

THIS INSTRUMENT WAS PREPARED
BY *Lawrence J. Patten, Attorney*
AT *Crossville, Tenn*

DECLARATION OF RESTRICTIONS

HOLIDAY HILLS RESORT

WHEREAS, The Pilgrim Development Corporation, a Tennessee corporation is the owner of a resort development referred to as Holiday Hills Resort, comprising what has formerly been referred to as Holiday Hills and Hide-A-Way Hills; and,

WHEREAS, the lots in Holiday Hills Resort Subdivision are described by Plats of record in the Register's Office of Cumberland County, Tennessee, and by Plats to be hereinafter recorded in the Registers Office of Cumberland County, Tennessee; and,

WHEREAS, for the benefit and protection of the future and present owners of said lots in said subdivision and for the establishment and maintenance of sound values of the lots in said subdivision it is desired that certain restrictions and reservations be imposed on said lots in said subdivision and be made a matter of public record and property conveyed in said subdivision conveyed subject to such restrictions and reservations.

NOW, THEREFORE, for and in consideration of the premises, The Pilgrim Development Corporation imposes upon said Holiday Hills Resort Subdivision the following restrictions, reservations and conditions, all of which shall be deemed covenants running with the land:

1. Lots in the subdivided portions of the property shall be used for residential purposes only, and no commercial or advertising activity of any type shall be carried on on same. This shall not be construed, however, to prohibit any owner from renting any residence or dwelling for residential purposes to third parties and any lot owner may advertise his lot for sale or

rent by means of a sign measuring not more than 4 square feet in area. Not more than one residential dwelling will be constructed on each lot and not more than one detached accessory building may be erected on each lot, exclusive of any boathouse or boatdock hereinafter provided. Except as shown on a plat, or as specified by local ordinances, each residential dwelling or other accessory building shall be constructed at least 50 feet from any lake shore line, 30 feet from any road rights-of-ways, 10 feet from any lateral or sidelines of any lot and 30 feet from the rear lot line for those lots not fronting on any lake.

2. Every improvement to be placed a lot once such improvement has begun construction shall be completed within six (6) months from the commencement of such construction. Improvements not completed within 6 months, improvements on which construction has been interrupted for 90 days, and improvements partially or totally destroyed and not rebuilt within 6 months shall be deemed a nuisance and The Pilgrim Development Corporation, its successors and assigns, hereinafter referred to as Developer, may remove any such nuisance or repair or complete the same at the cost of the owner of such lot. No garage, shed, or other accessory building shall be built on any lot before a residential dwelling is completely built on such lot. No garage, shed, temporary building, or partially completed building shall be used for dwelling purposes. Modular homes, trailers, recreational vehicles and tents shall be utilized only in those areas designated for those specific uses.

3. Each lot, whether occupied or unoccupied, and all improvements on any lot shall at all times be maintained in a good and clean condition, including but not limited to the conditions that the grass shall be mowed during the growing season, all rubbish and debris removed and weeds controlled. If any lot or any improvements thereon is not so maintained, Developer may

maintain, restore or repair any unsightly conditions, the cost of which shall be added to and become a part of the annual charge to which said lot is subject. Neither Developer nor any of its agents or employees or contractors shall be liable for any damage which may result from any maintenance, restoration or repair work performed hereunder.

4. No outside toilets shall be allowed on any lots and no waste or effluent shall be permitted to enter any of the lakes and the installation and establishment of all sewage disposal systems, whether connected to sanitary sewers, or by means of septic tanks and field drain lines, must be designed and constructed in accordance with applicable and existing local and state health regulations.

5. The central water system shall be the sole water system for the subdivision. No owner may install or use any alternate system or method of water supply without the approval of Developer and the appropriate local and state health agencies.

6. No lot shall be used in whole or in part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such lot to appear in an unclean and unsightly condition, nor shall any substance, thing or material be kept upon any lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding property. No owners shall burn or permit the burning out of doors of garbage, trash or other household refuse or the burning of any other substance on any lot. Every fuel storage tank on any lot shall be either buried below ground or screened. Every receptical for rubbish shall be underground or shall be so placed and kept as not to be visible from any street or lake within the subdivision.

7. No travel trailer or tent or other temporary structure shall be placed or erected on any lot, nor shall any overnight camping be permitted on any lot. This shall not apply to Developer establishing clearance campground areas for Developer's clearance recreational vehicle site or mobile home site areas.

8. No growing or live trees may be cut on any lot which are more than six (6) inches in diameter, except, however, such area on the lot which may be used by the owner to erect a residential dwelling, together with the area necessary to install a septic tank and field drain line in the event central sewer is not available.

9. No pier, dock or other structure shall be built on any lake without the written permission of Developer, which permission shall be construed as being a revocable license.

10. No lot may be resubdivided to form smaller lots, but this shall not preclude the resubdivision of a lot or portions thereof to form larger lots.

11. No drilling, refining, quarrying, or mining operation of any kind shall be permitted on any lot.

12. Clothes lines or drying yards shall be so located as not to be visible from the street serving any lot, or from the water front of any lots fronting on any lakes.

