

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

**HARBOUR PLACE ON LAKE TELLICO**

THIS DECLARATION of Covenants, Conditions and Restrictions, made this 26<sup>TH</sup> day of August, 1997, by Lakeside Properties, Inc., a corporation duly organized and existing under the laws of the State of Tennessee with offices and principal place of business located at 2000 Cherokee Drive, Maryville, Tennessee 37801, hereinafter referred to as "DEVELOPER".

**WITNESSETH:**

THAT, WHEREAS, said developer is the owner of certain real estate located in Monroe County, Tennessee, as shown by deed of record in Warranty Deed Book 232, Page 170, in the Office of the Register of Deeds for Monroe County, Tennessee (hereinafter referred to as the "Property"), and

WHEREAS, a predecessor in title to Developer acquired the Property from the Tellico Reservoir Development Agency, an agency created under the laws of the State of Tennessee and organized and existing pursuant to Act of April 1, 1982, Pub. Ch. No. 679, codified at Section 64-1-701 et seq. of Tennessee Code Annotated (hereinafter referred to as "TRDA"); and

WHEREAS, the Property is subject to the restrictions, conditions, limitations and easements applicable to Tract XTELLER-13 contained in that certain Special Warranty Deed between the Tennessee Valley Authority, a corporate agency and instrumentality of the United States organized and existing pursuant to the Tennessee Valley Authority Act of 1933, 48 Stat.58, as amended, 16 U.S.C. Section 831-831dd (1976; Supp. V, 1981), (hereinafter referred to as "TVA"), recorded in Deed Book 163, page 461, in the Register's Office for Monroe County, Tennessee, and

WHEREAS, the Property is subject to the restrictions, conditions, limitations, easements and covenants as contained in Contract No. TV-60000A, as supplemented, between TVA and TRDA, and these covenants, conditions, and restrictions; and

WHEREAS, the Property is subject to the restrictions, conditions, limitations, easements and covenants as contained in that certain Agreement dated September 18, 1985, as amended by Agreement dated March 20, 1986, between The Tellico Reservoir Development Agency and Seven C's, Inc.; and

WHEREAS, the Property is subject to the terms, conditions, provisions and restrictions contained in the deed from The Tellico Reservoir Development Agency to

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Seven C's, Inc., dated December 4, 1986 and recorded in Deed Book 180, Page 418, in the Register's Office for Monroe County, Tennessee; and

WHEREAS, Developer, with the encouragement and assistance of TRDA, desires to create upon the Property a residential community with streets, water and sewer utility systems, and green areas for the use and benefit of said community (hereinafter referred to as the "Project"); and

WHEREAS, Developer desires to provide for the constructions of the facilities aforesaid and also desires to provide for the preservation of the values and amenities in said community and for the maintenance of said facilities and, to this end, desires to subject the Project to the covenants, restrictions, easements, charges and liens heretofore and hereinafter set forth, each and all of which is and are for the benefit of the Property and each owner thereof; and

NOW, THEREFORE, Developer hereby declares that all of the Property shall be held, sold and conveyed subject to the aforesaid and following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of and which shall run with the Property and be binding upon all parties having any right, title, or interest in or to said Property or any portion thereof, their heirs, executors, administrators, legal representatives, successors and assigns, and which shall inure to the benefit of each owner thereof.

**ARTICLE 1**  
**DEFINITIONS**

In addition to other definitions herein provided and except where it is clearly evident from the context that a different meaning is intended, the following terms shall have the following meanings when used in this Declaration:

1. "Declaration" means this instrument as extended or supplemented from time to time in the manner herein provided.
2. "Developer" means Lakeside Properties, Inc., a Tennessee corporation, its successors and assigns.
3. "Owner" shall mean and refer to the record owner (other than the Developer) whether one (1) or more persons or entities, of fee simple title to any Lot which is a part of the Property, but excluding those persons or entities having such interest merely as collateral security for the payment of a debt or for the performance of an obligation.
4. "Lot" shall mean the numbered lots as shown on the recorded subdivision plat of the Property.

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5. "Property" means all real property described in Deed Book 232, Page 170, in the Register's Office for Monroe County, Tennessee, which is hereby subject to this Declaration and shall also include any additional land made subject to the terms of this Declaration in the future.

6. "Common Property" means all the land, property and space shown on the Plat, and all improvements and structures erected, constructed or contained therein or thereon, and all easements, rights and appurtenances belonging thereto and all future furniture, fixtures, furnishings and equipment intended for the mutual use, benefit or enjoyment of the Owners.

7. "Association" means Harbour Place Property Owners Association, Inc., a Tennessee non-profit mutual benefit corporation, its successors and assigns.

