 feet to an iron pin; thence South 37° 35' West, 113.00 feet to an iron pin; thence North 80° 10' West, 97.39 feet to the eastern right-of-way line of Green Bay Drive; thence with said right-of-way North 9° 50' East, 500 feet to the point of BEGINNING, containing 4.1 acres, more or less, as shown by survey of John E. Brock, Registered Engineer, dated November 27, 1972, and recorded in Map Book 17, Page 45 in the Register's Office of Sevier County, Tennessee; and

BEING the same property conveyed to United American Bank N. A., Trustee, by trustee's deed from Joseph P. Congleton, Substitute Trustee, dated September 30, 1976, and recorded in Deed Book 263, page 63 in the Register's Office for Sevier County, Tennessee.

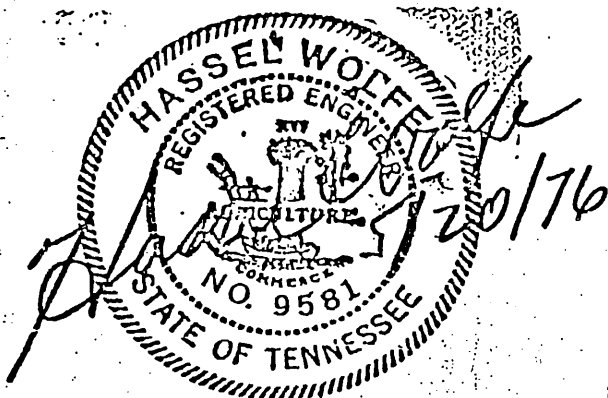
CERTIFICATE OF SURVEYOR

IT IS HEREBY CERTIFIED by the undersigned, a licensed Professional Engineer in the State of Tennessee, authorized to practice surveying under the laws of the State of Tennessee, that;

Exhibit 2, pages 1 through 5, is a Survey, Site Plan, and Graphic Description of the improvements upon;

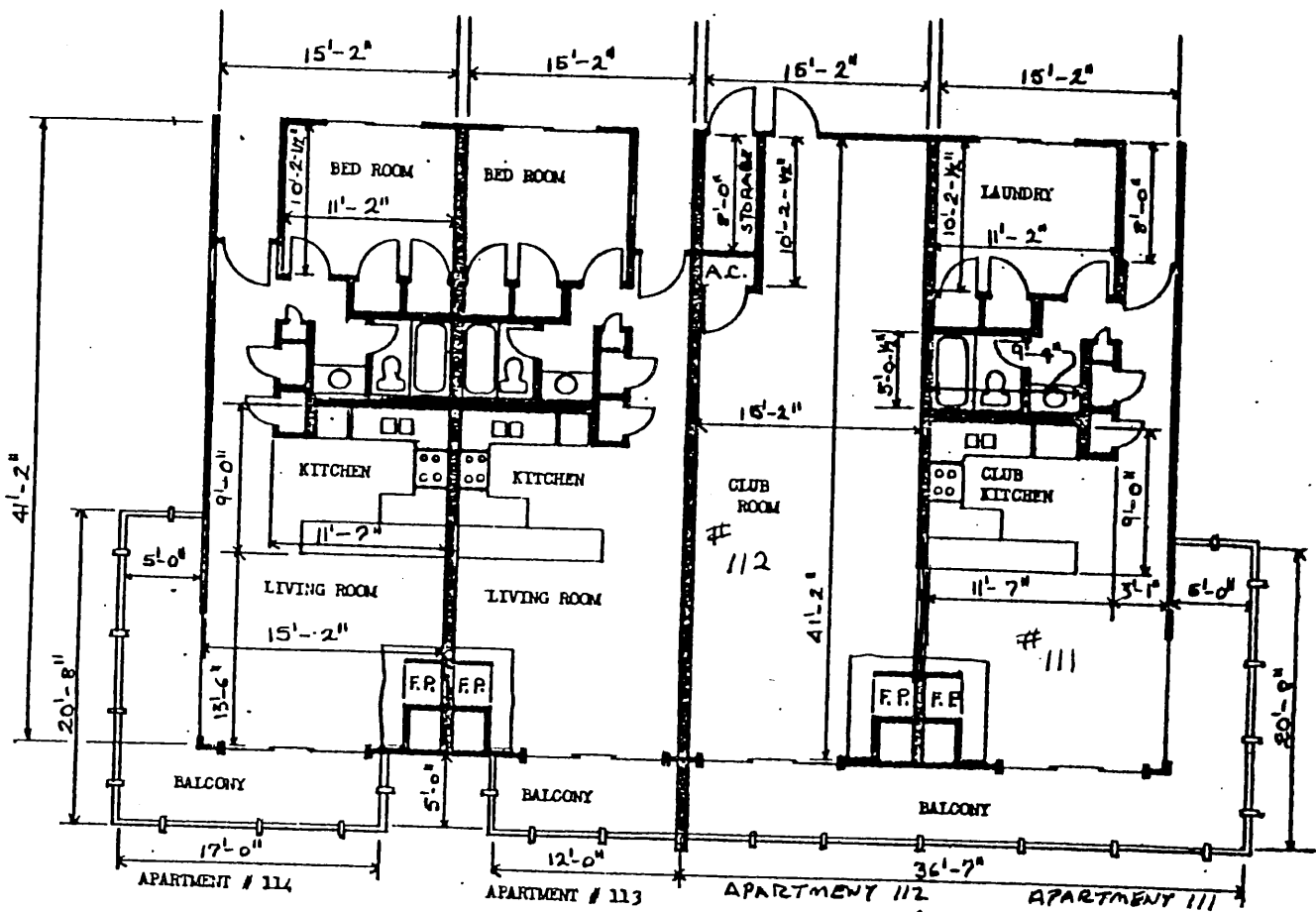
A tract of land lying in the First Civil District of Sevier County, Tennessee, said Tract being described as Lot 78, Section P-Addition, English Mountain Subdivision.

and that the construction of these improvements is sufficiently complete so that together with the wording of the Declaration of Condominium relating to matters of survey, they are a correct representation of the improvements described and with such material there can be determined therefrom the identification, location and dimensions of all facilities located thereon.



Hassel Wolfe

Hassel T. Wolfe, P. E.
Professional Engineer #9581
State of Tennessee



Not
 CLUB ROOM, CLUB KITCHEN, AND LAUNDRY ARE PART OF THE GENERAL COMMON ELEMENTS.
 By Amendment to Master Deed Approved MAY 30, 1998
 THESE UNITS ARE RECONSTITUTED AS RESIDENTIAL
 UNITS 111, AND 112.

