



Rarity Ridge

A PLACE CALLED HOME



Rarity Ridge

Design Guidelines Manual Summary

**Rarity Ridge
Design Review Board
1010 William Blount Drive
Maryville, TN 37801**

(865) 380-8000

Revised 2006

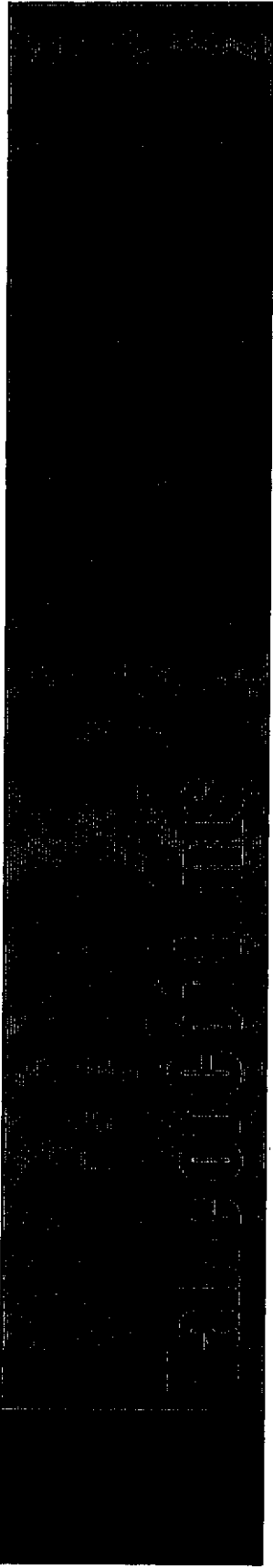


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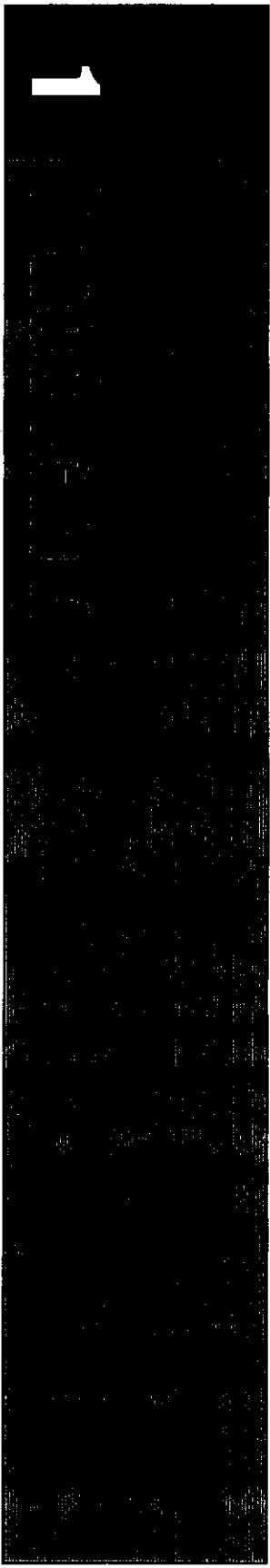
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STATEMENT OF PURPOSE

There are few creative opportunities that measure up with the excitement and experience of designing, building or remodeling your own home. From the initial design sketches, through ground breaking and the construction phases, to adding the final finishing touches, the process of creating a unique home can be a very rewarding experience.

In conjunction with the Covenants, Conditions and Restrictions for Rarity Ridge, the Design Guidelines Manual is intended to achieve these objectives:

- To preserve and maintain the inherent qualities of the property while allowing for the design and construction of homes
- To advocate the protection and promotion of property values through the establishment of standards and guidelines
- To establish a framework for the planning, design, construction, maintenance and modification of homes

The Design Guidelines Manual sets forth design, environment and construction standards for homes on parcels within Rarity Ridge. Standards are written and intended to inspire sound principles of site planning, architectural design, landscaping and construction.

While individual creativity is encouraged, the Design Guidelines Manual has been established to maintain a measure of quality and consistency throughout the course of community development. In some cases there will be no permitted variation from established standards, while in other areas flexibility and modification may be permitted with the review and approval of the Design Review Board.

The Design Guidelines Manual will assist you and your design team from the preliminary design phase of your new home through its completion. The standards and guidelines will also serve you in the future as you consider modifications to your home. Most important, the Design Guidelines Manual establishes a viable framework from which homeowners can direct their architects and builders, while maintaining a high level of quality design and construction.

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The Design Guidelines Manual provides a means to preserve the exclusiveness and value expected by every homeowner. Adherence to the standards contained in the Design Guidelines Manual will contribute to the continuation of the inherent and natural attraction of Rarity Ridge as a desirable environment in which to live.

ORGANIZATION AND CONTENT

The Design Guidelines Manual is organized into ten sections which include the following:

- **Section 1 - Introduction:** Includes a statement of purpose for the Design Guidelines Manual and the organization of its content.
- **Section 2 - Community Overview:** Presents an overview and vision for Rarity Ridge, and addresses the style and character of the community.
- **Section 3 - Design Review Board:** Includes details on the authority, responsibility, services, fees and procedures of the Design Review Board.
- **Section 4 - Design Review Process:** Outlines the design review process and the steps from the initial concept to the final inspection of a home.
- **Section 5 - Design Standards:** Contains standards for site planning, architectural design, building materials, landscaping, colorization and related design considerations for single-family Parcels as well as other portions of the community.
- **Section 6 - Environmental Standards:** Sets forth standards for the protection of trees and environmentally sensitive areas of the community.
- **Section 7 - Construction Standards:** Includes job site and operational standards to be observed by builders, subcontractors and suppliers throughout the construction cycle of a home.
- **Section 8 - Design Review Applications & Forms:** Includes a variety of forms for the processing and administration of applications for building within the community.
- **Section 9 - Definitions:** Includes definitions of words, terms and phrases used through the Design Guidelines Manual.

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- **Section 10 - Builder Application & Agreement:** Includes detailed application for each builder to apply for the right to build at Rarity Ridge and an Agreement stating the responsibilities of the builder while constructing homes at Rarity Ridge.

RARITY RIDGE

DRB MEMBERS & ADVISORS

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THE PROPERTY

Rarity Ridge is located within the city of Oak Ridge on the Clinch River and the Watts Bar Lake System in Roane County, in Eastern Tennessee. The region is characterized by the internationally known Great Smoky Mountains. The property at one time included the Boeing Technological Site and property owned by the Department of Energy. Currently, the property is bordered by 8 miles of Clinch River waters connecting the Watts Bar Lake which brings hydro-electric power to the rural areas of the Appalachian mountains since the 1930s.

THE COMMUNITY

Rarity Ridge combines Traditional Neighborhood-style residential and commercial development in a "Towne Center" setting. The community will encompass approximately 1,200 acres intended for approximately 3,000 residences, community amenities, private club facilities, and commercial mixed-use development.

Rarity Ridge offers a unique set of benefits and advantages for property owners. It is the only master-planned community of its size and number of residential choices on the Clinch River and Watts Bar Lake system. Rarity Ridge has attained an exclusive level of prestige which has resulted from the natural attributes of the community, its environmentally sensitive approach to planning, the quality of its architectural design standards, and the reputation of its club facilities.

The community embraces a neighborhood development concept with parcels designed to be individual in character and reflect the desired effect of the residents who decide to live in that neighborhood. All neighborhoods are a part of Rarity Ridge, but also are separate in character and residential type. Depending on location and orientation, residences offer water, ridge, park or preserve views. The Towne Center will afford residents the convenience of daily shopping and dining within walking distance from their front porch. For those who prefer living in a more urban setting, the Rarity Ridge Towne Center will offer "Live/Work" style residences above retail shopping.

Rarity Ridge is surrounded by the natural beauty of the River and Lake. The winding water frontage provides outstanding vistas and excellent opportunities for residential development in the midst of a traditional neighborhood setting.

THE LOCATION

The entrance to Rarity Ridge is conveniently located approximately 3 miles to Interstate

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40 West at Exit 356A, on Gallagher Road, (Highway 58) and 14 miles to Interstate 75 and Interstate 40 east. Located to the west of Rarity Ridge about 120 miles on Interstate 40, is the city of Nashville, the state Capital. To the east on Interstate 40 within a 2-hour drive are all the popular attractions of Pigeon Forge, Gatlinburg and Asheville, North Carolina. More importantly, Knoxville, offering great shopping and fine dining among many other local attractions is only a 20 minute drive. Rarity Ridge lies within the city limits of Oak Ridge and only 12 miles from downtown. Nationally recognized for its top-ranking schools and student achievement, Oak Ridge offers Rarity Ridge residents an abundance of social infrastructure, educational programs, organized sporting events and ongoing activities for all ages.

The property's forests and vegetated areas provide for a wide variety of bird and animal species throughout the year. Migratory birds that winter in Central and South America are seen here during the summer seasons. Permanent bird residents in the woodlands include woodpeckers, Carolina chickadee and the white-breasted nuthatch. The endangered ospreys frequently nest at the Clinch River during their spring and fall migrations. The sport fishing opportunities in the Clinch River are extensive and provide tremendous potential for recreational sport fishing enthusiasts.

COMMUNITY DESIGN CONCEPT

The underlying premise of Rarity Ridge continues to be the establishment of a Traditional Neighborhood community that is sensitively integrated into the natural beauty of the surrounding area.

The successful accomplishment of the concept has resulted in a comprehensive community plan that embraces a balance of land uses. The plan thoughtfully maintains this delicate balance, while optimizing the value of the neighborhood residential areas with the community's amenities and commercial village. The residential areas are strategically positioned to maximize exposure to the views and water frontage. Rarity Ridge has been masterfully composed by the weaving together of individual neighborhoods into the fabric of a naturally beautiful environment.

