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DAVID BATCH: 87338	04/26/2022 - 09:44 AM
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	120.00
ARCHIVE FEE	0.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	122.00

STATE OF TENNESSEE, MARION COUNTY
DEBBIE PITTMAN
REGISTER OF DEEDS

THIS INSTRUMENT PREPARED BY,
AND AFTER RECORDING, RETURN TO:
Chambliss, Bahner & Stophel, P.C.
Liberty Tower
605 Chestnut Street, Suite 1700
Chattanooga, Tennessee 37450
Attention: Michael N. St. Charles

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

RIVER GORGE RANCH

This DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS for RIVER GORGE RANCH, a residential development (“**Declaration**”) is made as of the date set forth on the signature page by Thunder Air, Inc., a Tennessee corporation (“**Declarant**”).

1. Purpose. Declarant is the owner of certain real property located In Marion County, Tennessee, which property is more particularly described in Exhibit A (“**Property**”). By recording this Declaration, Declarant intends to establish a general plan of development for the residential community known as River Gorge Ranch. This Declaration provides for the overall development, administration, maintenance and preservation of River Gorge Ranch. A part of the development plan is the creation of River Gorge Ranch Owners' Association, Inc. the (“**Association**”), to own, operate and maintain various common areas and to administer and enforce this Declaration and the other governing documents referenced in this Declaration.

2. Declaration. Declarant hereby declares that the Property shall be owned, sold, conveyed, encumbered, leased, used, occupied and developed subject to the following Protective Covenants, Conditions and Restrictions, hereinafter referred to as the (“**Covenants**”). The Covenants shall run with the Property and any subdivided Tract thereof, and shall be binding upon all parties having or acquiring any legal or equitable interest in or title to the Property or any Tract, and shall inure to the benefit of every owner of any part of the Property or any Tract.

3. Definitions. The following terms and phrases used in these Covenants shall be defined as follows:

a. “Approved Builder” means a Tennessee licensed builder selected by Owner that is not a Preferred Builder but has been approved on a one-time basis for a specific construction project and has met all requirements set out by Declarant and the ARB. Notwithstanding anything to the contrary in this Declaration, the determination of whether a builder is an Approved Builder shall be determined in Declarant's sole discretion.

b. “Affiliate” of an entity means any other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the entity. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise. An Affiliate of

Declarant may include one or more entities engaged in the construction business, the homebuilding business or both.

c. "Architectural Review Board" (hereinafter "ARB") shall mean the governing body elected or appointed in accordance with the Charter and Bylaws of the Association and charged with the stipulated responsibilities contained herein. During the Development Period, as herein defined, the ARB shall consist of three (3) members appointed by Declarant or a licensed architect retained by Declarant.

d. "Association" means, River Gorge Ranch Property Owner's Association, Inc., a Tennessee non-profit corporation.

e. "Board" means, the Board of Directors of the Association as the same may from time to time be constituted.

f. "Bylaws" means, the duly adopted bylaws of the Association, as the same may from time to time be amended.

g. "Charter" means, the Charter of the Association, as the same may from time to time be amended.

h. "Common Services" means, the roadway maintenance for the Shared Access Roads, utility line maintenance and repair services for utility lines located in the rights of way of the roads or upon the Common Spaces.

i. "Common Space(s)" means, that certain real property and appurtenances owned by Declarant or the Association, now or hereafter, and designated for the non-exclusive use of the Members of the Association in good standing, and their respective guests and invitees.

j. "Covenants" shall have the meaning given that term in Section 2.

k. "Declarant" means, Thunder Air, Inc., a Tennessee corporation, and its successors and assigns under an instrument specifically designating the successor or assign as a successor Declarant under this Declaration.

l. "Declaration" means, these Covenants, Conditions and Restrictions.

m. "Development" means, the entire subdivision of Property, including all Common Spaces, being commonly known and referred to as "River Gorge Ranch."

n. "Development Period" means, the period between the effective date of the original Declaration of record in the Register's Office of Marion County, Tennessee, and the date on which title to all of the Tracts shall have been conveyed by Declarant to an Owner, which shall be unaffiliated with Declarant, and the Common Space(s) and Shared Access Road(s) have been conveyed by the Declarant to the Association, or at such earlier time as determined by the Declarant.

o. "Tract(s)" means, any subdivided lot, parcel or tract of the Property platted as a single family residential tract. The total number of Tracts may be modified from time to time.

p. "Member" shall have the meaning given that term in Section 4.1.

- q. "Mortgage" means any security device encumbering any tract or all or any portion of the Property, and as used herein the term "mortgage" shall include a deed of trust.
- r. "Mortgagee" means, the record owner of a beneficial interest under a Mortgage.
- s. "Owner" means, the record owner of any Tract, including a contract purchaser, but excluding anyone having an interest in a Tract as security for the performance of an obligation. Owner shall not include Declarant for assessments under Section 6.
- t. "Plat" means, a final subdivision plat for all or any portion of the Property, approved by the county Planning Commission and recorded in the county Register's Office.
- u. "Preferred Builder" means a Tennessee licensed builder which has met the program requirements of the Declarant and has been approved and accepted as a Preferred Builder by Declarant. All Preferred Builders must have demonstrated skill in constructing custom houses. The determination of Preferred Builder shall be in Declarant's sole discretion.
- v. "Principal Residence" means, the single family residential structure constructed on any Tract, which is the principal use of the Tract, and to which other authorized structures on the Tract are accessory.
- w. "Property" shall have the meaning given that term in Section 1.
- x. "Recreation Trail Easements" means, the portion of the Tracts designated as "Recreation Trails" by Declarant, which shall be used solely for equestrian use, mountain bike riding, recreational walking, running, or hiking, subject to the rules, restrictions and limitations imposed from time to time by the Association. Recreation Trail Easements shall not be used by motorized vehicles, except the trails, if any, designed for ATV use by Declarant.
- y. "Setbacks" means, the portion of a Tract from any boundary or Tract property line, publicly owned road, Shared Access Road, upon which no construction may take place.
- z. "Shared Access Road(s)" means, the private roadways reflected on the Plat or other roadways utilized for ingress and egress with in the Property and the roadways that provide access to and from public roadways.
- aa. "Tract(s)" means, any subdivided lot parcel or tract of the Property.

PROPERTY OWNER'S ASSOCIATION

4. The Association. The Association has been or will be formed as a non-profit Tennessee corporation by the filing of the Charter. Its affairs shall be governed by the Charter and Bylaws. The Association shall assume and perform all functions and obligations imposed on it under this Declaration. The Association shall have all powers necessary to effectuate these purposes.

4.1. Membership. Every Tract owner shall be a member of the Association ("Member"). Membership in the Association shall be appurtenant to each Tract, and shall not be subject to severance from the ownership of the Tract. If there shall be joint ownership of a Tract, the joint owners shall together hold a single Membership.

4.2. Voting. Each Member shall have one vote to cast upon any matter to be decided by a vote of the Members. If an entity owns a Tract or if there is more than one person or entity owning a Tract the vote of the Member shall be cast as determined by the owner or owners of the Tract. In the event of any dispute over the right of the owner or joint owners of a Tract to vote, the Board shall have the right to disqualify the Member from voting on an issue unless or until the owner or joint owners of the Tract reach agreement as to the Member's vote. Notwithstanding any term or provision herein to the contrary, there shall be no more than one (1) vote per Tract. If any Member is delinquent in paying any assessments or other charges levied on his or her Tract, that Member's vote will not be counted. In addition, a Member's vote shall not count if the Declarant has not been paid in full for the Tract.