8. "Charter" means the charter of incorporation of Harbour Place Property Owners Association, Inc.

9. "By-laws" means the By-laws of Harbour Place Property Owners Association, Inc.

10. "Board of Directors" means the Board of Directors of Harbour Place Property Owners Association, Inc.

11. "Member" means all those persons or entities who are members of the Harbour Place Property Owners Association, Inc. as hereinafter provided.

12. "Common Expense" means all expenses incurred by the Association for the maintenance, repair, replacement, operation, management and administration of the Common Property.

13. "Assessment" means such amounts as as required by the Association for payment of the Common Expense and levied against the owners by the Association in accordance herewith.

14. "A.C.C." means the Architectural Control Committee, a selected group of owners designated to review buildings plans for compliance within the Declaration of Covenants, Conditions, and Restrictions.

15. "Utility Easements" shall mean and refer to those areas of land designated for such purposes on the Plat or as may be provided for in this Declaration or any amendments hereto.

16. "Master Plan" means that certain master plan for the development of the Property and submitted to TRDA by the Developer.

17. "TRDA" means Tellico Reservoir Development Agency.
18. "TVA" means Tennessee Valley Authority.
19. "Shoreline Strip" means those certain lands of the Tellico Reservoir owned by TVA and lying between the 805 M.S.L and 820 M.S.L. and adjacent to the Property.

**ARTICLE II**  
**PROTECTIVE COVENANTS**

1. **Application.** The Protective Covenants shall apply to all of the property.
2. **Residential Area Use And Building Type:** Unless otherwise designated on any plats recorded hereafter, and/or unless otherwise designated in writing by the Developer or its Successors or Assigns hereafter, each tract and/or lot shall be used only for residential purposes, and no residence shall be erected, constructed, maintained, used or permitted to remain on any lot other than one(1) single family dwelling of a low profile design not to exceed two (2) stories in height, except as provided hereafter. Dwellings of one (1) story above ground level shall contain, in the heated living area thereof (exclusive of basement, porches or garage) not less than eighteen hundred (1,800) square feet. Dwellings of two (2) stories above ground level shall contain in the heated living area thereof (exclusive of basement, porches or garage) not less than eighteen hundred (1,800) total square feet, inclusive of both stories, with the main floor to contain not less than twelve hundred (1,200) square feet. No exposed concrete block or cinder block shall remain on any exterior wall above ground. The exterior walls of any structure or dwelling on any tract and/or lot shall be of new materials consisting of wood, log, stone, stucco, or brick and must be of natural earth-tone colors. Any type of vinyl siding is prohibited, as well as any type or color of aluminum siding, except with written permission of the Developer and/or the Architectural Control Committee. The provisions of this paragraph shall not apply to building or structures on any common areas, which matters shall be governed by the Harbour Place Property Owners Association, Inc.
3. **Setbacks And Building Location:** No building, or any part thereof, shall be placed closer to the front or back lot lines than the setback lines shown on the recorded subdivision plat; provided, however, that in the event such requirements create an undue hardship upon the owner, such setbacks may be modified by the A.C.C. to the extent necessary to prevent the hardship. No building, or any part thereof, shall be erected on any lot nearer than thirty (30) feet to the front lot line or nearer than thirty (30) feet to any side street line. No building shall be located nearer than ten (10) feet to any interior tract or lot line, or nearer than ten (10) feet to any rear tract or lot line and on waterfront lots or tracts there shall exist twenty five (25) feet setback from the TVA boundary. In the event

such sideline setback requirements create an undue hardship upon the owner, such setbacks may be modified by the A.C.C. to the extent necessary to prevent the hardship. Should the minimum building setback line for any particular lot shown on any plat recorded hereafter be in conflict with the above specified setback lines, then the maximum building setback lines reflected on said plat shall control as to such lots.

4. Garages: A private garage may be built separately or attached to and made a part of the dwelling, but must be made of the same materials and conform in construction and style with the dwelling, and must be built at the same time or after construction of the dwelling.

5. Outbuildings: Any separate storage building, workshop or other incidental out building is allowed provided that the architectural style, quality of construction and building materials are consistent with the caliber and appearance of the main residence structure. All out buildings must be approved by the Developer and/or the Architectural Control Committee referenced hereafter prior to construction. There shall be no trailers, buses, mobile homes, double-wide mobile homes, tents, campers, shacks, barns, or any derivative of the foregoing, or any structure removed from any other location or site, situated on any lot as a temporary or permanent residence or for storage, either temporary or permanently. All trailers, boats, trucks, motor homes, etc. shall be kept, maintained or stored in a garage as described above.