13. No substantial changes in the elevation of the land of any lot shall be made without the approval of Developer. Each owner shall keep drainage ditches and swales located on his lot free and unobstructed and in good repair and shall provide for the installation of such culverts upon his lot as may be reasonably required. No owner of any lot shall interfere with the natural drainage of surface water from such lot to the detriment of any other lot owner.

14. No animals or fowl shall be kept or maintained on any lots, except household pets, which pets must be confined to

owner's lot, unless such pet is on leash and under the direct supervision of said owner while in the subdivision area.

15. No mini-bike, trail bike, snowmobile or other similar type vehicle may be operated within the subdivision, except pursuant to the rules and regulations established by Developer.

16. No building that is to be used as a model home or exhibit house shall be built without the prior written permission of Developer.

17. No owner of any lot which is shown on the Plat as being contiguous to a lake or stream shall have any right with respect to any stream that is a tributary of any such lake or with respect to such lake, the land thereunder, the water therein, or its or their elevation, use or condition, nor shall such Owner have any riparian rights or incidents appurtenant. No person shall acquire title to any land in the subdivision by accretion, reliction, submergence or changing water levels. The right to use any existing or proposed lake that may be established or hereafter established in the subdivision for any purpose shall be subject to such rules and regulations as from time to time are approved by Developer.

18. Developer shall have the right at any time to dredge or otherwise remove any accretion or deposit from any lakefront lot in order that the shoreline of the lake to which such lot is contiguous may be moved inland toward or to, the boundary of said lot. Developer shall have the right to temporarily raise and lower the water level of any lake in the Development in accordance with appropriate local and state regulations. Developer shall not be liable for damages caused by erosion, washing or other action of the water of any lake. A strip 15 feet in width along the line of any lot abutting any lake is reserved for lake and shoreline maintenance.

19. Developer reserves easements for the installation and maintenance of utilities and drains parallel to and 10 feet from all lot lines and Developer reserves the rights of ingress and egress to such areas for the purpose of installing, operating and maintaining any of the above mentioned installations. In addition, Developer reserves a temporary construction easement through each lot to such width as is needed in Developer's sole discretion for the installation of sewer lines, water lines, power and telephone lines as constructed or hereinafter constructed by the Developer or any utility company through the lots. No improvement or structure, planting or activities shall be permitted on such temporary construction easement which may damage or interfere with the use of said easement for the purposes herein set forth. No owner shall have any claim against Developer or its licensees arising out of the exercise or nonexercise of any easement reserved hereunder, or on the plat, except in case of wilful or wanton misconduct.

20. On each lot, the right-of-way and easement areas reserved by Developer are dedicated to public utility purposes shall be maintained continuously by the lot owner, but no structures, plantings or other materials shall be placed or permitted to remain or other activities undertaken which may damage or interfere with the installation or maintenance of utilities, which may change the direction or flow of drainage channels in the easements, which may obstruct or retard the flow of water through drainage channels in the easements, or which damage or interfere with the established slope ratios or create erosion or sliding problems, provided, however, that when the existing location of a drainage channel would hinder the orderly development of a lot the drainage channel may be relocated on such lot, provided the newly formed drainage swale is properly stabilized and provided

such relocation does not cause an encroachment on any other lot in the subdivision. Improvements within such areas shall also be maintained by the respective lot owners except for those which a public authority or utility company is responsible.

21. The lots in the subdivision shall be burdened by such additional easements as may be shown on any recorded plat.

22. Developer excepts and reserves unto itself, its successors and assigns, the exclusive right to dedicate the roads, streets and avenues in the subdivision to public use without the joinder, release or consent of any purchaser, grantee or grantees and his, her or their heirs and assigns, and said purchaser, grantee or grantees and his, her or their heirs and assigns are required to release all damages or claims resulting therefrom.

23. Developer may from time to time and in its sole discretion annex to the subdivision any other real property which from time to time may be owned by Developer. Developer reserves the right as a result of the said annexation to increase the mutual real and predial servitudes upon each of the lots in the present subdivision and upon the roadways, easements, community areas, recreational areas and utilities of the entire subdivision.

24. All vehicles belonging to or used by the owners of lots, their guests, invitees or tenants, shall be parked on the lot or other off-street areas and shall not be parked on the streets of the subdivision. No inoperative vehicle shall be allowed to remain on any lot beyond a reasonable period of time, not exceeding 30 days.

25. Any permanent structures erected on any lots in said subdivision shall be constructed in such manner as to promote the harmony and beauty of the general surroundings and the present residential dwellings that have already been established. Following

such construction said structures shall be maintained in an attractive manner and all painted exterior surfaces shall be painted on a periodic basis to prevent such structures from becoming unsightly.