4.3. Association on Board of Directors. The Association is a Tennessee non-profit corporation, formed to administer and enforce the provisions of this Declaration. The Board shall consist of three (3) directors or members, or the additional number as may be approved by the Members in accordance with the Bylaws, except that the initial Board and its successors serving during the Development Period shall be appointed by the Declarant. All duties, responsibilities and functions of the Board shall be governed by the Bylaws of the Association.

4.4. Authority of Board. The Board shall have full power and authority to manage the business and affairs of the Association, as more fully set forth in the Charter and Bylaws, and to enforce the provisions of this Declaration.

4.5. Meetings. The Members and the Board shall hold annual meetings as set forth in the Bylaws. Additional regular or special meetings of the Members and/or the Board may be held in accordance with the provisions of the Bylaws of the Association. All procedural matters pertaining to all such meetings, including notice thereof, quorums, and provisions for voting in person or by proxy shall comply with the Bylaws.

4.6. Duties of Association. The Association shall, in addition to the obligations, duties and functions as are assigned to it by other provisions of this Declaration, have the obligations, duties and functions to do and perform each of the following for the benefit of the Members;

(a) The Association shall be obligated to and shall provide for the best quality care, operation, management, maintenance, repair and replacement of all easements established or provided for some or all Owners, and of any and all Shared Access Roads and drainage easements and drainage pipes or facilities within the same which may be established or provided.

(b) The Association shall be obligated to and shall obtain and keep in full force and effect at all times, broad form comprehensive liability insurance coverage, covering both public liability and automobile liability, with limits of not less than \$1,000,000.00 per occurrence and not less than \$2,000,000.00 in aggregate with property damage limits of not less than \$500,000.00 for each accident. All insurance may contain the deductible provisions as the Board shall decide. All insurance shall name the Association as primary insured and Declarant as additional insured and shall, to the extent reasonable possible, cover each Owner without any the Owner necessarily being specifically named therein. The Association shall provide Declarant, upon request, with certificates evidencing the insurance and copies of the insurance policies. The Association may also carry other types of insurance or any other higher limits in the discretion of the Board.

(c) Unless provided by a municipal, county or other governmental body and unless the cost thereof is assessed against the Owners by the body, the Association shall have the right, but not the obligation, to provide or contract for refuse disposal services.

(d) The Association shall perform the other acts as may be reasonably necessary to enforce any of the provisions of this Declaration or the Association rules.

(e) The Association shall indemnify Declarant, its agents, employees and Members of the Board, and hold each of them harmless from all liability, loss, cost, damage and expense, including attorneys' fees, and costs of investigation arising with respect to any operations of the Association or otherwise; provided, however, that the Association shall not be required to indemnify or hold the parties harmless for their acts of gross negligence or willful and wanton misconduct. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled.

4.7. Powers of Association. The Association shall have all of the powers of a non-profit corporation organized under the laws of the state of Tennessee subject only to the limitations upon the exercise of the powers as are expressly set forth in the Charter, Bylaws or this Declaration. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done hereunder, or by the Charter, and to do and perform any acts which may be incidental to the exercise of any of its express powers, including the following:

(a) To levy assessments, charges, fines and penalties on the Owners, and to enforce the payment of the same, all in accordance with the provisions of this Declaration and the Charter, Bylaws, rules and regulations of the Association and impose restrictions on use of Common Elements as addressed herein.

(b) To employ the services of any person or firm as manager, together with employees, to manage, conduct and perform the business, obligations and duties of the Association, as may be directed by the Board and to enter into contracts for the purposes. To obtain, and pay for, legal, accounting, engineering, management and other professional services as may be necessary or desirable.

(c) On its own behalf, or on behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits in law and in equity to restrain any breach or threatened breach of this Declaration and to enforce, by mandatory injunction or otherwise, all of the provisions of this Declaration.

(d) To obtain, maintain and pay for the insurance policies or bonds, whether or not required by any provision of the Declaration, as the Association shall deem to be appropriate for the protection or benefit of the Owners, their tenants or guests.

(e) To contract and pay for, or otherwise provide for, the repair, maintenance, replacement or refinishing of any Shared Access Roads, drives or other paved areas upon any portion of the Property.

(f) To incur and service debt(s) necessary to accomplish the objectives specifically set forth in this document, so long as it is approved by the Association as defined herein.

(g) To take steps to restrict or abate any activity on the Property that would constitute a nuisance under applicable law.

5. Violations, Enforcement, Liens and Costs. At all times during the Development Period, the limitations and requirements for land use and development, set forth in these Covenants shall be enforceable by the Board or the ARB, in addition, government or officials of Marion County, Tennessee, as applicable, and the State of Tennessee, shall have the authority to enforce any pertinent provisions of code, regulation, or statute. Every Owner hereby consents to the entry of an injunction against the Owner's tenants or guests, to terminate and restrain any violation of these Covenants. Any Owner who uses or allows the Owner's Tract to be used or developed in violation of these Covenants further agrees to pay all costs incurred by the Board or Declarant or other Owner(s) in enforcing these Covenants, including reasonable attorneys' fees. This does not preclude the authority of the ARB to assess fines or penalties, or to seek and enforce injunctive rights to cease the activity.

6. Assessments.

6.1. Operating Fund. The Association, acting by and through the Board or its designee, shall collect and deposit to any account in the name of the Association all moneys paid to it by way of assessment or otherwise and from which the Association shall make disbursements in performing the functions which the Association performs under this Declaration.

6.2. Maintenance Assessment. Not later than thirty (30) days prior to the commencement of each calendar year, the Association shall estimate the costs and expenses to be incurred by it during the upcoming year in performing its functions, including utility charges, maintenance expenses for the Common Space, amenities, utilities and Shared Access Roads, expenses of enforcement of this Declaration, and professional fees. In so estimating, the Association shall take into consideration the anticipated balance in the operating fund as of the start of the year and the estimated receipts of all assessments, charges, fees and other payments to be collected during the year.

The net estimate, as determined by the Association shall be assessed on a pro-rata basis against all Owners of Tracts.

6.3. Supplemental Assessment. If at any time and from time to time during any year it shall appear that the assessment is or will be inadequate for any reason, including nonpayment by any Owner of the Owner's respective share, the Association may levy a further proportional assessment to all Owners in the amount of the actual or estimated inadequacy. Any supplemental assessments shall be due on terms designated by the Board.

6.4. Payment of Maintenance Assessment. Assessments shall be paid in the manner and on the dates, and in the amounts, set by the Board from time to time in its sole discretion. The Board may require advance payment of assessments at closing of the transfer of title to a Tract and impose special requirements for Owners with a history of delinquent payment. If the Board so elects, assessments may be paid in two or more installments. Unless the Board otherwise provides, the Maintenance Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his or her Tract the Board may require the outstanding balance on all assessments to be paid in full immediately. Notwithstanding anything to the contrary in this Declaration, the following property shall be exempt from payment of assessments: (i) property owned by Declarant, including unsold Tracts, (ii) Common Space and (iii) any property dedicated to and accepted by any governmental authority or public utility.