COMMUNITY IDENTITY AND THEMES

The personality and identity of Rarity Ridge are strengthened through the consistent application of traditional architectural themes. The Traditional Neighborhoods of the 19th Century evolved around small rural towns and hamlets in America giving way to a sense of connectivity to one's neighbor by the simplest visit on the front porch next door. Sidewalks connecting walkers to and from the corner store, gave way to pedestrian

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friendly streetscapes before the automobile. The Queen Anne, Craftsman and Federal style of architecture brought the front porch and stoop within reach of a conversation with a stroller or the toss of the daily newspaper. Hence "Mayberry" was born and became the ideal of the American family with traditional, comfortable, and graceful styles, yet well seasoned with the youthful spirit of the American lifestyle. The theme is a mixture of color, texture and exterior detailing that welcomes and charms in a way that is refreshing and open. The Traditional Neighborhood styles are found throughout the local area and can be so appropriately adapted to the region of Eastern Tennessee.

Generally, the TND architectural style relies on the fundamentals of roof and building volumes, porches, traditionally proportioned windows, and raised foundations. The simplicity of the residences ties them to early Folk Vernacular and simple Queen Anne style homes. The handsome straight forward look of cottage homes built in the 1940's and later designs of the 1950's and 1960's has greatly influenced the public in the strong presentation of the crafted traditional type home to include Colonial Revival, Federal, and Tudor style architecture mixing finishes of stone, brick, stucco and siding integrated within wide, side-gabled structures with generally balanced facades. Cladding materials included brick, clapboard and shingles. The partnership of materials and colors integrated into the architectural details and elements cause each home to emerge with a unique but traditional American personality. The classical style is typified by the embracing of the pure colors of the earth, the flowers and the sky. The style should never be contrived, and never pretentious. It is distinctively comfortable, appealing and exquisitely crafted.

The Traditional Neighborhood theme is conveyed throughout the design details of Rarity Ridge. All architecture should reveal the use of classic traditional detailing, which are expressed through the style and colors of the building materials and enriched accent treatments.

Inappropriate designs are those that deviate from the established and desirable Traditional Neighborhood architectural style of Queen Anne, Greek Revival, Tudor, Federal, Colonial Revival and Shingle.

NEIGHBORHOOD IDENTITY AND THEMES

The thematic treatments of the Traditional-Classical architectural style are expressed within each residential neighborhood by orienting residences so that front porches and stoops are located closer to minimum front setbacks, stepping back garage entrances from the front elevation of the home or locating garages on rear yard alleys. The design and management of these elements have been thoughtfully orchestrated to provide a

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subtle sense of individuality and cohesiveness for each neighborhood within Rarity Ridge.

RIVER, LAKES, WETLANDS AND NATURAL RESOURCES

The premier features of the community are the abundant and scenic lake and riverside water resource and major areas of preservation. The wetlands occurring along approximately 8 miles of shoreline have been identified as emergent and scrub-shrub plant communities, and classified as "fringe" wetlands. Such wetlands are generally found within the fluctuation zone of rising and falling water levels adjoining the main water. The majority of the fringe wetlands occur between the 738 and 741 foot contour elevation. Fringe wetland vegetation normally includes species such as common cattail, woolgrass, buttonbush, and black-willow. Other common wetland species include soft rush, silky dogwood, and river alder.

Fringe wetlands stabilize the shoreline and disperse the energy of waves and currents, thereby reducing shoreline erosion. This helps maintain water clarity and improve water quality. These wetlands also filter runoff from uphill, trapping sediments and nutrients.

Fringe wetlands also provide habitats that support a diverse array of wetland-dependent wildlife, including wood ducks, Canadian geese and mallards, great blue and green-backed herons, red-winged blackbirds, swamp sparrows, mink, muskrats, and raccoons.

WILDLIFE AND PRESERVATION

To responsibly preserve the wildlife habitat areas, care and consideration has been in the design of the Rarity Ridge Master Plan to protect designated natural areas according to the requirements of the Tennessee Department of Environment and Conservation. These protected areas are indicated on the Master Plan and are planned to remain undeveloped and undisturbed.

As shown on the Master Plan in this section, areas known as Cedar Barons and other types of vegetation or environmentally sensitive wetlands have been preserved and retained as open space. Pedestrian access to private or community docking facilities is permitted at specified locations within Rarity Ridge. Removal of both canopy and understory vegetation must be kept to a minimum and conducted only following the approval of the DRB

This shoreline corridor connects to a greenway preserved as a walking trail and extends

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to a trail head park. No waterfront use facilities will be approved along certain designated sections of the shoreline on the Clinch River where mostly steep forested slopes and bluffs are located.

Additionally, as shown on the Master Plan, a second corridor approximately 50 feet wide known as "*Robert's Branch and its unnamed tributary*" is a protected blue line stream. Preservation/Habitat areas on the property total more than 130 acres.

Elsewhere in Rarity Ridge, the shoreline will be managed to sustain a stable vegetated shoreline zone. Over time, this zone will provide an aesthetically pleasing shoreline, filter runoff from developed areas, and support a pedestrian walkway for access by the community.

Conservation areas, as designated on the Master Plan, are to be left in a natural state. Maintenance of the Preserves will be the responsibility of the Rarity Ridge Owner's Association in cooperation with the City of Oak Ridge guidelines and/or any other governing parties who may have jurisdiction over the area(s).

NATURAL BLUFFS

The visual protection of limestone bluff along the Clinch River has been accomplished by prohibiting the removal of vegetation from the water line to the crest of the bluff as well as prohibiting water use facilities. The preservation and management of existing shoreline vegetation, below the 750-foot contour, assists in preserving the rich visual quality of the natural landscape for the river and lake user. The protection of wetland areas, the grouping of community dock facilities, and the restriction of individual water use facilities culminate in a pristine natural waterside setting.

RARITY RIDGE CLUB

The private club facilities of Rarity Ridge Club have been developed to create a balance of recreational and social opportunities for members by providing options for their consideration, such as dining, fitness, swimming, tennis, nature study, river activities and boating. Owners of both residential and commercial property within Rarity Ridge will be required to maintain a minimum of a Social Category of Membership in the Rarity Ridge Club. A Membership Plan for the Rarity Ridge Club is available upon request.

Club Facilities. The facilities of the Rarity Ridge Club will be designed to conform to the Traditional-Classical style of architecture and will include the same traditional detailing found in the residential and commercial neighborhoods of Rarity Ridge.

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The facilities include:

- Outdoor Swimming
- Indoor Heated Swimming
- Fitness Center
- Lighted Tennis Courts
- Tennis Pavilion
- Fish Camp and Nature Center
- River Guide Facilities
- Others as may be determined

NEIGHBORHOOD AND COMMUNITY PARKS

A series of Neighborhood Parks are planned throughout the community. Some may include features such as benches, picnic tables, gazebos, playground areas, outdoor court games, ball fields and street monumentation. Neighborhood Parks will be accessible to residents and maintained by the Rarity Ridge Owners Association.

FAMILY PAVILION

The Family Pavilion is planned to be centrally located within the Rarity Ridge as a recreation center for large gatherings and catered outdoor activities. This facility will be designed to provide flexible indoor space and a covered outdoor pavilion managed and maintained by the Rarity Ridge Owner's Association.

COMMERCIAL SITES

Parcels within Rarity Ridge have been reserved for uses other than residential development. The Rarity Ridge Towne Center is planned to accommodate commercial, live/work, office and retail development. Apartments, condominiums and lofts above commercial development are included as part of the Towne Center development plan. As shown on the Master Plan, these areas will be primarily used for commercial support of the residential community. Parcels are approved for a wide variety of applications such as convenience centers; service establishments; food outlets; financial, medical, and professional centers; and other uses.

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INTRODUCTION

The primary function of the Design Review Board [DRB] is to establish design standards and to review applications for new construction and modifications to completed structures to ensure an aesthetically pleasing and architecturally compatible environment. The DRB's review and approval responsibilities embrace all aspects of development within Rarity Ridge including, but not limited to, the following:

- Architectural Design
- Land Planning
- Site Work, Grading & Drainage
- Construction Materials & Operations
- Exterior Colors, Materials & Finishes
- Landscape Design
- Exterior Lighting
- Signage
- Environmental Preservation and Erosion Control (SWIPP) Attachment

While individual creativity is encouraged on behalf of Applicants, the Design Guidelines Manual has been established to maintain a measure of quality and consistency throughout the course of community development. In some cases there will be no permitted variation from established standards, while in other areas flexibility and modification may be permitted with the review and approval of the DRB.

AUTHORITY OF THE DRB

The DRB has been established by the Developer in accordance with the Declaration of Covenants, Conditions and Restrictions for Rarity Ridge. The DRB shall have exclusive jurisdiction over all new construction and modifications to completed structures within Rarity Ridge. As provided for in the Declaration, the Developer shall appoint all members of the DRB, who shall serve terms subject to the sole discretion of the Developer. The authority of the DRB is derived from the Developer and not the Association. Therefore, the DRB has no fiduciary duty to the Association or its members.

The DRB shall (a) set forth standards and guidelines for new construction or modifications, and (b) review and approve all Design Review Applications and Design Documents in accordance with the Design Guidelines Manual.

The DRB may disapprove any Design Review Application for non-compliance with the provisions contained in the Design Guidelines Manual or on purely aesthetic grounds where, in its sole judgment, such action is required to maintain the desired character of the overall community or individual neighborhoods.

