

QUAILWOOD DEVELOPMENT RESTRICTIVE COVENANTS

KNOW ALL MEN BY THESE PRESENTS: That NORTHPOINTE, INC., a Tennessee Corporation (hereinafter referred to a "Developer"), being, on the day hereof, the owner of all property contained in QUAILWOOD DEVELOPMENT, a plat of which appears of record in the Register's Office of Gibson County, Tennessee, in Plat Cabinet "C", Slide 74, and Slide 79, reference to which plat is hereby made, and the owner of all of the lots onto which such property is subdivided as shown by such plat, and desiring to create and establish certain restrictions with respect to all of the lots in QUAILWOOD DEVELOPMENT, and any subsequent or future sections or phases of QUAILWOOD DEVELOPMENT, and the use thereof, for the benefit and protection of the undersigned and of all persons subsequently being purchasers or owners of any such lots, and as an inducement to encourage the purchase by others of such lots, and as residential purposes, does hereby impress upon such property and upon each and all of the lots into which the same has been subdivided as provided by the plat the following covenants and restrictions:

1. All lots in QUAILWOOD DEVELOPMENT shall be used for private, residential purposes only; provided, however, the Developer shall have a right to continue to use all unsold lots in QUAILWOOD DEVELOPMENT for agricultural purposes.
2. "Owner" herein shall refer to the record owner, whether one or more persons or entities, of any affected lot, but excludes those having an interest in the affected lot merely as a security for the performance of an obligation.
3. Any variance from these restrictive covenants permitted herein by approval of the Developer shall require the written approval of the Developer whether specified or not to be in writing.

4. No building shall be erected, altered, placed, or permitted to remain on any lot other than one (1) single family dwelling unit and other buildings or structures customarily used as "outbuildings" for a single family dwelling unit and which are, additionally, of a permanent nature, and are specifically approved in writing by the Developer. Any "outbuilding" must have a brick front, similar to the lots dwelling unit, or must be fenced, as specified in item 13. Additionally, the "outbuilding" roof must be shingled to match the dwelling unit.

5. Prior to construction of a dwelling on a lot in the development, the owner of the lot must submit a detailed set of house plans, including the proposed site plan, to Developer for written approval thereof and no construction on any lot may be commenced without first obtaining said written approval of the Developer of the site plan and both the exterior or architectural design and the specifications of construction materials. Once written approval has been obtained, construction on the lot must generally conform with the approved plans. Developer further reserves the right, upon written request by a lot owner, to waive any provision or the requirements of any restriction herein contained, however, such waiver shall be in the sole discretion of Developer and nothing herein contained is intended to imply or require the Developer must, under certain circumstances, grant such waiver. Developer may assign, terminate or transfer its rights and obligations as a Developer or terminating such rights and obligations in the Register's Office of Gibson County, Tennessee. Upon execution and recordation of such instrument of assignment, or termination, Developer shall have no further obligations or rights with reference to the Development as a Developer. Dwelling must be built of 80% brick. Other materials, including trim, must be approved by Developer.

6. In the event any lot owner shall construct any improvements on any lot without first obtaining the prior written consent of the Developer, or other such consents as are required by law, said owner shall be liable to the Developer for liquidated damages penalty in the amount of \$2,500. Nothing herein contained is intended to serve as a waiver of the undersigned or any other lot owner's rights to require full compliance with these restrictions and payment of such penalty shall not relieve said lot owner from compliance with these restrictions. Further, if any owner of a lot shall violate or attempt to violate any of the restrictions or covenants herein contained, it shall be lawful for the Developer or any person owning a lot within the Development to prosecute such proceedings at law or in equity against the person or persons violating or attempting to violate said restrictions either to prevent such violations or to recover damages therefore, or both. In the event the Developer or a lot owner shall employ the services of an attorney to enforce any covenant or restriction herein contained, the non-complying lot owner shall be liable for all costs, expenses and attorney's fees incurred by such Developer or lot owner, to enforce these covenants and restrictions. Invalidity of any one or more of these restrictions or covenants by judgment or court order shall in no way affect any of the other provisions that shall remain in full force and effect.

7. No dwelling erected on any residential lot shall be more than (1 ½) story in height (exclusive of basement).

8. Except with prior written approval of the Developer, any dwelling erected on any residential lot shall have an interior heated ground floor area of at least 1,200 square feet, said minimum interior ground floor area to be exclusive of all areas within open porches, breezeways, and accessory buildings.

9. No unattached garage or carport shall be constructed on any lot.

10. No dwelling shall be erected on any lot unless of a permanent type, and in no event, shall the outside walls of any dwelling be covered with imitation brick or prefabricated brick panels, and no house with open foundation or other unsightly mode or method of construction shall be placed on any lot.
11. No mobile homes or previously used structures of any type shall be placed on an lot, and the exterior of all buildings shall be constructed of new material, except that the use of "old brick" and "old ironwork" and other ornamental objects may be permitted with prior approval of the Developer.
12. No structure of a temporary character or nature, including but not limited to a trailer, basement, tent, shack, garage, barn, or other outbuildings shall be used on any lot at any time as a residence, whether temporary or permanent.
13. No fence of any type may be placed, erected, or altered on any lot without prior written approval of the Developer. Any fence must have a minimum height of 6 feet, and must be a wooden, privacy type. In no event will chain link fences be erected.
14. No security lights (of size or design similar to streetlights) shall be erected on lots in QUAILWOOD DEVELOPMENT, without prior written approval of the Developer.
15. A fence, as described in Item 13, must enclose any swimming pool constructed.
16. Owner agrees to install Developer selected mailbox specifically approved for QUAILWOOD DEVELOPMENT.
17. Any heating or cooling system for a structure on any lot, which is of a type that uses a water source heat pump, or similar device, must drain into a dry well and shall not drain onto the surface of the lot or surrounding lots or into a field drainage system.