6.5. Special Assessments. The Association may also levy a special assessment against any Owner where, as a direct result of the Owner's acts or failure or refusal to act or otherwise to comply with the

Covenants or any rules prescribed by the Board, moneys were or will have to be expended by the Association in enforcing the Covenants or rules prescribed by the Board. The special assessment shall be in the amount to be expended or so expended theretofore and shall be due and payable to the Association when levied and shall include without limitation, engineers', architects', attorneys' and accountants' fees where reasonably incurred by the Association.

6.6. Obligation of Payment. Each assessment (maintenance, supplemental, or special) shall be a separate, distinct and personal debt and obligation of the Owner against whom it is assessed, at the time the assessment is made, and each Owner of any Tract, by acceptance of a deed therefore, whether or not it be so expressed in the deed, is deemed to covenant and agree to timely pay the same to the Association. If the Owner does not pay the assessment, or any installment thereof, when due, the Owner shall be deemed in default, and the amount of the assessment not paid, plus interest at one and one half percent (1 ½%) per month not to exceed, however, the highest rate permitted under Tennessee law plus costs, including reasonable attorneys' fees, shall be and become a lien upon the Tract of the Owner, effective upon and as of the recordation by the Association of a notice of default. The lien may also include a provision for future assessments, as they become due. The notice of default shall set forth the amount of the delinquent assessment and other charges, a description of the Tract against which the same has been assessed and the name of the record holder thereof. The lien shall be prior to all other liens filed except that it shall be subordinate to the lien of any previously filed Mortgage on the affected Tract, and the sale or transfer thereof in foreclosure of the Mortgage, whether by Judicial proceedings or pursuant to a power of sale, or the conveyance to the Mortgagee in lieu of foreclosure, shall terminate any lien for nonpayment of assessments which became due prior to the sale, transfer or conveyance, but no the sale, transfer or conveyance shall relieve the delinquent Owner from their personal liability for unpaid assessments then due, nor relieve the purchaser or transferee of the sold Tract from liability for assessments which thereafter become due. The lien may be foreclosed by the Association in like manner as a Mortgage, including foreclosure by advertisement and sale as provided by Statutes, and the Association shall have the power to bid at any foreclosure sale and to acquire and thereafter hold title to the affected Tract. The foregoing remedies shall be in addition to any other remedies provided by law for the enforcement of the assessment obligation. Upon payment of any delinquent assessment, and any interest and charges in connection with the notice of default, the Association shall cause to be filed a further notice stating the satisfaction and the release of the lien thereof.

6.7. Estoppel Certificate. On request by any proposed purchaser, Mortgagee or transferee of a Tract, the Association shall execute, acknowledge and deliver a certificate stating the amount of the assessment secured by any lien upon the Tract, or that there is no outstanding assessment, as the case may be. The certificate shall be conclusive upon the Association and the Owners in favor of all persons who rely thereon in good faith as of the amount of the indebtedness or the absence of any indebtedness as to the date of the certificate. The Association may charge a reasonable fee for the issuance of the certificate.

6.8. No Exemption. No Owner may exempt themselves from liability for assessments, nor release their Tract from the liens therefore, by waivers of the use and enjoyment of the property and facilities promoted by the assessments or by abandonment of the Owner's Tract.

6.9. Changes in Ownership of Tracts. Any Owner desiring to sell or otherwise transfer title to the Owner's Tract shall give the Board at least seven days' prior written notice of the name and address of the purchaser or transferee, the date of the proposed transfer of title, and the other information as the

Board may reasonably require. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner, including assessment obligations, until the date upon which the notice is received by the Board, notwithstanding the transfer of title.

6.10. Declarant's Option to Fund Association Deficits. Declarant elect to loan or otherwise advance fund to the Association to fund the Association's obligations under this Declaration. Any funds loan or advanced to the Association shall be repaid to Declarant in terms mutually determined by Declarant and the Association, in good faith. Declarant is hereby granted and lien and security interest against the Common Areas to secure the repayment obligation of the Association under this Section. The lien may be enforced in the same manner as delinquent assessments under this Declaration.

7. Easements.

7.1. Easement for Utilities. There is hereby reserved to the Declarant and the Association, their respective successors and assigns, a non-exclusive right to create easements and rights-of-way in, over, under and on the Property or Tract or any part thereof for the purpose of ingress and egress, and construction and location of utilities servicing any Tract and the improvements thereon. Each Owner shall have a right of reasonable access to the Property for the purpose of maintaining, replacing and enlarging utility services as required, provided that the use of the right of access shall be exercised in the manner so as not to unreasonably interfere with the use and enjoyment of the Property or any Tract; and provided further that a utility installation providing service to all or a portion of the Property shall not be altered, modified or changed in the a manner as to impair or interfere with the availability of service of the utilities to its users. Each Tract abutting a public or private right-of-way, including a Shared Road, is subject to a 20-foot utility easement from the abutting lot line and as described in this Section.

7.2. Drainage Easement. There is hereby reserved to the Association the right to create non-exclusive easements for drainage of surface waters from portions of the Property across other portions of the Property. The drainage shall conform to a development plan as approved by the Board. Drainage shall be limited to reasonable amounts of water and shall be so designed and constructed so as not to materially interfere with the development, use and enjoyment of the portions of the Property onto which the water drains. The drainage as established shall not be altered, modified or changed as to any part of the Property without the consent of the Owners who will be affected by any the alteration, modification or change.

7.3. Use of Roads. Each Owner shall have a non-exclusive easement appurtenant to their Tract of ingress and egress over and on all Shared Access Roads. Each Owner may delegate their right under the non-exclusive easement for the benefit of their family, tenants, servants, employees, agents, guests and invitees, and any transferee by way of lease assignment or contract for purchase of the property to which the non-exclusive easement is appurtenant. Each Owner shall be responsible for a pro-rata share of the maintenance costs, based upon the total number of Tracts, for all Shared Access Roads.

7.4. Recreation Trail Easements. Subject to (i) the rules, regulations and limitations promulgated from time to time by the Association, (ii) existing easements and reservations of rights affecting the Property, and (iii) the requirements of any applicable law, each Member shall have a right and non-exclusive easement of use and enjoyment of those portions of the Property designated as Recreation Trail Easements. The exact location of the Recreation Trail Easements shall be set forth as reservations in the deeds to the various Tracts. The right and easement to use the Recreation Trail Easements shall be appurtenant to and shall pass with the title to every Tract, subject to the following limitations:

(a) The right of the Association to limit the time that the Easements can be used, the manner and scope of the use, and the number of guests that have access thereto and to adopt the rules regulating the use and enjoyment of the same from time to time.

(b) The right of the Association to suspend the right to use the Recreation Trail Easements by a Member (i) for any period during which any assessment against the Member's Tract remains delinquent, and (ii) for a period not to exceed thirty (30) days after notice and hearing as may be provided for in the Bylaws for any infraction of the Association's rules.

7.5. Delegation of Use. An Owner may delegate to any occupant of the Owner's Tract the same right to the use and enjoyment of the facilities and any privilege appurtenant to the Tract, the right of the Association is acknowledged to limit the number of guests, and to adopt rules regulating the use and enjoyment of Common Space, is hereby acknowledged by each Owner, Shareholders and immediate family members of any shareholder shall have the right to utilize any Common Space, Recreation Trail Easements and access to same.