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RESPONSIBILITIES OF THE DRB

Subject to the approval of the Developer, the responsibilities of the DRB include, but are not limited to, the following:

- To establish architectural motifs and exterior design themes for the community and individual neighborhoods.
- To prepare design standards and guidelines for the protection of property values.
- To evaluate all Design Review Applications and to approve or deny requests for new construction and modifications to existing structures.
- To assure compatible architectural designs, materials and colors as well as harmonious relationships among structures on neighboring lots.
- To encourage quality construction and high standards of design.
- To require deposits and establish fees for the review of applications and the administration of the design review process.
- To meet with Applicants whose plans and specifications have been disapproved and to provide reasonable assistance and recommendations for adjustments to bring Design Review Applications and Design Documents into compliance with standards and guidelines.
- To amend, modify and enhance standards, guidelines and other provisions in the Design Guidelines Manual as may be required from time to time.
- To accept builders for construction of new home or modifications to existing homes.
- To fine, temporarily remove or permanently exclude from Rarity Ridge any contractor, subcontractor, or supplier who violates provisions of the Design Guidelines Manual.

MEETINGS DATES & APPROVAL DEADLINES

The DRB will meet as required to review Design Review Applications. The DRB may take up to 30 calendar days to review submittals; however, most applications are evaluated within seven to 14 calendar days. Applicants may attend DRB meetings to take advantage of comments and suggestions by board members regarding their respective submittals.

- **For an overview of design review steps and estimated schedules for Approval, see Section 4.1.1**

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DESIGN REVIEW APPLICATION FEES

A non-refundable **Design Review Application Fee** of \$2,000 is due at the time of the **Design Review Orientation Meeting** with the DRB Administrator. Upon receipt of payment, the DRB Administrator will order a topographical survey for the Lot to assist the Applicant's architect in the preparation of preliminary plans. This survey takes approximately 14-21 calendar days and copies will be mailed upon receipt of Applicant and Applicant's architect or residential designee. The purpose of the Design Review Application Fee is to cover the cost of the following:

- Preparing topographical surveys for Applicants.
 - Conducting Design Review Orientation Meetings.
 - Processing Design Review Applications and Design Documents.
 - Conducting On-Site Reviews For Compliance With Design Documents
- *The fee for processing extraordinary requests, which require the services of professionals, such as attorneys, engineers and architects, will be in addition to the above-referenced fee. Any such costs are the responsibility of the Applicant and must be paid in advance.*
- *For additional information about the Design Review Orientation Meeting, see Section 4.4.1.*
- *After Design Review Applications and Design Documents have been approved by the DRB, additional fees may apply for resubmittals due to changes requested by the Applicant. For details, see DRB Fees in Section 3.1.11.*

COMPLIANCE DEPOSITS

Upon the submission of a **Final Design Review Application**, the Applicant shall submit a **Compliance Deposit** of \$2,500. The DRB may draw upon the Applicant's Construction Deposit, and may use such funds as necessary to cover, among other things, the cost of:

- Repairs for damage to curbs, roadways, signage, utilities, common areas, or private club property, whether such damage was caused by the builder or his employees, subcontractors or suppliers.

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- Job site trash removal and clean-up if not performed by the Applicant during or after completion of construction.
- Street cleaning to remove silt or concrete if not performed by the Applicant **by the end of each work day during construction** or after completion of construction.
- Repairs, maintenance or replacement of silt barriers if not performed by Applicant
- Fines for violation of Environmental or Construction Standards.
- Failure to comply with the Design Guidelines Manual.

Upon request by the DRB, the Applicant shall replenish any portion of the Compliance Deposit expended for the above-referenced purposes, plus any amounts in excess of deposit monies on hand. The Compliance Deposit shall be released to the Applicant, less any funds expended, upon the occurrence of the following:

- Completion of the home and landscaping as approved by the DRB
 - Receipt of a certificate of occupancy as issued by the City Of Oak Ridge.
 - Receipt and approval of the final survey and final lot grading as built.
 - Final inspection and approval of the residential dwelling as may be conducted by the DRB.
- ***Upon receipt and/or approval of the above-referenced items, a Compliance Deposit Refund Request may be submitted to the DRB Administrator. The DRB reserves the right to cause construction to cease and/or to prevent access to the community for any builder who fails to replenish upon request any portion of the Compliance Deposit expended for the reasons stated in this section.***

BUILDER APPLICATIONS, AGREEMENTS AND FEES

All builders shall be required to complete and submit a Builder Application. Upon review and approval of a Builder Application, a Builder Agreement must be submitted and approved and kept on file for each home built at Rarity Ridge. The DRB reserves the right to accept or deny a Builder Application to construct homes within Rarity Ridge. Acceptance of a Builder Application for the construction of a home shall not prevent the DRB from denying a Builder Agreement in the future.

- ***Acceptance of a builder for the construction of a home within Rarity Ridge shall not impose any responsibility on the DRB or***

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Developer. *The scope of any review and acceptance shall be for the sole benefit of the DRB and Developer, and Applicants are responsible for determining the experience, business practices, reputation and creditworthiness of any builder as may be prudent and necessary.*

- **Sample Builder Applications and Builder Agreements are available upon request.**

DRB ADMINISTRATOR & DESIGN CONSULTANTS

The DRB will appoint an Administrator and may select independent design consultants to handle the responsibility of processing Design Review Applications and meeting with Applicants for the following purposes:

- To provide interpretation of design standards and guidelines.
- To provide access to samples, displays and pictorial exhibits illustrating acceptable architectural styles, design elements and materials.
- To conduct a pre-design conference to review data relating to a particular lot; adjacent, nearby or planned structures; easements; drainage; and setbacks.
- To review designs for compatibility with the overall architectural style of the community.
- To monitor job progress and conduct reviews as may be scheduled at the option of the DRB.

TYPES OF DECISIONS

Upon receipt of a properly completed Design Review Application, required Design Documents, and payment of applicable fees, the DRB will process an Applicant's request and render one of three (3) decisions in writing:

- Approved as Submitted
- Approved with Stipulations
- Disapproved

If an application is **APPROVED WITH STIPULATIONS**, the Applicant must make changes and re-submit it for approval prior to undertaking construction. **STIPULATIONS** are binding upon an Applicant.

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In the event an application is **DISAPPROVED** at time of submittal, the Applicant must make appropriate changes and resubmit a Design Review Application with revised Design Documents.

In some cases an application may be **DISAPPROVED** because it inadequately describes the Applicant's request or because it is in conflict with the standards contained in the Design Guidelines Manual. If an application has been **DISAPPROVED** and an Applicant does not understand the DRB's comments or concerns, the Applicant should contact the DRB Administrator.

- ***The DRB is not obligated to review incomplete Design Review Applications or Design Documents that do not conform to the requirements set forth in the Design Guidelines Manual.***
- ***The time period for rendering decisions by the DRB for any step in the design review process shall not commence until receipt of applicable fees and complete Design Review Applications and Design Documents.***

WRITTEN APPROVALS AND ORAL STATEMENTS

Design Review Applications will be returned to Applicants with the DRB's decision in writing along with one set of submitted plans. The foregoing items shall be the sole source of reference regarding DRB approval. Oral statements should not be relied upon.

VARIANCES

The DRB has the authority to require additional or more stringent requirements for any new construction as necessary. In addition, the DRB, in its sole discretion, may authorize a variance from compliance with any of the standards contained in the Design Guidelines Manual when circumstances such as topography, natural obstructions, hardship [*excluding hardship created by the Applicant or which could have been avoided or mitigated by the exercise of due diligence by the Applicant*], aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances will only be granted when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the provisions set forth in the Declaration, (c) prevent the DRB from denying a similar variance in other circumstances, or (d) require the DRB to grant similar variances in the future. The inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not necessarily be considered a hardship warranting a variance.

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COMMENCEMENT & COMPLETION OF CONSTRUCTION

Completion of construction must occur within 12 months of commencement. Unless otherwise noted, commencement of construction will start when (a) all plans for such construction have been approved by the DRB, (b) a building permit has been issued for the construction of improvements, and (c) footings for a residential dwelling on the Lot have been poured. Completion of construction will be evidenced by receipt of a Certificate Of Occupancy issued by the City of Oak Ridge and delivered to the DRB.

CONSTRUCTION CHANGES

All construction must be completed in accordance with the Design Review Applications and Design Documents as approved. Exterior changes to Design Documents after Final Design Review must receive prior written approval of the DRB, whether such changes are requested by the Applicant or required by utility or government authorities.

Applicants requesting changes should consult with the DRB Administrator to determine if additional plans and specifications are required for approval and the amount of fees to be charged by the DRB.

CONSTRUCTION INSPECTIONS

Periodic inspections may be made [*but shall not be required to be made*] by the DRB during or after completion of construction to determine compliance with Design Review Applications and Design Documents. Applicants are required to cooperate fully with members of the DRB and its representatives.

RESPONSIBILITIES OF APPLICANTS

The DRB assumes no liability or responsibility for any aspect of the design or construction of any Structure, including, without limitation, the following:

- Quality of workmanship or materials provided by any contractor, subcontractor or supplier.
- Compliance with all laws, environmental regulations, building codes, ordinances or safety requirements.
- Suitability of surface and subsurface soil conditions, including radon.
- Water runoff and drainage control during or after construction.
- Accuracy of elevation grades, stakeouts, surveys and lot grading plans.
- Permits as may be required by any governmental agency.
- Determination of structural, mechanical, electrical or safety adequacy as well

Design Review Board

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as other technical aspects of proposed designs or construction materials that can only be determined by competent professionals such as architects, engineers and contractors.

- Completeness or adequacy of Design Documents submitted by an Applicant.