18. No building shall be erected on any lot nearer than the recorded Development plat setbacks.

19. "Owner" agrees to maintain property in such a condition as to minimize off-site damage from erosion; sediment deposits and storm water runoff. This requirement is effective for the entire duration of ownership of said property. Owner acknowledges and agrees that Developer is not responsible for damages which may be suffered by Owner or other property owners or parties as a result of site preparation work and/or home construction, carried out by owner and his/her subcontractors and Owner agrees to hold Developer harmless from any such damages, including fines, sustained in connection therewith.

20. No lot shall be re-subdivided, except that footage may be taken from one lot and added to another lot; provided, however, that only one single family dwelling unit may be erected on any lot.

21. Each lot in QUAILWOOD DEVELOPMENT shall be subject to such drainage, utility, and other easements as provided on the recorded plat.

22. All utility connections, including but not limited to water, gas, electricity, telephone and cable television, shall be installed underground from existing utility lines.

23. Whenever sanitary sewers are available and can be satisfactorily utilized, no individual sewage disposable system shall be permitted or continued to be used on any lot.

24. No noxious or offensive activity or condition shall be carried on or permitted to exist upon any lot, nor shall any activity or condition be carried on or permitted to exist thereon which may be or may have become an annoyance or nuisance on the lot or any other lots in QUAILWOOD DEVELOPMENT or which in any manner detracts from the appearance of any lot therein.

25. No fowl, livestock, or other animals, except such customary domesticated animals as dogs and cats, for so long as the same are not dangerous or annoying, shall be kept, stable, or penned on any lot or brought onto the premises.

26. For the period of time between purchase of a lot from the Developer and the commencement of actual construction of a single family dwelling unit on such lot, the lot shall be maintained in generally the same condition as existed at the time of purchase with respect to appearance and shall be mowed, as necessary, by the owner thereof so as to maintain the required appearance. Further, the owner of a lot, except to the extent required during construction, shall not take or permit any action on or with respect to the lot which would, at an time, render it unattractive or unsightly.

27. During the period of actual construction of a single family dwelling unit on a lot, the owner thereof shall require all primary and subcontractors and other workmen furnishing services or material to the premises to keep both the lot under construction and other lots reasonable free of trash and other construction debris.

28. All driveways and sidewalks shall be of washed rock exposed aggregate concrete. Any exception should be submitted to Developer for written approval.

29. All trash and refuse shall be disposed of in proper containers as allowed and permitted by local laws and ordinances.

30. For purposes of administering the applicability and enforcement of these Restrictive Covenants, including the granting of such waivers and approvals as may be required hereunder, the Developer hereby designates and appoints George D. Dodson, III, or Harry Henry, officers of the Developer, to be it's agents for all purposes in connection with administering these Covenants.

31. Owners agree to begin construction of residence within twelve (12) months of purchase.

The foregoing restrictions and reservations shall constitute covenants running with the land and shall bind all purchasers (or owners) of such lot in QUAILWOOD DEVELOPMENT, their heirs, successors and assigns, and all persons claiming under them, for a period of ten (10) years from the date of recording of this instrument; after which time such restrictive covenants shall automatically be extended for successive periods of ten (10) years, unless an instrument signed by a majority of the then owners of the lots providing for a change of such covenants in whole or in part or a cancellation thereof, is placed of public record in the Register's Office of Gibson County, Tennessee.

The foregoing covenants may be enforced by the Developer and any owner of a lot or lots in QUAILWOOD DEVELOPMENT acting jointly or severally, by proceedings in law or equity; however, failure to enforce the breach of any covenant provided herein shall not, in any manner, constitute a waiver thereof or bar future enforcement. The invalidation of any one or more of the aforesaid covenants or restrictions by any court of competent jurisdiction shall not affect the force or validity of any other covenant or restriction, as the same shall be deemed severable.

IN WITNESS WHEREOF, NORTHPOINTE, INC., a Tennessee Corporation, has caused it's name to be subscribed hereto by Harry L. Henry, it's Secretary/Treasurer, be being authorized to do so on this the _____ day of _____, 2004

NORTHPOINTE, INC.,
A Tennessee Corporation

By: _____
Harry L. Henry, Sec./Treas.

STATE OF TENNESSEE
COUNTY OF MADISON

Before me, _____, of the state and county aforesaid, personally appeared Harry L. Henry, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be Sec./Treas. of NORTHPOINTE, INC., the within named bargainer, a Tennessee corporation, and that he as such Sec./Treas., being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as Sec./Treas.

WITNESS MY HAND and seal, at office, on this the _____ day of _____, 2004.

Notary Public

My Commission Expires; _____