7.6. Easements of Enjoyment for Common Space. Every Member is vested a right and non-exclusive easement of use and enjoyment in and to the Common Space and the easement shall be appurtenant to and shall pass with the title to every the Tract so privileged, subject to the following limitations:

(a) The right of the Association hereunder to limit the number of guests, and to adopt rules regulating the use and enjoyment of Common Space.

(b) The right of the Association to suspend the right to use of the Common Space by a Member for any period during which any assessment against their Tract remains delinquent.

(c) The right of the Declarant during the Development Period by its own actions or acting through the Association to suspend a Member's right to use the Common Space if the Member is delinquent in payment of any fees or other amounts owed to the Declarant or its Affiliates.

(d) The right of Declarant or its successor as owner of the Common Space to dedicate or transfer all or any part of a Common Space to any public agency, authority, or utility for the purposes and subject to the conditions as may be agreed to by the Members.

Certain facilities and areas within the Properties may be open for use and enjoyment of the public. The facilities and areas may include, by way of example: greenbelts, trails and paths, parks, and other neighborhood spots conducive to gathering and interaction, roads, sidewalks, and medians. Declarant or the Association, in its discretion, may designate the facilities and areas that may from time to time be open to the public. Use of facilities and areas in excess of 25 persons is permissible only with the approval of the Declarant and/or the Board, following the submission of a written request sent to the Declarant and/or Board and the use must be sponsored by a property owner. The Declarant and/or Board may deny said request and restrict use for any or no reason at its sole discretion. Additional fees may be assessed in cases of 25 or more persons using the facilities.

7.7. Easement for Adjacent Body of Water: Each Owner whose Tract adjoins a lake or pond shall have a non-exclusive easement appurtenant to their Tract for use of the entire body of water. Any dock or pier constructed for an Owner must be constructed within the boundary of the Owner's Tract.

7.8. Prohibited Land Use(s): No Lot(s), Parcel(s) or Tract(s) or any portion thereof shall or can be used for or as a roadway, driveway or access point to or from any other property(ies), including but not limited to any property(ies) adjoining River Gorge Ranch. Any driveway, roadway or access point shall be for said Lot(s), Parcel(s) or Tract(s) only and strictly for ingress and egress to said Lot(s), Parcel(s) or Tract(s) but not otherwise. Use of said driveway, roadway or access point for any other purpose(s) is strictly prohibited.

GENERAL DEVELOPMENT STANDARDS

8. General Development Standards. Development of any Tract shall conform to the following standards:

8.1. Provisions In Addition to County Land Use Regulations. Conformity with any and all applicable land use regulations of Marion County and the State of Tennessee, as applicable to the Tracts, shall be required in addition to the requirements of these Covenants.

8.2. Setbacks. Minimum building setbacks for all Tracts shall be the minimum distance required by county subdivision regulations or as shown here, whichever is greater:

- Front Yard 40 feet from the Property Line
- Side Yard 15 feet from the Property Line
- Rear Yard 15 feet from the Property Line

8.3. Maintenance. Each Tract and all improvements thereon shall be maintained in a clean, safe and slightly condition. Boats, tractors, vehicles (other than automobiles), garden or maintenance equipment, and the like shall be kept at all times, except when in actual use, out of view from neighboring Tracts, Common Spaces and Shared Access Roads. Refuse, garbage and trash shall be kept at all times, prior to proper disposal in a landfill, in a covered container, and any the container shall be kept within an enclosed structure or appropriately screened from view. Dumping within the Development is prohibited. Owners shall be required mow lawns four (4) times a year March-November; edge beds; prune; control weeds, pests and diseases; remove dead trees, plants and trash apply supplemental water; repair irrigation systems; replace mulch; and other necessary maintenance measures to sustain the landscape in a neat, orderly, vigorous and healthy condition. Grass areas may not exceed 6" in height between lawn cuts, Owners shall promptly remove all dead trees, except from areas required to remain natural. Any Pesticides, Weed Control chemicals, or similar treatments shall be environmentally friendly products and shall be non-toxic. Tract maintenance can be provided through Declarant upon request with fees to be determined.

8.4. Signs and Flags. No signs or advertising devices shall be erected or maintained on any Tract, without ARB's approval, both for content and design. Notwithstanding the foregoing, Declarant may place signs of any nature, type, and size at any location within the Development. One of the following flags may be displayed from a single pole mounted to a residence: United States flag, Tennessee flag, flag of a branch of the U.S. armed forces, or flag of a university or sports team. Free standing flag poles are not permitted. All displays of flags must be in compliance with applicable law.

8.5. Utilities. Utility lines have been or will be installed, either overhead or underground, in or adjacent to the Shared Access Roads to service the Tracts. Connections from improvements on Tracts to the utility lines shall be completed at the Tract owner's expense, and shall be constructed underground.

8.6. Water System. Water shall be provided by individual private well as approved and stated in the original plat recorded in the Register's Office of Marion County. If, at any time In the future, an approved water supply system becomes available along the Shared Access Roads, all Tracts shall be required to connect to the water supply system, regardless of whether a well is currently in use, and shall be subject to the obligation of payment of a dry tap fee and the other requirements from the water utility providing the water supply, and to the other and further requirements, assessments or fees, including connection fees, as may be promulgated or mandated, from time to time by said utility or Declarant.

8.7. Sewage Disposal. Every structure with plumbing facilities shall be connected to a private septic disposal system, at the sole expense of the Tract owner, which shall conform to all regulations of the State of Tennessee, Marion County, as applicable, or any other regulatory agency. No outdoor toilets shall be permitted, except during construction. When permitted, outdoor toilets shall be serviced regularly and shall be removed upon installation of serviceable facilities within the Principal Residence or any other structure on the Tract. If, at any time in the future, an approved sewer system becomes available along the Shared Access Roads, all Tracts shall be required to connect to the sewer system, regardless of whether a septic tank is currently in use, and shall be subject to the obligation of all payments and the other requirements from the sewer system providing the supply, and to the other and further requirements, assessments or fees, including connection fees, as may be promulgated or mandated, from time to time by said utility or Declarant.

8.8. Noxious or Offensive Activities; Nuisance. No noxious, immoral, illegal or offensive activity shall be permitted on any Tract, nor shall anything be done which may be or may become a nuisance to the other Owners under applicable law. No light shall be emitted from any Tract which is unreasonably bright or causes unreasonable glare for any adjacent Owner. No unreasonably loud or annoying noises or noxious or offensive odors shall be emitted beyond the boundary lines of any Tract. Owners shall keep barking dogs within authorized structures, and shall prevent the animals from causing annoyance to neighboring Owners.

8.9. Mineral Activities Prohibited. No mineral exploration or extraction activities shall be permitted by any Owner, including the removal of gravel, except that grading and excavation shall be permitted for construction and landscaping purposes, subject to State and County regulations.

8.10. Satellite Dishes. A satellite dish, with a diameter of not greater than thirty six (36) inches shall be permitted on any Tract, provided that any satellite dish is not visible from any Shared Access Road, Common Space or adjoining Tract.