INSURANCE

Builders constructing homes within the community shall obtain comprehensive general liability insurance, workers compensation insurance and comprehensive automobile liability insurance. Builders shall carry and require any and all trade contractors retained to construct improvements to carry workers compensation insurance covering all workers as required by law. Builders shall procure and maintain at their expense the following minimum limits of coverage:

Types of Insurance

Minimum Coverage

- | | |
|--|--|
| ■ Comprehensive General Liability
For Bodily Injury &
Property Damage: | \$1,000,000 Combined Single Limit
As required by the State of Tennessee |
| ■ Workers Compensation Insurance: | |
| ■ Comprehensive Automobile Liability
Bodily Injury &
Property Damage | \$1,000,000 Combined Single Limit
Full replacement value [<i>exclusive of
foundation</i>] |
| ■ Property | |

Prior to the commencement of construction, copies of policies and endorsements must be received by the DRB Administrator. The following additional named insured parties are to be listed on all liability insurance, including "their partners or officers, agents and employees", and are to be shown on all insurance certificates:

Oak Ridge Land Company, LLC.
Broadberry Development, LLC
Rarity Communities, Inc.
Rarity Ridge Realty
Rarity Ridge Owners Association, Inc.

All insurance shall be endorsed to provide that the insurance afforded to the additional insured, described above, is primary insurance, and if any of the additional insured has other insurance which is applicable to any loss on an excess or contingent basis, the

Design Review Board

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amount of the insurance carriers liability under said policies shall not be reduced by the existence of such other insurance of the additional insured.

Notice shall be provided by the builder's insurance carrier to the additional insured parties no later than thirty (30) calendar days in advance of any coverage cancellation or policy termination.

LIMITING CONDITIONS

The following limiting conditions shall apply to the DRB and Design Guidelines Manual:

- The standards contained in the Design Guidelines Manual set forth minimum requirements. Where the Design Guidelines Manual imposes a greater restriction than is imposed and required by the Covenants, Conditions and Restrictions for Rarity Ridge or other provisions of law, the standards in the Design Guidelines Manual shall control. In the event building codes or other provisions of law require greater restrictions than are imposed by the Design Guidelines Manual, the more stringent provisions shall control.
- Approval of applications by the DRB shall not be construed as meeting the requirements of Roane County, the City of Oak Ridge, The Tennessee Valley Authority [TVA] or any other government agency with jurisdiction over the community.
- Review and approval of applications by the DRB shall not impose any responsibility for the design, engineering or construction of homes, including, but not limited to, the adequacy, structural integrity or life/safety requirements of such improvements. The scope of any review and approval by the DRB shall be limited solely to whether the plans meet certain requirements, standards and guidelines relating to aesthetics, and the harmony and compatibility of the proposed improvements on Applicant's Lot with other improvements to be constructed within the community.
- The Design Guidelines Manual is subject to change by the DRB without prior notice.

EXHIBIT: DRB Fees

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Rarity Ridge Design Review Board				
Design Review Fees				
Design Review Application Fee	\$2,000	Applicant	At Design Review Orientation Meeting	
Compliance Deposit	\$2,500	Builder	At submittal of Final Design Review Application	
Design Review Fee: Re-submittal with minor changes after Final Design Review approval	\$250	Applicant	Upon submittal of each change requested by Applicant	
Design Review Fee: Re-submittal with major changes after Final Design Review approval	\$750	Applicant	Upon submittal of Major changes requested by Applicant	
Design Review Fee: Changes after commencement of construction	\$250	Applicant	Upon submittal of each change requested by Applicant	
FEES ARE SUBJECT TO CHANGE BY THE DRB. Checks should be made payable to the "Rarity Ridge Design Review Board"				

4

MEMORANDUM

Summary of Design Review Steps

4.1

1

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PROCESS OVERVIEW: NEW CONSTRUCTION

In order to provide a systematic and uniform review of Design Review Applications and Design Documents for new construction, the following steps have been established:

NEW CONSTRUCTION		
	STEP	ESTIMATED SCHEDULE
1	Design Review Workshop (Optional)	Scheduled by DRB Administrator
2	Design Review Orientation Meeting	10 calendar days advance notice
3	Preliminary Design Review Application	14-30 calendar days
4	Final Design Review Application Approval of SWIPP Attachment for Erosion Control	14-30 calendar days
5	Preconstruction Lot Certification	14-21 calendar days
6	Building Permit	As per City of Oak Ridge
7	Foundation Review	2 business days
8	Landscape Review Application	14-calendar days
9	Certificate of Occupancy Compliance - Final Inspection and Submittals	10 business days
9a	Refund of Compliance Deposit	10 calendar days after request

PROCESS OVERVIEW: MODIFICATIONS

The standards contained in the Design Guidelines Manual apply to modifications to existing construction after completion of a home. All modifications must be submitted to the DRB for review and approval. Modifications include, but are not limited to, exterior remodeling and additions, swimming pools, fencing, roofing, lighting, landscaping, drainage, walkways, and color changes. Applicants should meet with the DRB Administrator to determine which of the steps outlined above under "**Process Overview: New Construction**" will apply and the amount of fees (if any) for handling any such requests.

Summary of Design Review Steps

4.1

2

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APPLICATIONS, DOCUMENTS AND FEES

All Design Review Applications and Design Documents shall be addressed and submitted to the DRB Administrator at the following address:

**DRB Administrator
Rarity Ridge Design Review Board
1260 D Gallagher Road,
Kingston, TN
(865) 717-9980**

- ***Fees for applications and related services are included in the Design Guidelines Manual and are subject to change. Checks should be made payable to the "Rarity Ridge Design Review Board".***

Design and Building Professionals

4.2

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9/20/04

The use of qualified design and building professionals is **required** or **recommended**, as indicated below, for Applicants considering the construction of a new home or modifications to an existing home within Rarity Ridge. These include, but are not limited to, the following

- Lot grading plans, which are required for Final Design Review, 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 and Grading Plan.**
- All surveys required by the Design Guidelines Manual must be performed by a **registered land surveyor**.
- If the architect is not specialized in landscape design, Applicants are encouraged to retain a **landscape architect** or **designer**. Professional quality landscape and irrigation plans are required for Landscape Review
- Applicants considering the construction of a swimming pool are encouraged to retain a **geotechnical engineer**.
- Construction of new homes and additions thereto shall only be performed by **Licensed Building Contractors who must not exceed their maximum dollar limits as imposed by the Board for Licensing Contractors for the State of Tennessee**. Construction of homes or additions by non-licensed individuals or companies are not permitted.
- All residential designers, architects, engineers, land surveyors and building contractors must be licensed to perform work in the state of Tennessee.

STEP 1: Design Review Workshops

4.3

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9/20/04

Step 1 of the design review process starts with attendance at one of the Design Review Workshops scheduled periodically by the DRB Administrator.

Although participation is optional, individuals anticipating the construction of a home are highly encouraged to contact the DRB Administrator for a copy of scheduled workshops and to attend one prior to hiring an architect or builder.

In addition to details on designing and building a home, these events are planned to provide helpful information about the following topics:

- Design review process
- Completion of applications
- Key standards and guidelines
- Recommended architectural design elements
- Site planning considerations
- Erosion Control Requirements (SWIPP)
- Selection of an architect and building contractor

STEP 2: Design Review Orientation Meetings

4.4

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9/20/04

Before undertaking the design of a home within Rarity Ridge, Applicants and their architect and builder [*if selected*] should read and acquaint themselves with the **Design Guidelines Manual** and the **Covenants, Conditions and Restrictions for Rarity Ridge**.

Prior to the preparation of preliminary designs, Applicants are required to attend a **Design Review Orientation Meeting** with the DRB Administrator. The purpose of this meeting is to discuss the type and size of home anticipated by an Applicant, to outline the design review process, and to review key site development considerations for an Applicant's Lot. Meetings usually take about one hour and should be arranged approximately 10 days in advance by calling the Design Review Administrator at 865-717-9980

Applicants should complete the **Homeowner Fact Sheet** in advance and bring it to this meeting along with the **Design Review Application Fee** of \$2,000. Upon receipt of the preceding items, the DRB Administrator will order a topographical survey (topo) for the Lot upon which the Applicant's home will be built. The design of each home must take into consideration the characteristics of the Lot, and the topo is essential for the architect as well as the builder who will be selected by an Applicant. Typically, a topo requires 14 to 21 days, depending on weather conditions.

STEP 3: Preliminary Design Review

4.5

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9/20/04

As part of this step, Applicants are required to submit a **Preliminary Design Review Application** and the required **Design Documents** to determine the appropriateness of the proposed plans prior to undertaking the preparation of final architectural drawings.

Design Documents required for Preliminary Design Review may be conceptual in nature, utilizing sketches and illustrations. However, this step must include each of the checklist items on the following page.

The DRB will review Preliminary Design Review Applications and Design Documents and return one set of each with its comments. Applicants are invited to attend meetings of the DRB for input regarding their respective submittals.

- ***The DRB may take up to 15 calendar days to review Preliminary Design Review Applications; however, most applications are evaluated within 7 calendar days.***
- **See sample Preliminary Design Review Application in Section 8.**

EXHIBIT: Preliminary Design Review Checklist

4.5

2

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1	Preliminary Design Review Application	----	----	1
2	Topographic Survey	----	[as required]	3
3	Preliminary Site Plan ❶	----	[as required]	4
4	Preliminary Floor Plans	24 X 36	1/4" = 1'	4
5	Preliminary Elevations	24 X 36	1/4" = 1'	4
6	Preliminary Roof Plan	24 X 36	1/4" = 1'	4
7	Preliminary Pool Plans	24 X 36	1/4" = 1'	4
❶ Show building setback and build-to lines, easement and, existing trees with 8" caliper @ 18" above grade.				