26. Developer reserves unto itself the right to designate lots or tracts of property within the subdivision for the construction of duplex dwellings, multi-family dwellings, condominiums, garden apartments, village townhouses, cluster village units, destination units, recreation vehicle areas, mobile home areas, camping areas, areas reserved for community purposes and areas reserved for commercial, religious and educational purposes on recorded plats. In the event of such designated areas, any provisions herein to the contrary notwithstanding shall not be applicable to such areas as limiting such areas to single family residence or dwellings only and developer reserves the right to establish restrictions and reservations contrary to ones set out herein which shall be beneficial to the use of such areas based upon the purpose and use for which such lot or tract of land was reserved.

27. The residential dwelling constructed on any lot, except those lots and tracts that may be designated lots and tracts for construction of duplex dwellings, multi-family dwellings, condominiums, garden apartments, village townhouses, cluster village units, destination units, recreational vehicle areas, mobile home areas, camping area, areas reserved for community purposes and commercial, religious and educational areas on recorded plats shall contain the following minimum square feet of fully enclosed and heated floor area devoted to living purposes exclusive of porches, terraces, patios, garages and out-buildings:

a. For any lot adjoining or contiguous to Lake Holiday or any other lake 1600 square feet.

b. For any lot, any portion of which is within 500 feet of Lake Holiday, 1200 square feet.

c. All other lots, 900 square feet.

28. All property lines on any lot shall be kept free and open and no fences, hedges or walls shall be constructed except as permitted by Developer.

29. Each single one of the reservations or restrictions herein set out are declared to be independent of and severable from the remainder of the restrictions and reservations and of and from every other one of the restrictions and reservations from every combination of restrictions and reservations. Therefore, if any of the restrictions and reservations shall be held to be invalid or to be unenforceable or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability or running with the land quality of any of the other restrictions and reservations.

The continuing unqualified right to alter, modify, amend, subtract or add to any of the restrictions, covenants, restrictions and conditions during the development period when in the opinion of the Developer it is necessary for the benefit and mutual protection of all property owners, provided, however, that any such alterations shall not do anything to reduce the size of reserved community areas, as shown on the recorded plats. A copy of such changes shall be on file at the office of Developer for inspection and such changes shall also be recorded by Developer in the Register's Office of Cumberland County, Tennessee.

30. The restrictions and reservations shall be considered as covenants running with the land, and shall bind the purchasers of all lots shown on the subdivision plat recorded or to be hereinafter recorded, their heirs, executors, administrators and assigns,

and if said owners or any of them, their heirs, executors or assigns shall violate or attempt to violate any of the covenants or restrictions herein contained, it shall be lawful for any person or persons owning any such lot in the subdivision in which said lot is situated to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants or restrictions or either to prevent him or them from so doing or to recover damages for such violation.

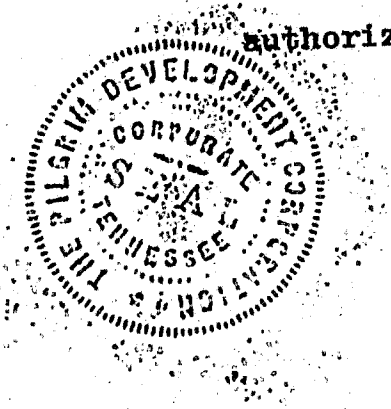
31. All governmental building codes, health regulations, zoning restrictions and the like applicable to the property now are hereafter made subject to this declaration shall be observed by all lot owners. In the event of any conflict between any provision of such governmental code, regulation or restriction and any provision of this declaration, the more restrictive provision shall apply.

32. Wherever used in this declaration the word Developer shall be construed to mean the present owner, The Pilgrim Development Corporation, and its successors or assigns, and any reservation accruing to the benefit of said Developer shall be an assignable right and may be exercised by any person, firm or entity which may succeed to the interest presently held by The Pilgrim Development Corporation.

In witness whereof, Developer has executed this instrument on this 24th day of April, 1974, by its duly authorized officer.

THE PILGRIM DEVELOPMENT CORPORATION

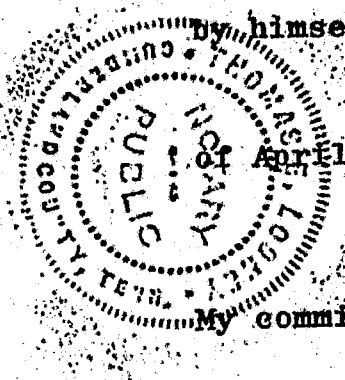
By T. Louis Jerkins
T. Louis Jerkins, Controller



State of Tennessee }
Cumberland County }

Before me, the undersigned authority, a Notary Public, in and for said State and County, personally appeared T. Louis Jerkins, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be Controller of The Pilgrim Development Corporation, a Tennessee corporation, and that as such Controller, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Controller.

Witness my hand and seal of office on this the 24th day of April, 1974.



Thomas L. Jones
Notary Public

My commission expires: May 8, 1974

For J. H. Bond

IN THE CUMBERLAND COUNTY,
Tennessee, this 24th day of April, 1974, the instrument and certificate were noted in Note Book
Book 111, Series , Page 293.
Receipt No. 22167

355 At 11:57 A.M. on April 24 1974
Total \$ 22.00
Rhoda Mae Davis
By: Judy Stewart
Dep. Reg.