6. Time Frame for Completion: All exterior construction upon all tracts or lots must be either completed or enclosed to include windows, doors, siding and roof within one (1) year of commencement of construction.

7. Maintenance: Each lot owner shall keep their lot or lots, properly maintained and groomed in a neat and sanitary condition, whether or not said lot is improved with a dwelling. Each said owner shall promptly remove or otherwise dispose of any accumulation of trash, garbage or rubbish. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Junked, inoperative or unlicensed vehicles, and all machinery, tractors, utility trailers, and any items or debris which would be considered an eyesore or incompatible with the area, shall not be stored or kept on any tract or lot for a period of more than thirty (30) days unless housed or kept in a enclosed garage of the type described in Paragraph Four (4) hereof, and shall not be visible from any road or adjoining property at any time. Each lot must be mowed and/or cleared of undergrowth at least four (4) times per year.

Any person undertaking any construction on a lot and the owner of such lot shall be responsible for maintaining the continuing cleanliness and orderly appearance of said lot, and repairing any damage to any road or street resulting from construction on such lot. During construction, driveways must be maintained in a manner which will not allow dirt, sand, water, debris, or other materials to be carried onto any roads and streets of the development.

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8. Culverts: All driveway crossings shall have a culvert of not less than fifteen (15) inches, or a culvert approved by the government agency responsible for the maintenance of the adjacent road, if any, so that the driveway does not restrict the flow of water for drainage or storm relief purposes.

9. Signs: No sign of any kind shall be displayed to the public view on any tract or lot except one (1) professionally made sign of not more than two (2) square feet and which sign must be made of solid material (no banners) advertising the property for sale, including signs used by a builder to advertise the property during the construction and sales period. The Developer reserves the right to display signs of a larger size for promotion of the development and to construct development entry and directional signs.

10. Pets, Livestock and Poultry: No livestock, sheep, swine or poultry shall be kept or maintained on any lot. Household pets, such as dogs and cats, are permitted so long as they are not kept or maintained for commercial purposes. No domestic pets shall be permitted to run at large so as to become a disturbance to other lot owners or endanger existing wildlife. No trapping, hunting, or discharging of firearms, guns, weapons, bows, crossbows, or other similar devices, shall be permitted within the development.

11. Nuisances: No obnoxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood and/or to the development.

12. Commercial Use: No store, tavern, lounge, hotel, motel, rental villas or other public, private, commercial, industrial or professional business shall at any time be maintained or established or conducted or permitted on any residential lot in the development without the written consent of the Developer and/or its successors and assigns. The Developer reserves the right to erect a sales office to be used for commercial activity during the period of development of said property.

13. Docks: Any docks or other such structures shall be subject to all applicable government permits, licenses, rules, laws, statutes and regulations including the Shoreline Strip Rules and a permit issued by TVA and the Army Corps of Engineers as well as being approved by the A.C.C. Visual screening may be required by TVA on one or more sides of some docks as to protect the visual integrity of the historic scenic vista from Fort Loudoun park area. All docks and surrounding areas shall be maintained in good repair with a clean and orderly appearance at all times.

14. Sewage Disposal: No privately owned septic tanks or other sewage disposal system shall be permitted upon any lot. No outhouse or outdoor toilets or other similar devices shall be permitted or used on any tract or lot.

15. Water Supply: No privately owned well or other water system shall be permitted upon any lot.

16. Driveways: All driveways must be paved with concrete or asphalt or other materials approved by the Developer and/or by the A.C.C., and all driveways must be completed within one (1) year from the date of substantial completion of the dwelling or living structure.

17. Fences: All fencing and wall must be attractive and consistent with color and materials used on the main dwelling and must be approved by the Developer and/or A.C.C. Barbed wire fences and chain link fences are not permitted. Fences may not extend into the front yard beyond the front corner of the main dwelling.

18. Swimming Pools: No above-ground swimming pools shall be permitted on any lot.

19. Miscellaneous Provisions: If propane gas tanks are used, they must be buried. Clothes lines are not permitted. Satellite dishes must be placed properly at the rear (on lakefront lots rear being lakeside) or side portion of the lot and must be screened with shrubbery or landscaping substantially hiding them from plain view. Satellite dishes with a diameter exceeding thirty eight (38) inches are not permitted. Outdoor lighting for streets, recreation and security should be designed in such a manner that it be of low intensity and directed towards the ground as much as possible. Existing vegetation provides a natural buffer between the subdivision and Fort Loudoun and any cutting should be kept to a minimum wherever possible.