8.11. Garage Loading. A variety of garage loading conditions are permitted to accommodate the topography and to create variety along the streetscapes. Subject to setbacks and design standard, the following types of garage loading are permitted with the approval of the ARB:

- Front Entry (not allowed unless specifically approved by the ARB)
- Court Entry: standard (1-3 car)
- Side Entry: Standard (1-3 car)
- Side Entry: Split (4 car)

8.12. Debris. No burning of trash, leaves, or other debris shall be permitted on any Tract at any time, including but not limited to the construction phase of any structure without a burn permit from the

proper authorities. Any and all burning shall be at the risk of the Tract owner and shall be performed so as to not cause a nuisance to any adjoining Tract. All piles of debris must be cleared off a Tract or burned within thirty (30) days.

8.13. Parking. All Tract owners shall provide sufficient area for off-street parking. Parking shall not be allowed on any shared Access Road or Common Space, except in locations designated for parking by Declarant. Shared Access Roads, Common Spaces and easements shall not be blocked or obstructed at any time.

8.14. Pets. No poultry or livestock shall be maintained on any Tract. Cats, aquarium fish, birds, or other domestic animals which are kept and maintained indoors shall be permitted on any Tract, and any number of dogs may be kept on any Tract provided that no dog shall be allowed to chase, harass or harm wildlife or people. No boarding or commercial breeding shall be permitted on any Tract. Horses are allowed on specific home sites at the Developer's choosing as some home sites are more suitable for equestrian activities than others given the terrain of Tract may vary. If approved and permitted by the Developer, the Owner(s) may have up to three (3) horses on an approved equestrian home site. The Declarant reserves the right to modify this Section at any time, to grant variances, and to impose the fines and take the actions the Declarant deems necessary in its discretion to enforce this Section, including impounding and prohibiting any pet from the development.

8.15. Mobile Homes, Campers, Motorized Dirt Bikes, "ATVs/" Off Road Vehicles, Golf Carts. Mobile homes, campers, and motorized dirt bikes are not permitted within the development. ATVs or other off road vehicles may be used in the Declarant's discretion for Declarant's operational purposes and for access to areas outside of the residential property by Affiliates of Declarant. Golf Carts and/or "mule" vehicles may be used for transportation throughout the development. The Declarant reserves the right to modify this Section at any time and impose the fines and take the actions it deems necessary to enforce this Section, including impounding and prohibiting any vehicle from the development.

8.16. Firearms and Hunting. No hunting with guns or shooting of guns shall be allowed within the development. Hunting opportunities may be available outside of the residential property at the Declarant's discretion. Declarant and Association shall be indemnified and held harmless from any claims arising from the use of firearms.

8.17. Limits of Clearing. No live trees or shrubs having a diameter greater than six (6) inches shall be removed prior to Declarant's approval. Excessive removal of trees will be deemed a nuisance to the community.

8.18. Authorized Use. Only single family residential usage shall be permitted, together with the keeping of domestic pets subject to the limitations set forth herein. No more than one single family may occupy a Tract, provided that in-law suites may be used.

Any rentals of a Principal Residence shall be permitted under this Declaration provided that the rental is for thirty (30) days or more and the Owner shall be required to evict any tenant or occupant that becomes a nuisance to the community. All permitted rentals must be for the entire Principal Residence; a Principal Residence may not be rented in a fraction or portion thereof. Renting or leasing of only a basement, guest house or mother-in-law suite is prohibited. "Renting" is defined as regular, exclusive occupancy of a Principal Residence by any person or persons other than the Owner for which the Owner receives any consideration or benefit.

There shall be no renting of a Principal Residence unless prior written approval is obtained from the Association. All leases shall be in writing in a form approved by the Association. Recognizing that the purpose of this Declaration may be frustrated by the presence of non-Owner occupied Principal Residence, the Association expressly reserves the right, from time to time, to regulate the term of leases, require an Owner to occupy a Principal Residence for a set period or percentage of time or establish other rules and regulations that encourage Owner occupancy of Principal Residences. The Association may charge each Owner an administrative fee for reviewing and approving proposed leases. The Association may prohibit the leasing of any Principal Residence while the Owner is (i) in default in the payment of Assessments, (ii) otherwise in default under this Declaration or (iii) the occupant or tenant of the Owner's Principal Residence violates this Declaration or the rules and regulations adopted by the Association.

If the Principal Residence is leased in violation of this Declaration or any other rule or prohibition, the Association may evict the tenant as if it were a tenant violation. The Owner must make available to the tenant copies of this Declaration. This Section shall not apply to leasing by Declarant or its successors, assigns or Affiliates.

Every Owner shall cause all tenants of his or her Principal Residence to comply with this Declaration, the Bylaws, and all rules and regulations adopted by the Association, and shall be responsible for all violations and losses to Common Spaces caused by the tenants, notwithstanding the fact that the tenants of a Permanent Residence are fully liable and may be sanctioned for any violation of this Declaration, the Bylaws, and all rules and regulations adopted by the Association.

Notwithstanding anything to the contrary in this Section, an Owner's parent, grandparent, brother, sister, adult child, grandchild or direct descendant, shall be permitted to either use or rent an in-law suite or other accessory structure, while the Owner occupies the Principal Residence. The Association may approve, at its discretion, the use by additional extended family members. The copy of the lease, if applicable, must be provided to the Association.

8.19. Prohibited Uses. No commercial, industrial or other non-single family residential use whatsoever shall be permitted on any Tract with the exception of model spec houses. Notwithstanding the foregoing, the Declarant shall have the right to designate certain Tracts for commercial use. No temporary structures, the as trailers, tents, shacks or other similar buildings shall be permitted on any Tract.

8.20. Speeding and Littering. Speeding is prohibited. All vehicles must abide by the posted speed limits on each road and adhere to safe driving practices for the safety of the community. Littering is prohibited. All rubbish, trash, and garbage shall be stored in appropriate containers with lids and regularly removed from each Tract (as necessary) and shall not be allowed to accumulate thereon.

TRACT DEVELOPMENT STANDARDS

9. Tract Development. The development and use of a Tract shall conform to the following standards and regulations in addition to the General Development Standards described in this Declaration.

9.1. Design Review and Approval Process. In order to preserve the natural beauty and aesthetics of the Development, and to protect the values of all properties, all construction on and development of

Tracts shall require design review and approval from the ARB prior to commencing construction to assure any such contemplated work is compliant with these Covenants.

9.1.1. Building Permit Required. No building, structure, road, fence, or improvement of any kind shall be erected, sited, altered, added to, reconstructed or permitted to remain on any Tract, and no construction or other site development activities shall be commenced until a building permit has been issued by the proper county authorities, as applicable, and approval has been issued by the ARB, as defined herein.

9.1.2. Design Guidelines. The ARB shall have the authority to adopt design guidelines to carry out the purpose and intent of this Declaration to insure that incompatible development does not occur (“Guidelines”). All Tract use and development shall conform to any Guidelines adopted by the ARB, as the Guidelines may be adopted or amended from time to time, in addition to the provisions of this Declaration.

9.1.3. Plan Review Submittals.

(a) Two complete sets of plans and specifications for any Tract improvement or alteration, or other site development, including landscaping, shall be submitted to the ARB. The plans shall include a site plan indicating the location of the Principal Residence and the location of any proposed improvements or other ancillary structures within the Tract and proposed landscaping. All plans for any building or structure must be signed by a licensed architect. If the architect does not specialize in landscape design, Owners are encouraged to retain a landscape architect or designer. Professional quality landscape plans are required to be submitted to the ARB.