STEP 4: Final Design Review

4.6

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9/20/04

Step 4 of the approval process is ***Final Design Review***. Applicants are required to submit a **Final Design Review Application** and the required **Design Documents**.

Design Documents must include all plans requested. Specific requirements have been established for site development plans, lot grading plans, erosion control plans (SWIPP attachments) and all checklist items in this section must be shown.

The Final Design Review Application includes **exterior finish and color schedule, color chip sheet and exterior architectural lighting schedule**. In some cases, product photos and samples are required as shown on the application. Only one color chip sheet is required.

The **Builder Application** and **Builder Agreement** [*if required by the DRB*], \$2,500 Compliance **Deposit** (made out to RRDRB) must accompany an application for Final Design Review. Incomplete applications or applications without the appropriate fees enclosed will not be scheduled for review.

The DRB will review the above-referenced items and return one set of each to the Applicant with its decision, except for color chip sheets which will be retained by the DRB. Applicants are invited to attend meetings of the DRB for input regarding their respective submittals.

- ***For additional information, see Builder Administrative Fees in Compliance Deposits in Section 3.1.3.***
- ***The DRB may take up to 30 calendar days to review Final Design Review Applications; however, most applications re evaluated within 14 calendar days.***
- ***Changes to Final Design Review Applications and Design Documents, including color changes, must be resubmitted to the DRB for approval in writing.***
- ***See sample Final Design Review Application in Section 8.***

EXHIBIT: Final Design Review Checklist

4.6

2

9/20/04

1	Builder Application and Agreement (signed Originals)	[NA]	[NA]	1
2	Applicant's Compliance Deposit	[NA]	[NA]	1
3	Final Design Review Application	[NA]	[NA]	1
4	Site Development Plan, Lot Grading Plan, SWPPP Attachment, Sealed by Professional Engineer (See check list below)	[as required]	[as required]	4
5	Floor Plans	24 X 36	1/4" = 1'	4
6	Building Sections & Footer-Foundation Detail	[as required]	[as required]	4
7	Exterior Elevations	24 X 36	1/4" = 1'	4
8	Roof Plans	24 X 36	1/4" = 1'	4
9	Pool Plans (If Applicable)	24 X 36	1/4" = 1'	4
10	Retaining Wall Details [sealed if 3'-0" or higher]	[as required]	[as required]	4
11	Mailbox and Monumentation Design	[as required]	[as required]	4
12	City of Oak Meadows Application for Building Permit [signed original]	[NA]	[NA]	1

1	Final grades for homesite corners	5	Swale grades, Erosion Control Plan to meet requirement of Storm Water Intrusion Protection Plan Attachment Per Tennessee Department Of Environmental Conservation
2	High / low points and breaks in grade	6	Footing or slab elevation [as applicable]
3	Arrows showing direction of drainage flow	7	Grades for decks and patios
4	Final grades for structure corners	8	Grade at garage entry

1	Property lines with dimensions	10	Mailbox and monumentation location
2	Existing topography at 2'-0" intervals	11	Porch light location
3	Preserves, and 750' contours (where applicable)	12	Porches, patios, and pools with dimensions
4	Easements with dimensions	13	Fences
5	Building setback lines with dimensions	14	HVAC equipment and screening
6	Building location with dimensions	15	Pool equipment and screening
7	Building corners with dimensions to property line	16	Retaining walls and tree walls
8	Driveways and aprons with dimensions	17	Trees scheduled for removal [limits of clearing]
9	Walkways	18	Trees to be saved [8" caliper @ 18" above grade] ①

① Do not show trees located within wildlife corridors, shorelines buffers and below the 750' contour line.

**CERTIFICATION OF APPROVAL
TO BEGIN
CONSTRUCTION**

This document certifies that Parcel No. _____ has been inspected for pre-construction lot preparation by the Director of Community Operations at Rarity Ridge and that

(Name of Contractor)

may commence construction so long as a building permit has been obtained from the appropriate issuing authority.

Director of Community Operations

Date

**STEP 5:
Pre-construction Lot Preparation Review
Certification**

4.7
1
9/20/04

After Final Design Review, the Applicant must obtain a "Certificate of Approval to Begin Construction" from the Director of Community Operations prior to the actual start of construction. A job site meeting will be arranged by the Director of Community Operations with the Applicant and/or builder within 5 working days of final design review approval.

The following items will be discussed prior to the issuance of the Certificate.

- Silt fence requirements prior to grading
- SWIPP Attachment Approval
- Cutting of driveway curb
- Installation of rock at driveway location to prevent mud from accumulating on the street or near the construction site
- Posting of building permit
- Any cutting or filling that may be necessary

STEP 6: City Of Oak Ridge Building Permit

4.8

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09/20/04

Rarity Ridge is located within Roane County and the City of Oak Ridge. Applicants building homes on a Lot in the City of Oak Ridge and Roane County must obtain the necessary permits from the city and the county. For additional information and permit fees, contact:

**Community Development Department
City of Oak Ridge
200 S. Tulane Avenue, P.O. Box 1
Oak Ridge, TN 37831-0001**

(865) 425-3400

Upon receipt of a building permit from the City of Oak Ridge, a copy shall be provided to the DRB Administrator. Thereafter, construction may commence as approved by the DRB and the City of Oak Ridge

If the City of Oak Ridge requests changes to the plans as approved by the DRB, any such changes requested by the City must also be approved by the DRB. In such cases, the Final Design Review Application and Design Documents shall be revised and resubmitted to the DRB.

- **The name of the building contractor shown on the City of Oak Ridge building permit must be the same name as indicated on the Builder Application and Agreement on file with the DRB.**
- **Plan approval by outside agencies typically takes 14-21 calendar days. The City of Oak Ridge may require plans and specifications in addition to those required by the DRB.**

STEP 7: Foundation Review

4.9
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9/20/04

Upon completion of the foundation or slab [*as applicable*], the Applicant must submit a survey for **Foundation Block/Slab Review**. All surveys must be sealed by a registered Tennessee Land Surveyor and, at a minimum, include the items shown on the exhibit contained in this section. **THIS SURVEY MUST BE SUBMITTED PRIOR TO THE COMMENCEMENT OF ANY FRAMING.**

If the foundation is incorrectly placed, Applicant must cease construction and meet with the DRB to determine remedies. **CONSTRUCTION MAY NOT COMMENCE UNTIL A FINAL REMEDY IS ESTABLISHED.**

Foundation surveys shall also include one of the following certifications as applicable:

- **CERTIFICATION TO: Broadberry Development Company, LLC
Rarity Ridge Owners Association, Inc.**

The slab location and/or finish floor elevation for the subject property are in compliance with the Site Development (Lot Grading) Plan approved by the Rarity Ridge Design Review Board and are within the required setback.

- **CERTIFICATION TO: Broadberry Development Company, LLC
Rarity Ridge Owners Association, Inc.**

The foundation location and basement floor elevation for the subject property are in compliance with the Site Development (Lot Grading) Plan approved by the Rarity Ridge Design Review Board and are within the required setback.

Foundation surveys will be reviewed within two business days of receipt. Upon completion of Foundation Review, the Applicant may proceed with construction.

EXHIBIT: Foundation Review Checklist	4.9
	2
	9/20/04

FOUNDATION REVIEW CHECKLIST			
1	Property lines with dimensions	5	Building location with dimensions
2	Preserve Areas, shoreline buffers and 750' contours where applicable	6	Building corners with dimensions to property lines
3	Easements with dimensions	7	Top of curb grade at center of front property line
4	Building setback lines with dimensions	8	Basement or first floor elevation [<i>as applicable</i>]

NOTE: Foundation surveys must be sealed and include the required certification.

STEP 8: Landscape Review

4.10

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9/20/04

Step 8 of the approval process is **Landscape Review**, which requires the submittal of a Landscape Review Application and the required Design Documents.

- **See Landscape Review Checklist in Section 4.10.2**

Applications for Landscape Review must be submitted as part of Final Design Review.

The DRB will review the Landscape Review Application and Design Documents, and return one set of each to the Applicant with its decision.

- **All Utility Cabinets are to be buffered with landscaping, confirm with appropriate spacing and/or location.**
- **Applicants are required to submit Landscape Review Applications part of Final Design Review.**
- **See sample Landscape Review Application in Section 8.**
- **Occupancy of a home is not permitted until the landscaping is substantially complete and approved by the DRB. A Certificate of Compliance will not be issued by the DRB until all landscaping is installed as per the landscaping plan.**

EXHIBIT: Landscape Review Checklist

4.10

2

9/20/04

Landscape Plans can be submitted as an overlay to Site Development Plans

1	Landscape Review Application	----	----	4
2	Landscape Plan	----	1" = 10' [minimum]	4
3	Irrigation Plan	----	1" = 10' [minimum]	4

1	Property lines with dimensions	11	Mailbox and Monumentation location
2	Preserve Areas and 750' contours where applicable	12	Utility lines / equipment
3	Easements with dimensions	13	Exterior lighting: post lamp and monument lights
4	Building location	14	Exterior lighting: landscaping
5	Driveways, Walkways	15	Retaining walls and tree wells
6	Corner Lot Treatments/Walls/Hedges	16	Trees to be saved [8" caliper @ 18" above grade] ❶
7	Porches, patios and pools	17	Proposed trees, shrubs, ground cover and mulch
8	Fences	18	Proposed sodded areas
9	HVAC Equipment and screening	19	Mulched natural areas [under-brushed and weeded]
10	Pools equipment and screening	20	Plans for additional structures [if applicable]
❶ Do not show trees located outside of property lines.			

1	System layout	2	Time clock location
---	---------------	---	---------------------

STEP 9: Final Inspection Checklist and Certificate of Compliance

4.11

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9/20/04

Step 9 of the approval process is final approval and issuance of a Certificate of Compliance.