20. Further Subdivision of Lots: No lot shall be further subdivided, nor may the boundary lines be changed in any way, except by the Developer, which specifically reserves the right to modify the plans of the development and/or the development plat, to change the size and shape of any tracts or lots, the direction and location of any streets and roads, or to annul the same, provided that no such changes shall have the affect of denying any lot convenient access to a street or road, unless the owner of such lot consents thereto. The A.C.C. may permit the construction of a single residence upon two (2) or more lots by waiver of the ten (10) foot utility easement and side and rear setbacks on the appropriate interior lot lines; provided, however, such action by the A.C.C. shall not be construed as a waiver of other matters affecting such lot, including, but not limited to, the obligation to pay assessment on each such lot.

21. Easements: Developer reserves unto itself and its successors and assigns the right to erect, place and locate all utility and electric lines, and grant easements for utility purposes, with the right of access and ingress and egress for the purpose of installing and maintaining such easements and structures and utility lines situated thereon, on, over, and under a strip of land ten (10) feet wide along the side and rear lines of each lot and thirty (30) feet along the front of each lot parallel to the road right of way. No structures, plantings, or other materials shall be placed or permitted to remain, or activities undertaken thereon, which may damage or interfere with the usage of said easements for utility purposes. The areas of any lot affected by such easements shall, except for any

improvements situated thereon by a public authority or utility company, be maintained by the individual owner of each lot.

22. Sight Distances at Intersections: No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street property lines, or in the case of rounded property corner from the intersection of the street property lines extended. The same sight line limitations shall apply on any lot within ten (10) feet from the edge of a driveway. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight line.

23. Architectural Control: A committee shall be created known as "The Architectural Control Committee", and said committee shall be composed of the Developer and at least two other individuals appointed by the Developer. Members of the A.C.C. shall serve for a term of one (1) year. Partners of the Developer may serve on the A.C.C. and may serve for successive terms. The members of the A.C.C. shall be selected each year by the Developer. At some point in the future, it is contemplated that the Developer shall no longer desire to select the A.C.C. members and it may elect to withdraw from this responsibility by giving written notice to the owners of the lots. Thereafter, the owners shall hold an election to elect new members to the A.C.C. Each lot owner shall be entitled to one (1) vote per lot owned.

No building shall be erected, placed, altered or permitted to remain on a building lot in the development until the building plans and specifications and the lots plans showing the location of such building or alteration have been approved in writing as to conformity and harmony with the existing structures in the development. In the event the Developer and/or the A.C.C. fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, said plans shall be deemed approved. In the event the A.C.C. rejects plans submitted for approval under this paragraph, upon written request or application signed by more than seventy-five (75%) percent of the lot owners at the time of such request for approval stating that they desire approval be given, the same shall be deemed approved by the A.C.C. For purposes of this section, each lot shall have one vote. Owners of multiple lots shall have multiple votes. Likewise, if the A.C.C. approves a variance from the provisions of this Declaration, a vote of seventy-five (75%) percent of lot owners may override such approval. A complete set of plans and specifications of the structures to be built shall be delivered to and left with said Developer and/or the A.C.C. prior to, during, and after the time of construction.

For the purpose of further insuring the development of said land as a residential area of highest quality and standards, and in order that all improvements on each building lot shall present an attractive and pleasing appearance from all sides and from all points of view, the Developer and/or the A.C.C. has the exclusive power and discretion to control



and approve or reject all of the buildings, structures, and other improvements on each building tract or lot in the manner and to the extent set forth herein. No residence or other building, and no fence, walls, utility yard, swimming pool or other structure or improvement, regardless of size or purpose, whether attached or detached from the main residence, shall be commenced, placed, erected or allowed to remain on any building tract or lot, nor shall any addition to or exterior change or alteration thereto be made, unless and until building plans and specifications covering the same showing the nature, kind, shape, height, size, materials, floor plans, exterior color schemes and such other information as the Developer and/or the A.C.C. shall require, including, if so required, plans for the grading and landscaping of the building tract or lot showing any changes proposed to be made in the elevation or surface contours of the land, have been submitted to and approved in writing by the Developer and/or the A.C.C., and until a copy of all such plans and specifications, as finally approved by the Developer and/or the A.C.C., have been lodged permanently with the Developer and/or the A.C.C. The Developer and/or the A.C.C. shall have the absolute and exclusive right to refuse to approve any such building plans and specifications and tract or lot grading and landscaping plans which are not suitable or desirable in its opinion, for any reason, including purely aesthetic reasons and reasons connected with future development plans for the owners of said land or contiguous land. In passing upon such building plans and specifications and lot grading and landscaping plans, the Developer and/or the A.C.C. may take into consideration the suitability and desirability of the proposed construction and of the materials of which the same are proposed to be built, to the building lot upon which it is proposed to erect the same, the quality of the proposed workmanship and materials, and the harmony of the external design with the surrounding neighborhood and existing structures thereon, and the effect and appearance of such construction as viewed from neighboring properties. All new construction plans must be accompanied by a landscape and site plan in order to ensure proper landscaping on each lot.