(b) Tract grading plans shall be required and must be sealed by a licensed professional engineer. Storm Water Intrusion Protection Plans (SWIPP attachments) must be sealed by a licensed professional engineer and accompany the site plan.

(c) All surveys required by the Guidelines must be performed by a registered land surveyor.

(d) Sufficient information shall be submitted to demonstrate compliance with all of the requirements of this Declaration.

(e) A review fee of Five Hundred Dollars (\$500.00) (as adjusted in the reasonable discretion of the ARB from time to time, provided the adjustment shall be applied to all Owners on a non-discriminatory basis) shall be paid to the ARB for the processing and review of all plans and specifications.

9.1.4. ARB Review. The ARB or the ARB’s consultant, a Tennessee licensed architect, shall review the plans and specifications within thirty (30) days from the submission thereof, and determine if the proposed use conforms to the requirements of these Covenants and the Guidelines. The Board shall retain one set of plans and specifications and return the other set to the Owner with comments and/or ARB approval certification.

9.1.5. Performance Deposit. Upon approval as outlined in Section 9.1.4 above, but prior to commencement of construction, a check in the amount of Four Hundred Dollars (\$400.00) shall be presented and made payable to The River Gorge Ranch Property Owner’s Association, Inc. as a construction Performance Deposit. The deposit to be released upon satisfactory completion of approved

construction and landscaping. Violations of these Covenants may result in fines or assessments which may be deducted or assessed against the Performance Deposit.

9.2. Design and Building Professionals. All homes and additions to homes must be constructed by a Preferred Builder or an Approved Builder. Declarant has selected a group of Preferred Builders and design professionals to assist the lot owners with their home design and construction. These professionals have proven skills in designing and building custom homes of all types, and were selected not only due to their abilities and reputation, but for their commitment to what River Gorge Ranch is to be—a natural, diverse mountain community with high quality custom homes. A list of these professionals can be provided upon request.

Should the Owner choose to bring their own architect and/or builder to the project, the Owner must ensure the builder completes the process to become an Approved Builder, including approval of the ARB, prior to entering into a construction contract with the builder. Notwithstanding anything to the contrary in this Declaration, an Owner who seeks to be an Approved Builder must be a general contractor licensed as such in the State of Tennessee.

The Declarant reserves the right to impose fees on Preferred Builders and Approved Builders to ensure the integrity of the development and ongoing requirements to be a Preferred or Approved Builder, including, but not limited to, architectural review, marketing, and refundable performance deposits, and the fees shall be payable to Declarant even after the end of the Development Period. The Declarant also reserves the right to issue fines to builders that endanger the safety and well-being of the development and to ban any contractor from working within the development at any time. All architects, engineers, land surveyors, and building contractors must be licensed to perform work in the State of Tennessee, and contractors must not exceed their maximum dollar limits as imposed by the Board for Licensing Contractors for the State of Tennessee.

9.3. Authorized Structures. No building or structure shall be constructed on any Tract except one single family residence and two of the following: guest house, pole barn, or detached garage. The total number of structures on a Tract shall not exceed a total of three (3) excluding dog houses. Any additional structures will require a variance from the ARB. No additional structures shall be constructed prior to the primary residence breaking ground. Multiple structures can be under construction simultaneously so long as the primary residence is being built.

9.4. Construction. Used materials designed for architectural detailing on the outside of structures may be permitted by the ARB, in the ARB's sole discretion. All construction shall be completed within twelve (12) months from the commencement date of construction, unless the Board approves an extension, which shall not exceed six (6) months in length.

9.5. Height, Size and Floor Area Limitations. No building shall be greater than thirty five (35) feet in height. Building height shall be measured from existing grade to the highest point of the roof. The principal residential structure, exclusive of the garage, shall have a minimum heated floor area of 1,450 square feet for single level principal residential structures and 1,850 square feet for multiple level principal residential structures. Notwithstanding the foregoing, the Declarant in its discretion may allow principal residential structures of 1,000 square feet for single level principal residential structures and 1,400 square feet for multiple level principal residential structures on select Tracts in Phase 4A of the Development.

9.6. Pools and Spas. Pools and spas shall be shown on the appropriate design documents and submitted as part of Final Design Review. The location, design, materials, and colors of pools and spas are subject to approval of the ARB. Owners considering the construction of a swimming pool are encouraged to retain a geotechnical engineer. Compliance with building and safety codes are the responsibility of the Owner.

9.6.1. In-Ground Pools and Spas.

(a) Location. In-ground pools and spas shall be located within the Maximum Buildable Area in rear yards or in the court area of Structures designed with a central courtyard or atrium. Subject to easements, the location of the deck area surrounding in-ground pools or spas must be approved by the ARB.

(b) Elevation Off Grade. The elevation of In-ground pool or spa decks shall not be greater than three feet (3') above the finish grade at the outside edges of the deck.

(c) Pool Equipment. All pumps, filtration, and other equipment must be buffered from the Street adjoining properties, property amenity areas, or common areas. Unless other alternatives are available and approved by the ARB, any the equipment shall be screen by a service wall or be located below grade in an equipment vault.

9.6.2. Portable Spas. Portable spas may be permitted so long as the framing, color, location, and screening are approved by the ARB.

9.6.3. Pool and Spa Protection. Pools must be enclosed on exposed sides by fencing, and portable or In-ground spas must be enclosed by fencing or a protective cover with a locking device.

9.7. Fences. Boundary fences around the exterior Tract lines of any Tract shall be permitted upon approval by the ARB. Materials and construction of fences shall in all cases be of like construction and finish to those present adjacent to the Shared Use Roads. All fences shall be constructed so that the finished side faces outward from the Interior of the Tract. Tracts may be cross fenced or partially cross fenced only once, so as to preserve the beauty and continuity of the development, these are the only fences permitted on any Tract, except for:

(a) Fences around a tennis court or swimming pool, the permitted size and construction type of which shall be approved by the ARB;

(b) Fences enclosing a dog run, the size, construction and location of which shall be approved by the ARB;

(c) Underground electronic fences to restrain and control pets shall be permitted within the boundaries on any Tract; and

9.8. Mailboxes. Each Owner of a Principal Residence completed, or if under construction, prior to the commencement of construction, shall install either a mailbox or a wooden post in the front of each Owner's Tract, which shall identify the address of the Tract, so as to insure emergency services are able to locate the Tract.

Mailbox and identification post installation specifications shall be approved in advance by the ARB. The ARB reserves the right to specify the standardized type, size, and style of mailboxes and wooden posts

within the Development. A mailbox is not mandatory for a Principal Residence, as members may obtain a Post Office box. All mailboxes shall conform to the United States Postal Service requirements. For any Principal Residence not having a mailbox, a wooden post is required.

9.9. Limitation of Liability. The standards and procedures established by this Declaration are intended as a mechanism for maintaining and enhancing the overall aesthetics and use and enjoyment of River Gorge Ranch; they do not create any duty to any person. Review and approval of any application by the ARB may be made on the basis of aesthetic considerations only, and Declarant shall not bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements, nor for ensuring that all dwellings are of comparable quality, value or size, of similar design, or aesthetically pleasing or otherwise acceptable to neighboring property owners. Declarant, the Association, the Board, any committee, or member of any of the foregoing shall not be held liable for soil conditions, drainage or other general site work; any defects in plans revised or approved under this Declaration; any loss or damage arising out of the action, inaction, integrity, financial condition, or quality of work of any contractor or its subcontractors, employees, or agents, whether or not Declarant has approved the contractor; or any injury, damages, or loss arising out of the manner or quality or other circumstances of approved construction on or modifications to any improvements on a Tract. In all matters, the Association shall indemnify the Board and the members of each as provided in this Declaration.