Applications for final approval consists of submitting the Final Inspection Checklist and the Application for Certificate of Compliance.

The DRB will review the completed Final Inspection Checklist and the Application for Certificate of Compliance and will issue a Certificate of Compliance once all of the reviews and approvals have taken place.

- ***See Sample Final Inspection Checklist in Section 4.11.2***
- ***See Sample Application for Certificate of Compliance 4.11.3***

EXHIBIT: Final Inspection Checklist

4.11

2

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1	Certificate of Occupancy (City Of Oak Ridge)	One (1) copy
2	Final Survey	One (1) original with seal
3	Final Lot Grading As Built	One (1) original with seal and certification
4	DRB Inspection	As may be required by the DRB

1	Property lines with dimensions	7	Driveways and aprons with dimensions
2	Wildlife corridors, shoreline buffers and 750' contours where applicable	8	Walkways
3	Easements with dimensions	9	Porches, patios and pool decks with dimensions
4	Building setback lines with dimensions	10	Fences, Landscape Walls
5	Building location with dimensions	11	Retaining walls
6	Building corners with dimensions to property line		
● Final Lot Grading As Built details may be shown on the Final Survey.			

1	Final grades for homesite corners	4	Final grades for structure corners
2	High / low points and breaks in grade	5	Swale grades [if applicable]
3	Arrows showing direction of drainage flow		
● Final Lot Grading As Built details may be shown on the Final Survey.			

Exhibit:
Application for Certificate of Compliance

4.11

3

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THIS FORM IS DUE WHEN THE HOME IS COMPLETED AND A REQUEST IS MADE FOR FINAL INSPECTION. IT SHOULD BE COMPLETED AND SUBMITTED WITH ITEMS DETAILED ON THE FINAL INSPECTION & SUBMITTAL CHECKLIST LOCATED IN SECTION 4.11.2 OF THE RARITY RIDGE DESIGN GUIDELINE.

Property Owner _____

Address: _____ Lot # _____

CITY OF OAK RIDGE, CERTIFICATION AND CERTIFICATE OF OCCUPANCY

A copy of the City of Oak Ridge - Certificate of Occupancy form must be attached here as part of the Application for a Certificate of Compliance from the DRB. The attached document must certify that all work has been completed in compliance with the standards prescribed by the city zoning ordinance and meets the approval of the City Building Department Code.

COMPLETION CERTIFICATION BY THE GENERAL CONTRACTOR

The General Contractor hereby certifies that all work has been performed in keeping with all plans submitted and approved by the Rarity Ridge Design Review Board. To the best of my knowledge, this residence shall not be used for either business or commercial purposes.

General Contractor

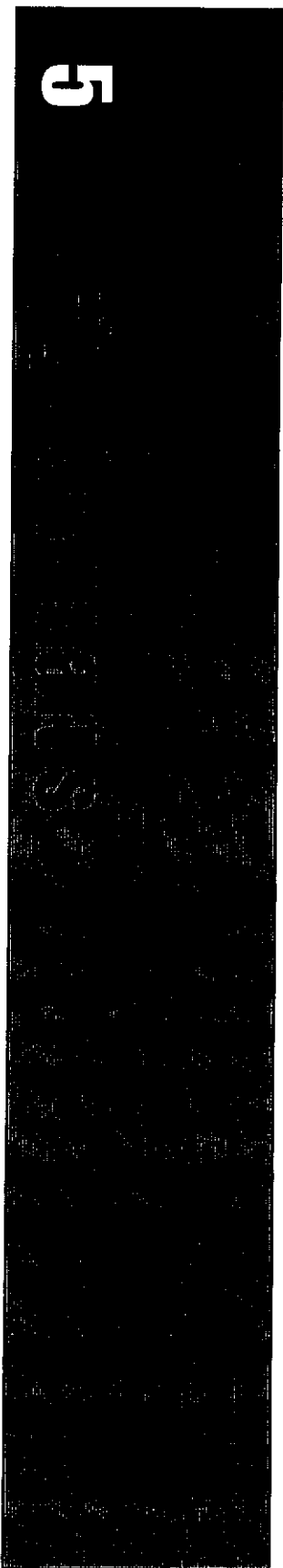
Date

CERTIFICATION BY DIRECTOR OF RARITY RIDGE COMMUNITY OPERATIONS

The Director of Rarity Ridge Community Operations certifies that all work has been performed in keeping with all plans submitted and approved by the Rarity Ridge Design Review Board.

Director of Community Operations

Date



Architectural Design

5.1

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9/20/04

The vision of Rarity Ridge is to create a dynamic, vibrant community. The number of homes planned, and the size and variety of many distinctive natural areas provide unique opportunities for multiple home style options for residents. The architectural character of Rarity Ridge is planned to accommodate a variety of traditional styles to lay the foundation for an authentic, yet diverse community.

Visually interesting neighborhoods are planned to have a general consistency in architectural character achieved by a predominance of traditional and classical styling. Types of residences include custom estate homes, custom hillside homes, cottages, carriage homes, town homes, condominiums, apartments and lofts above retail shopping. All have been gracefully integrated throughout the community's master plan to achieve balance and a sense of connectivity.

Primary, Support and Accent Style Residences

Primary style residences are those greatest in number, establishing the principle architectural detailing within the community. Primary styles include Federal and Colonial Revival design character. Queen Anne and Shingle style designs are planned as Support styles and sprinkled together with Accent style homes to include Greek Revival, Craftsman and Tudor design detailing.

Interplay Between "Classical" and "Rustic"

Both classical and rustic style residences are planned at Rarity Ridge. In truly diverse traditional neighborhoods, the interplay between classical and rustic style homes creates a vibrant, visual interest. This mixture will vary between neighborhoods and will more generally consist of classical styles. Classical styles include the Queen Anne, Federal, Colonial Revival and Greek Revival styles of architecture. Cottage and Carriage home neighborhoods are generally planned to incorporate a more classical style of architecture. Estate home neighborhoods, however, are planned to integrate a more rustic character. Rustic styles include Craftsman, Shingle and Tudor design detailing. Within Estate home neighborhoods, both rustic and classical styles are encouraged, however, classical styles should be overlaid with a "woodland" historic color palette to soften their formal presence.

Color

Color plays an important role within the chosen styles of architecture. Overall a palette of "historic" color is predominately used, with white and off-white homes used in the minority as accents. Certain neighborhood areas may present a more limited color palette to bring a degree of continuity to the variety of styles.

Architectural Design

5.1

2

9/20/04

The characteristics of traditional neighborhood architectural home styling at Rarity Ridge expresses a variety of architectural elements, features and finishes such as:

- A raised foundation appearance
- Small gabled or arched entry porches
- Simple, symmetrical side-gabled form, both single and two story designs, with additional square footage as cross-gable volume on rear
- Large classical cornice detail at roof with modillions/dentils, wide corner board trim
- Tall double-hung windows with 12 Light over 12 Light and 6 Light over 6 Light sash patterns
- Classical crowned entablature window heads and wide trim boards, all windows shuttered
- Simple building shapes, two-room deep, two story designs
- Symmetrical façade with balanced single, double-hung windows, five across
- Round-topped entry door with small entry porch
- Side-gabled roof, with symmetrical chimneys, hipped roof of lower pitch
- Minimum square feet restriction, Single Family Estate Homes, 1,800 square feet minimum on main living level of air-conditioned interior space.*

Minimum square feet on main living level is subject to Design Review Board Approval on a per plan basis. Minimum square feet on the main living level shall not be less than 1,800 square feet of air-conditioned space.

Site Planning

5.2

1

9/20/04

The dominance of nature over the built environment is one of the most important traits of the rural, traditional character. The home should be oriented and designed in response to the individual characteristics of the site, integrating the specific design requirements of each neighborhood Regulating Plan. Current copies of the Regulating Plan for each neighborhood within Rarity Ridge may be requested from the DRB and may be amended from time to time.

It is the intent of the standards and guidelines in this section to provide awareness to parcel owners and their home designers regarding imposed setbacks, required build-to lines and yard zones. Traditional/Classical community site planning evokes individual neighborhood guidelines that are consistent with the overall character of the community.

Parcels at Rarity Ridge have siting requirements that will affect the orientation of homes. These include easements, sight distances at intersections, maximum buildable areas, build-to lines, corner-lot conditions, hillside conditions, alley conditions and other requirements that are found in Neighborhood Regulating Plans. This section of the Design Guidelines Manual includes a summary of key standards that apply to Parcels as well as the minimum size of Structures constructed thereon. Additional details are available from the DRB Administrator.

1. **Orientation.** The DRB requires the front of homes to be oriented parallel to the front of Parcels. Homes on corner Parcels must be aligned to meet the requirements of the Neighborhood Regulating Plan. Garages must be located parallel to alleys or streets. In custom estate neighborhoods, where alleys do not exist, garages must be stepped back from the front of the main body of homes a minimum of 10 feet, no double garage doors are permitted. All homes and garages must be located within the Buildable Area.
 - **See Parcel classifications and standards under exhibits in this section for specific setbacks, Maximum Buildable Areas, and minimum structure sizes.**
2. **Building Setbacks and Maximum Buildable Areas.** The Principal Structure is the main body of the home, and Accessory Structures include detached garages, guest houses, covered courtyards, trellises and other similar structures as may be approved by the DRB. All improvements on the parcel including, but not limited to decks, porches, fences, covered breezeways, pools, spas, and all types of storage facilities must be approved by the DRB and the City of Oak Ridge [as applicable] The Principal Structure and any Accessory Structures shall be located within the **Maximum Buildable Area** of a Parcel as established by the minimum front, side

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and rear yard setbacks, which vary by Parcel type and Neighborhood.