The Developer and/or the A.C.C. shall have the sole right to grant variances of these restrictions, but all such variances shall conform to the general purposes and standards of the covenants and restrictions herein contained, and shall be for the purposes of curing any ambiguity in any inconsistency between the provisions contained herein, to include in any contract or deed or other instrument hereafter made any additional covenants and restrictions, and to release any building lot from any part of the covenants and restrictions (including, without limiting the foregoing, building restriction lines and provisions hereof relating thereto) if the Developer and/or the A.C.C., in its sole judgment, determines that such release is reasonable and does not substantially affect any other building lot in an adverse manner.

**ARTICLE III**  
**THE HARBOUR PLACE PROPERTY OWNERS ASSOCIATION, INC.**

1. Generally: The Harbour Place Property Owners Association, Inc., hereinafter referred to as the Association, is a non-profit corporation, the purpose of which is to

maintain any real property owned by it, and to further promote the common interests of tract and lot owners in the development.

2. Membership: Each owner of a lot in the development shall, by accepting a deed thereto, whether from the Developer or from a successor tract or lot owner, agrees to become a member of the Association, to obey its rules and regulations, and to pay an annual fee to it of not less than one hundred (\$100.00) dollars, or such other amounts and at such times as the Association may from time to time decide. Assessments shall begin as of date of closing and shall be prorated based on a calendar year.

3. Rights, Privileges and Obligations: The rights, duties, privileges and obligations of membership in the Association shall be those established by its membership in accordance with its charter and By-laws.

4. Collection of Assessments and the Lien thereof: The amount of any of the assessment assessed by the Association against each tract or lot shall be paid to it on or before the date specified in the notice of assessment. If not so paid, the amount of such assessment, together with interest thereon at the maximum rate allowed by law, together with costs of collection, including reasonable attorneys fees, if any, shall constitute and become a lien on the tract or lot so assessed when the Association causes a notice of such assessment and charges to be recorded in the office of the Register of Deeds for Monroe County, Tennessee. The lien provided for therein may be foreclosed by suit by the Association in like manner as a mortgage. The Association may be a bidder at the foreclosure sale. The Association may also pursue any other remedy at law or in equity for the collection of a debt. In all cases, the owner of the tract or lot shall be responsible for payment of all costs of collection, including, but not limited to, reasonable attorney's fees.

IN WITNESS WHEREOF, the said LAKESIDE PROPERTIES, INC., has hereunto caused this DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS to be executed on this 26<sup>th</sup> day of AUGUST, 1997.

LAKESIDE PROPERTIES, INC.

  
Richard C. Cooley, President

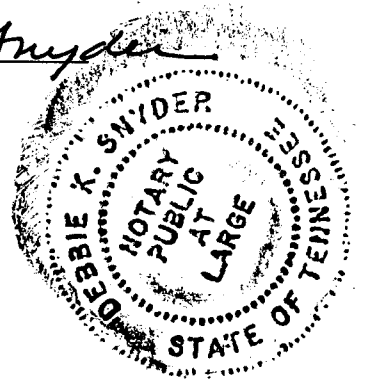
STATE OF TENNESSEE  
COUNTY OF MONROE

Personally appeared before me, the undersigned authority, a Notary Public in and for said County and State aforesaid, personally appeared, **RICHARD C. COOLEY**, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself to the President of **LAKESIDE PROPERTIES, INC.**, the within named Declarant, a corporation, and that he has read the foregoing Declaration of Protective Covenants and Restrictions, and is familiar with and understands the contents thereof, and that he as such President, being authorized so to do, executed the foregoing Declaration Covenants, Conditions and Restrictions for the purposes therein contained, by signing the name of the corporation, **LAKESIDE PROPERTIES, INC.** by himself as President.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 26<sup>TH</sup> day of AUGUST, 1997.

Debbie K. Snyder  
NOTARY PUBLIC

My commission expires: 5-20-99



FILED in my office on the 27 day  
of Aug. 1997 at 11:10 A.M.  
Noted in Note Book 42 Page 60  
Recorded in Mis Book 105 Page 200

Mildred A. Estes  
Register of Monroe County, Tennessee