OTHER PROVISIONS

10. Amendment. These Covenants may be amended (i) unilaterally by Declarant at any time during the Development Period, and (ii) thereafter, with the written consent of two thirds (2/3) of the Members, provided (a) the consent of Declarant is required as long as Declarant owns any property subject to this Declaration and (b) subject to the written consent of any governmental authority, if required.

11. Variance. A variance from the requirements of the development standards and restrictions set forth in this Declaration may be permitted in the sole discretion of the ARB, Board or the Declarant; the permitted variances shall be made in writing. No variance shall be effective unless in writing and the granting of a variance does not preclude Declarant from denying a subsequent variance request.

12. Duration of Covenants. All of the Covenants set forth herein shall continue and remain in full force and effect at all times against the Property and the owners and purchasers of any portion thereof, subject to the right of amendment as set forth in this Declaration. If required by law, this Declaration, as it may be amended, shall remain in effect and shall be enforceable by Declarant, the Association, any Owner, and their respective legal representatives, heirs, successors, and assigns, for a term of 40 years from the date this Declaration is recorded. After that time, this Declaration shall be extended automatically for successive periods of 10 years each, unless an instrument signed by 2/3ds of the then Owners has been recorded within the year preceding any extension, agreeing to terminate this Declaration, in which case the Declaration shall terminate as of the date specified in the instrument.

13. Severability. Any decision by a court of competent jurisdiction invalidating any part, paragraph or section of these Covenants shall be limited to the part, paragraph or section affected by the decision

of the court, and the remaining parts, paragraphs, sections and the Covenants therein shall remain in full force and effect.

14. Acceptance of Covenants. Every purchaser of a Tract within the Property shall be bound by and subject to all of the provisions of this Declaration and any future amendment.

15. Common Space. The Association agrees to accept title to the Common Space(s) and Shared Access Road(s) transferred to it by the Declarant, all costs and expenses of the conveyance of the Common Space(s) and Shared Access Road(s) by Declarant to the Association shall be paid by the Association.

(a) When conveyed, the Association accepts the Common Space(s) and Shared Access Road(s) "As Is" and without any representation or warranty, express or Implied, in fact or by law with respect thereto, or with respect to the improvements, including, but not limited to, representations or warranties of merchantability or fitness for the ordinary, or any particular purpose, and without any representations or warranties regarding future repairs, or regarding the condition, construction, accuracy, completeness, design, or adequacy of the size or capacity in relation to the utilization, date of completion or the future economic performance or operations of the Common Space(s) or Shared Access Road(s).

(b) The Owners, Members and Association hereby release Declarant and related parties (and their respective owners, employees, agents and representatives) from any claims the Owners, Members or Association could have, whether known or unknown, and warrant that no claims shall be made by the Association or any Owner or Member relating to the condition or completeness of the Common Space(s), Shared Access Road(s), or otherwise, or for Incidental or consequential damages arising there from.

16. Fire Service. Fire service for the community will be provided by the River Gorge Ranch Volunteer Fire Department, or any other provider approved by the Declarant or the Association (the "fire Service Provider." The current schedule of fees is on file with the Association. Payment of the fire service fee imposed by the Fire Service Provider is mandatory for all Owners and may be enforced by the Association.

17. Owner Insurance. By virtue of taking title to a Tract, each Owner covenants and agrees with all other Owners and with the Association to carry property insurance for the full replacement cost of all insurable improvements on the Owner's Tract. Each Owner further covenants and agrees that in the event of damage to or destruction of structures on the Owner's Unit, the Owner shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or plans and specifications as are approved in accordance with this Declaration. Alternatively, the Owner shall clear and maintain the Tract in a neat and attractive, landscaped condition consistent with the requirements of this Declaration. The Owner shall pay any costs not covered by insurance proceeds.

18. Rule Making Authority. The Board from time to time may make, establish, modify, cancel, limit, create exceptions to, or expand rules and regulations relating to the Property and this Declaration. All Owners are given notice that use of their Tracts and the Common Space is limited by the rules and regulations as modified from time to time. By acceptance of a deed, each Owner acknowledges and agrees that the use and enjoyment and marketability of a Tract may be affected by the rules and regulations. A copy of the rules and regulations may be obtained from Declarant or the Association. Notwithstanding anything in this Declaration to the contrary, so long as Declarant owns property subject to this Declaration, (i) Declarant may unilaterally amend the rules and regulations and the Guidelines for

any purpose, (ii) no rule or action by the Association or Board shall impede Declarant's right to develop any portion of the Property, and (iii) any change to the rules and regulations by the Board shall require the written consent of Declarant.

19. Safety and Security. Each Owner and occupant of a Tract, and the Owner's guests and invitees, shall be responsible for their own personal safety and the security of their property and their use of River Gorge Ranch. The Association may, but shall not be obligated to, maintain or support certain activities within River Gorge Ranch designed to enhance the level of safety or security that each person provides for himself or herself and his or her property. Neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within River Gorge Ranch, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. Each Owner acknowledges, understands, and shall be responsible for informing the Owner's guest and invitees, including all tenants, occupants, etc., of the Owner's property, that the Association, its Board and committees, and Declarant are not insurers or guarantors of security or safety and that each person within River Gorge Ranch assumes all risks of personal injury and loss or damage to property resulting from acts of third parties

20. Miscellaneous.

(a) Additional property may, in the Declarant's sole discretion, be brought within the plan of this Declaration by a supplemental declaration, which may contain supplementary and complementary covenants and restrictions applying to the additional property. The Declarant shall not be obligated to bring any additional property within the plan of this Declaration, and no implied restrictions or implied negative reciprocal easements or covenants shall be created, inferred or implied as to any additional property not encompassed within the plat of record In Register's Office, Marion County, Tennessee. Declarant, in its sole discretion, may, at any time, assign or otherwise transfer its rights and obligations under this Declaration.

(b) No Tract shall be used to provide ingress or egress to or from another lot or tract or parcel of property in the Development unless the lots back up to each other, provided, however, that the Declarant reserves the right to allow owners of property outside said platted property to use the utility easements reserved herein by the Declarant to obtain utilities, which grant of easements by the Declarant shall be at the Declarant's sole discretion and under the terms and conditions as the Declarant deems appropriate. No Tract shall be used to provide utility service to property outside of the subdivision without the express written consent of the Declarant.

(c) Each grantee of Declarant, or a subsequent grantee, by the acceptance of a deed of conveyance for a lot in the subdivision, accepts the same subject to all restrictions, conditions, covenants, reservations, easements and the jurisdiction, rights and powers of Declarant, created or reserved by this Declaration, or by plats or deed restrictions heretofore recorded, and all easements, rights, benefits and privileges of every character hereby granted, created, reserved or declared and all impositions and obligations hereby imposed shall run with the land and bind every Owner of any interest therein, and inure to the benefit of the Owner in like manner as though the provisions of this Declaration were recited and stipulated at length and in each and every deed of conveyance.