- **See Parcel classifications and standards under exhibits in this section for specific setbacks, Maximum Buildable Areas, and minimum structure sizes.**

3. **Periphery Boundary of Rarity Ridge.** All building or structures shall be set back from the periphery boundary of Rarity Ridge not less than 35'.
4. **Maximum Site Coverage.** The maximum area of a Parcel that may be covered by buildings shall be 50 percent of the base acreage of the site.
5. **Maximum Building Height.** The maximum building height for single-family homes shall not exceed two stories, excluding basements (walk-outs) and living space contained within the limits of roof structures. (**See Parcel Classification Table in Section 52.4**)
6. **Easements.** Landscaping and the building of driveways, porches or fencing within easements may not be permitted, subject to the approval of the DRB and the City of Oak Ridge. Any costs associated with the removal and/or replacement of improvements within easements, as may be required by the DRB, Developer, The Association, owners, utility companies or government agencies, are the responsibility of the Owner.
7. **Sight Distances: Intersections and Driveways.** No fence, wall, hedge, shrub or tree planting shall be placed, permitted or maintained where such improvements would create a traffic or sight problem at intersections for Corner Parcels or at the intersection of street property lines and driveways, alleys, or pedestrian trails.
8. **Garages and Driveways.** Driveway side yard setbacks and garage size and loading vary by Parcel type and classification.
 - **For additional details, see Garages and Driveways in Section 5.9.1.**
9. **Porches, Patios and Pool Decks.** Porches, patios and pool decks shall be located within the Maximum Buildable Area. Such items shall not extend beyond the Maximum Buildable Area, without the approval of the DRB and the City of Oak Ridge.

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10. **Fences, Walls and Planters.** Siting requirements for these elements vary by type and application as well as the size of Parcels. Special request for these items should be discussed with the DRB prior to submittal of Design Review Documents.
11. **Play Equipment.** Play Equipment, as may be approved by the DRB, shall be limited to the Maximum Buildable Area of rear yards. All Play Equipment should be constructed of natural materials and maintained in accordance with Community Standards.

		Table II			
	Hillside	Estate	Carriage	Cottage	Townhome
Min. Lot Width	125 ft.	75 ft.	50 ft.	30 ft.	18 ft.
Max. Lot Width	none	124.99 ft.	74.99 ft.	49.99 ft.	29.99 ft.
Min. Lot Depth	200 ft.	125 ft.	120 ft.	110 ft.	45 ft.
Max. Lot Depth	none	260 ft.	225 ft.	200 ft.	180 ft.
Min. Lot Size	25,000 sf.	9,375 sf.	6,000 sf.	3,300 ft.	810 sf.
Max. Lot Size	none	24,999 sf.	9,374 sf.	5,999 sf.	3,299 sf.
Min. Principal Building Height	15 ft.	24 ft.	15 ft.	15 ft.	15 ft.
Max. Principal Building Height	42 ft.	42 ft.	42 ft.	42 ft.	42 ft.
Min. Outbuilding Height	14 ft.	14 ft.	14 ft.	14 ft.	14 ft.
Max. Outbuilding Height	Outbuilding height shall not exceed the lesser of the planned/constructed principal building height or 25 ft.				
Min. Front Setback	50 ft.	20 ft.	20 ft.	10 ft.	0 ft.
Max. Front Setback	none	50 ft.	30 ft.	20 ft.	20 ft.
Min. Rear Setback, Principal Building	20 ft.	20 ft.	20 ft.	5 ft.	5 ft.
Min. Rear Setback, Outbuilding	20 ft.	20 ft.	5 ft.	5 ft.	0 ft.
Minimum Side Setback	30 ft.	15 ft.	5 ft.	0 ft, if 10 ft between buildings	0 ft. or 10 ft.

Table III				
	Multifamily	Neighborhood Commercial	Village Commercial	Community Commercial
Min. Lot Width	18 ft.	18 ft.	18 ft.	18 ft.
Max. Lot Width	none	none	none	none
Min. Lot Depth	45 ft.	45 ft.	45 ft.	45 ft.
Max. Lot Depth	none	none	none	none
Min. Lot Size	810 sf.	810 sf.	810 sf.	810 sf.
Max. Lot Size	none	none	none	none
Min. Principal Building Height	18 ft.	18 ft.	18 ft.	18 ft.
Max. Principal Building Height	55 ft.	42 ft.	55 ft.	55 ft.
Min. Outbuilding Height	14 ft.	14 ft.	14 ft.	14 ft.
Max. Outbuilding Height	Outbuilding height shall not exceed the lesser of the planned/constructed principal building height or 25 ft.			
Min. Front Setback	0 ft.	0 ft.	0 ft.	0 ft.
Max. Front Setback	15 ft.	15 ft.	15 ft.	30 ft.
Min. Rear Setback, Principal Building	5 ft.	5 ft.	5 ft.	20 ft.
Min. Rear Setback, Outbuilding	5 ft.	5 ft.	5 ft.	5 ft.
Minimum Side Setback	0 ft, if 10 ft between buildings	0 ft, if 10 ft between buildings	0 ft, if 10 ft between buildings	0 ft, if 10 ft between buildings

EXHIBIT:
**Summary of Single-Family Custom
Parcel Classifications & Standards**

5.2

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The following Tables include all Lot depths and widths, setbacks, maximum building heights as required by the City of Oak Ridge Zoning Department. For assistance determining your Lot (Parcel) Type, please contact the DRB Administrator.

Site Development

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No bulldozing, clearing, filling, grading, or tree removal shall commence on a Parcel until the appropriate Design Documents have been submitted to and approved by the DRB as part of Final Design Review and permits have been received from government agencies with jurisdiction over the improvements and the job site meeting with the Director of Community Operations has taken place.

1. **Limits of Clearing.** To the extent reasonably practical, the clearing of mature trees on Parcels shall be limited to areas required to accommodate the Structure and its normal and customary accessories, open yard areas and those limited areas required to permit utility services, driveways and alleys.
2. **Trees to Be Saved.** Care shall be taken to protect the root system of trees to be saved. Protective tree fences shall be installed for mature trees as requested by the DRB. The existing grade for such trees shall be maintained from the trunk to the drip line until retaining walls, tree wells or aerators can be installed as may be required. Protective Tree Fence Details can be obtained from the DRB.
3. **Vegetation, Debris and Tree Stumps.** Except for environmentally protected areas and portions of Parcels to remain natural, the entire Parcel shall be cleared of obnoxious and/or poisonous vegetation, underbrush and debris. Tree stumps in open areas shall be removed or ground below grade. Within the limits of foundations, tree stumps must be removed. Burial of vegetation and construction materials is prohibited.
4. **Grading, Fill and Drainage.** The surface drainage system shall consist primarily of on grade pervious systems. Drainage of individual properties must be planned to provide positive drainage away from the Structure without adversely affecting environmentally protected areas, roadways, alleys, common areas or adjoining properties.

In the event that soil must be imported to or exported from the property, the Applicant will be responsible for this cost. There will be no spoils or dump sites available within Rarity Ridge to receive export cuts or to obtain import materials. Plans for exporting and importing of materials must be approved by the DRB at the pre-construction certification meeting prior to construction.

Adequate provisions must be made to prevent any surface waters from damaging public or private property, or excavations and fill slopes, both during and after construction.

Site Development

5.3

2

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Applicants shall be responsible for grading, fill and drainage construction in accordance with the overall drainage plan and system for the community, as determined by the Director of Community Operations and the Parcel grading plan for the Parcel as approved by the DRB.

5. **Retaining Walls.** Subject to the approval of the DRB, retaining walls may be used to facilitate grade changes or to protect the root system of existing trees where the finish grade has been cut below the natural grade. Details for retaining walls at a height of 3'-0" or higher shall be prepared and sealed by a registered structural engineer or architect.

Review and approval of retaining walls by the DRB shall not impose any responsibility for the design or construction of retaining walls, including, but not limited to the adequacy, structural integrity or life/safety requirements of such improvements. The scope of any review and approval by the DRB shall be limited solely to whether the plans meet certain requirements, standards and guidelines relating to aesthetics, and the harmony and compatibility of the proposed improvements on Applicant's Parcel with other improvements to be constructed within the community.

The following materials are "permitted" for use as retaining walls:

Permitted

- Landscape timbers (6" X 6")
- Stone
- Brick
- Concrete block with stucco, stone or brick veneer
- Reinforced concrete with stucco, stone or brick veneer
- Retaining wall block

➤ ***Other materials will be evaluated on their own merit by the DRB, but are subject to disapproval.***

6. **Finished Grading.** Water must be applied as necessary during site grading to provide optimum moisture content to the soil. Planting areas are not to be graded when their moisture content is so great that excessive compaction occurs, or so little that dust is formed and dirt clods will not break up.

Final grading of planting areas shall include light rolling, raking and hand work. This is necessary to achieve the desired contour and the flow line patterns and to insure evenly finished surfaces with proper drainage.

Site Development

5.3

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7. **Mounds and Swales.** Mounds and swales shall be planned with smooth and graceful transitions between changes at the top and toe of slopes.

8. **Parcel Grading Plans.** Parcel grading plans shall be prepared and sealed by a registered engineer. Review and approval of Parcel grading plans by the DRB shall not impose any responsibility for the adequacy, design or construction of any such site grading or drainage systems. The scope of any review and approval by the DRB and its consultants shall be limited solely to whether the plans meet certain requirements, standards and guidelines relating to aesthetics, and the harmony and compatibility of the proposed improvements on Applicant's Parcel with other improvements to be constructed within the community.