(d) So long as the Declarant is an Owner of one or more Tracts, Declarant may, in its sole discretion, combine, merge or re-subdivide Tracts. Once an Tract is conveyed by the Declarant or owner to a non-related third party transferee, said Tract shall not be combined, merged or re-subdivided in any fashion,

except as follows: (1) an Owner may combine, merge, or resubdivide a Tract with the prior written consent of the Declarant or ARB; (2) Owners of multiple adjacent Tracts may combine the Tracts into a single Tract, but the Tract may not later be subdivided into multiple Tracts; and (3) Owners of multiple adjacent Tracts may realign the boundaries of the Tracts upon the prior written consent of the Declarant, provided that the Owner may not create an additional Tract and the Owner must comply with applicable governmental regulations.²¹ Compliance and Enforcement. Every Owner and tenant of a Tract shall comply with this Declaration and rules and regulations of the Association or the ARB. Notwithstanding anything to the contrary in this Declaration, the Board (or Declarant during the Development Period) may impose sanctions for violation of this Declaration or rules and regulations of the Association. The sanctions may include, without limitation:

(e) imposing reasonable monetary fines which shall constitute a lien upon the violator's Tract. (In the event that any tenant, guest, or invitee of a Tract violates this Declaration and a fine is imposed, the fine shall first be assessed against the violator; provided, however, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Board);

(f) suspending a Member's right to vote;

(g) suspending any Owner's right to use any recreational facilities within the Common Spaces, as well as any restaurants or other commercial enterprises developed by Declarant or its Affiliates; provided, however, nothing in this Section shall authorize the Board to limit ingress or egress to or from a Tract;

(h) suspending any services provided by the Association or the Declarant, or its Affiliates, to an Owner or the Owner's Tract, including the provision of water, if the Owner is more than 30 days delinquent in paying any assessment or other charge owed to the Association;

(i) exercising self-help or taking action to abate any violation of this Declaration in a non-emergency situation (the right shall expressly permit the Declarant or owner to enter the Owner's Tract and any such action shall not be deemed a trespass);

(j) requiring an Owner, at its own expense, to remove any structure or improvement on the Owner's Tract in violation of this Declaration and to restore the Tract to its previous condition and, upon failure of the Owner to do so, the Board, Declarant, or its designee shall have the right to, enter the property, remove the violation and restore the property to substantially the same condition as previously existed and any such action shall not be deemed a trespass;

(k) without liability to any Owner, precluding any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of any rules and regulations issued by the ARB.

(l) levying assessments to cover costs incurred by the Association to bring a Tract into compliance with this Declaration.

In addition, the Board or Declarant (during the Development Period) may take the following enforcement procedures to ensure compliance with this Declaration without the necessity of compliance with the procedures set forth in this Declaration:

(i) exercising self-help in any emergency situation (specifically including, but not limited to, the towing of vehicles or trailers that are in violation of this Declaration or parking rules and regulations); or

(ii) bringing suit at law or in equity to enjoin any violation or to recover monetary damages or both.

In addition to any other enforcement rights, if an Owner fails properly to perform his or her maintenance responsibility, the Board may provide a notice of violation or perform the maintenance responsibilities and assess all costs (including, but not limited to, attorneys' fees) incurred by the Board against the Tract and the Owner as an assessment. Except in an emergency situation, the Board shall provide the Owner reasonable notice and an opportunity to cure the problem prior to taking the enforcement action.

All remedies set forth in this Declaration shall be cumulative of any remedies available at law or in equity. In any action to enforce this Declaration, if the Board or ARB prevails, it shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in the action.

21. Additional Rights Reserved to Declarant.

21.1. Addition or Withdrawal of Property. Declarant reserves the right to amend this Declaration for the purpose of (i) adding any property to River Gorge Ranch, or (ii) removing any portion of River Gorge Ranch from the coverage of this Declaration, including Common Space and any property that may have been improved with structures. The amendment shall not require the consent of any Person other than the Owner(s) of the property to be added or withdrawn, if not Declarant. Specifically, Declarant has the right to remove any Common Space, including amenities (community pool, wellness center, restaurant, athletic facilities, etc.), from this Declaration and may transfer the removed property to a third party provided Members have the right to use the removed property on reasonable terms and conditions.

21.2. Marketing and Sales Activities. Declarant may construct, operate and/or maintain upon portions of the Common Space facilities and activities as, in Declarant's sole opinion, may be reasonably required, convenient, or incidental to the construction or sale of Tracts, including, but not limited to, business offices, signs, model units, and sales offices. Declarant shall have easements for access to and use of the facilities at no charge.

21.3. Right to Develop. Declarant and its employees, agents, and designees shall have a right of access and use, and an easement over and upon, the Common Space for the purpose of making, constructing and installing improvements to the Common Space as it deems appropriate in its sole discretion. Each Owner acknowledges that River Gorge Ranch is a planned community, the development of which is likely to extend over a number of years, and agrees not to protest, challenge, or otherwise object to changes in uses, housing types or sizes, or density of property as may be approved by Declarant, in its sole discretion.

21.4. Right to Transfer or Assign Declarant Rights. Any or all of Declarant's rights and obligations set forth in this Declaration or the bylaws of the Association may be transferred in whole or in part by Declarant. No transfer or assignment shall be effective unless it is in a written instrument Declarant signs and Records. The foregoing sentence shall not preclude Declarant from permitting other persons to exercise, on a one time or limited basis, any right reserved to Declarant in this Declaration where

Declarant does not intend to transfer the right in its entirety, and in such case it shall not be necessary to have a written instrument.

21.5. Easement to Inspect and Right to Correct. Declarant reserves for itself and others it may designate the right to inspect, monitor, test, redesign, and correct any structure, improvement, or condition that may exist on any portion of the property within River Gorge Ranch, including Tracts, and a perpetual nonexclusive easement of access throughout River Gorge Ranch to the extent reasonably necessary to exercise any right of Declarant under this Declaration. Except in an emergency, entry onto a Tract shall be only after reasonable notice to the Owner, and no entry into a dwelling shall be permitted without the consent of the Owner.

[Signature on following page]

IN WITNESS WHEREOF, Declarant has executed this Declaration effective the 26 day of April, 2022.

Thunder Air, Inc.
a Tennessee Corporation

By: [Signature]
Dane Bradshaw, President

STATE OF TENNESSEE
COUNTY OF Marion

Before me, a Notary Public of the State and County aforesaid, personally appeared Dane Bradshaw, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself to be the President of Thunder Air, Inc., the within-named corporation, and that he as such official, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such officer.

WITNESS my hand and official seal, this 26th day of April, 2022.

[Signature]
Notary Public

My Commission Expires: 10.12.2025



Exhibit A

Description of Property

Land in Marion County, Tennessee, as described in the Special Warranty Deed recorded at Book 549, Page 321, in the Register's Office, Marion County, Tennessee, and the Quitclaim Deed recorded at Book 556, Page 120, in the Register's Office, Marion County, Tennessee.

For prior title see Special Warranty Deed recorded at Book 549, Page 321, in the Register's Office, Marion County, Tennessee, and the Quitclaim Deed recorded at Book 556, Page 120, in the Register's Office, Marion County, Tennessee.