9. **Erosion and Environmental Control.** Erosion and sediment control must be conducted according to the SWIPP attachment filed with all design review submittals at final design review. Approvals must be granted prior to commencement of construction of any and all improvements on the parcel. Temporary swales, environmental fences, silt fences, straw bales and other sediment control methods must be undertaken prior to construction to prevent debris from blowing onto and silt from intruding upon environmentally protected areas, roadways, common areas or adjoining properties. Applicants are required to comply with applicable governmental regulations and code requirements regarding run-off.

Silt fences shall be installed in accordance with details contained in this Section and must be inspected and approved by the Director of Community Operations prior to the commencement of construction. **Any mud or silt run-off onto roadways or any adjoining property shall be removed by the end of the current workday or the end of the following workday if on the weekend by the Applicant or, at the discretion of the DRB, said run-off will be removed by the DRB at the expense of the Applicant.**

- ***If a Parcel is cleared but construction does not commence within 30 days of clearing, the Applicant will be required to plant grass seed or to cover cleared areas with mulch or pine straw as may be requested by the DRB Administrator.***

Permanent measures for erosion control include the use of plant materials and the proper grading of the site. The design of drainage shall use natural systems whenever possible. Pervious surfaces rather than hard surfaces are encouraged to promote ground percolation.

10. **Dumpsters.** Dumpsters and portable restrooms are required on all job sites.

Utilities

5.4

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9/20/04

1. **Utility Services.** Underground utilities shall be made available to every Lot and service shall be provided by the following companies:
 - **Electric:** Oak Ridge Electric Department
 - **Sanitary Sewer:** The City Of Oak Ridge
 - **Water:** The City Of Oak Ridge
 - **Natural Gas:** Oak Ridge Utility District
 - **Telephone:** Bell South Communication
 - **Cable Television:** Comcast
2. **Utility Fees and Charges.** Applicants shall be responsible for all fees, deposits or other costs charged by a utility company for extending, installing and providing utility services to Structures.
3. **Utility Meters and Connections.** Meters and other utility connections for natural gas, electric, telephone and cable television shall be located within service areas along the side yard wall of Structures.
4. **Cable Television.** All Structures shall be fully wired for cable television service compatible with the community cable system.
5. **Wells.** Parcels located on the Clinch River and the Watts Bar Lake are not permitted to draw water for irrigation purposes. Wells for potable water or irrigation are not permitted on any Parcels within the community.
6. **Sewer, Water, Electric, Natural Gas.** Each Applicant is required to install the appropriate connections to the utility service companies providing service to Rarity Ridge. Specifications for installation and connection to all utilities must be obtained by the builder of each parcel from the utility company. Installation will be subject to inspection by the utility company and the Rarity Ridge Design Review Board. Fees and costs associated with required changes to installation, including, but not limited to equipment and/or labor, shall be the responsibility of the Applicant.

Exterior Elevations and Materials

5.5

1

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1. **Exterior Design.** The massing of a home should be organized as a whole and should not appear as a mixture of unrelated forms. Most important, design elements must be characteristics of the Traditional and Classical styles of architecture. Those styles include: Queen Anne, Tudor, Shingle, Greek Revival, Colonial Revival and Federal design and detailing.

Approval of exterior design by the DRB will consider mass and scale; materials, textures, colors and finishes; continuity between primary design elements and secondary surface treatments; placement of windows, doors and openings; vertical and horizontal lines; and roof pitches. Detailing shall be consistent with the overall architectural character of the home and compatible with other residences within the community.

Homes on Corner Parcels may be required to include additional side elevation treatments and architectural details (such as trim, windows, shutters, landscaping, wrap-around porches, etc.) beyond such standards normally required for other less visible Parcel locations.

- ***The DRB may prohibit new construction or modifications to existing Homes on purely aesthetic grounds, where, in its sole judgment, such action is required to maintain the desired character of the overall community or individual neighborhoods.***

2. **Maximum Building Height and Minimum Wall Plate Height.** The maximum building height for single-family homes shall not exceed two stories, excluding basements and living space contained within the limits of roof structures. **(See table II under Lot Classifications)**

The minimum wall plate heights shall conform to the following:

- First floor throughout - 9'
- Second floor throughout - 8'

For frame construction, the wall plate height is from the bottom of the sole plate to the top of the top plate. For concrete block construction, the plate height runs from the floor slab to the top of the beam.

Exterior Elevations and Materials

5.5

2

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3. **Foundation Materials.** All exposed portions of foundations must be finished with one or more of the following materials:

- Stucco
- Brick
- Stone

Foundation materials shall follow the grade lines rather than steps in the footings. Exposed concrete footings are not permitted. In certain situations, base landscaping may be required to mitigate the visual impact of exposed foundation walls or walkout basements.

4. **Exterior Wall Materials.** Exterior wall finishes, veneers and materials will be evaluated on their own merits by the DRB. Permitted materials in this section do not imply that a specific type, brand, color or installation technique is approved. For example, natural or manufactured stone is a permitted material. However, not all brands, colors or manufacturers are permitted. Subject to the preceding provisions, the following exterior wall materials are "permitted" or "not permitted" for use within the community.

Permitted

- Stucco [*cement-based*]
- Brick
- Stone [*natural or manufactured*]
- Fiber-cement siding [*as specified in this section*]
- Wood shingle siding [*limited accents only*]
- Board and batten siding [*limited accents only*]

Not Permitted

- Decorative concrete block
- Exposed concrete
- Vinyl siding
- Aluminum siding
- Imitation brick
- Stucco with laced [*Spanish*] or adobe finishes

Exterior Elevations and Materials

5.5

3

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5. Stucco Finishes

A. **Type.** Stucco finishes may include cement-based stucco or synthetic coatings.

- ***For purposes of the Design Guidelines Manual, the use of the word "stucco" shall mean and refer to cement-based stucco unless the context indicates otherwise.***

B. **Texture.** Smooth, sand, light hand troweled, and light dashcoat finishes are permitted.

- ***Excessive joining marks between coats of stucco, due to scaffolding and construction techniques, must be avoided and may be a cause for rejection in the field by the DRB.***

6. Brick Veneer

A. **Textures.** Woodmould and sandfaced bricks are highly recommended for exterior elevations. Other brick textures will be evaluated on their own merit by the DRB, but are subject to disapproval.

B. **Sizes.** Modular and standard brick sizes are recommended. Other sizes including Queen and Oversized will be evaluated on their own merit by the DRB, but are subject to disapproval.

7. **Stone Veneer.** Natural stone and high-quality, manufactured stone products are permitted for exterior walls, chimneys, planters, low walls and other applications. Consideration should be given to the type, texture and color of stone as well as its consistency with the architectural style of the home. Individual types of stones will be evaluated on their own merits by the DRB. The following are "permitted":

- Rubble
- Ashlar
- Flagstone
- Sandstone
- Granite

- ***For purposes of the Design Guidelines Manual, the use of the***

Exterior Elevations and Materials

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word "stone" shall mean and refer to natural and manufactured products, unless the context indicates otherwise.

8. **Fiber-Cement Siding.** Fiber-cement siding is recommended for exterior wall finishes, subject to approval of the type, style and manufacturer by the DRB. Face boards must be installed in a horizontal manner with an exposure not to exceed 8". Vertical corner boards with a minimum nominal width of 6" are highly recommended.

9. **Wood Siding and Accents.** Wood may be used for raised porches, decks, railings, columns and posts, entry doors, bay or box windows, fascias, soffits, dormers, cupolas, and gable ends.

Beveled wood or beaded board is permitted as a siding material. Face boards must be installed in a horizontal manner with an exposure not to exceed 8". Vertical corner boards with a minimum nominal width of 6" are highly recommended.

➤ ***All exposed wood products, as may be approved, must be finished with paint. This includes wooden porches, decks and railings. Other than for use on entry doors, semi-transparent stains are highly discouraged.***

10. **Windows.** Windows may be fabricated from painted aluminum, vinyl, wood or vinyl clad wood. Mill finish aluminum window frames are prohibited. Glazing for windows may be clear or grey tinted only. All other tint colors must be approved by the DRB. No reflective glass is permitted.

Windows shall be typically vertically rectangular in shape and the use of accent eyebrows and color contrasted trim or rectangular transoms are encouraged. Where appropriate, the use of specialty windows with round, oval or octagonal shapes are permitted.

Windows sashes may be single- or double-hung (horizontally divided) or casement (vertically divided) or horizontal rollers.

Bay windows may be boxed, or angled. Unless otherwise approved by the DRB, boxed bay windows shall include appropriate knee braces or other supporting details.

Exterior Elevations and Materials

5.5

5

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- **Structures with a wall plate height in excess of 8'-0" shall take into consideration the need for transoms or windows of greater height to maintain proper scale and massing.**

11. **Window Grilles and Porch Railings.** Subject to DRB approval, wood, vinyl and wrought iron ornamentation may be used for windows grilles and railings (pseudo or actual). Burglar bars, steel security bars, and similar devices are not permitted for installation on the exterior of windows or doors.
12. **Shutters.** The use of shutters, consistent with the window form, is encouraged and may be required. Operable shutters are highly recommended; however, fixed decorative shutters are permitted. All shutters materials are subject to approval by the DRB. The following types and styles are permitted:
 - Louver
 - Panel
 - Batten
13. **Dormers.** Roof or wall dormers shall be centered over lower windows or other dominant elements of the home and may be required in some cases. Dormers may be glazed or vented. The following types and styles are permitted:
 - Hip
 - Flat Arch
 - Gable
 - Shed
 - Eyebrow
14. **Front Entry Doors.** The entry of a home should create a sense of arrival and a warm, inviting feeling. Front entry doors should include either a pair of doors with or without sidelights or a single door with sidelights on at least one side. The use of transoms is encouraged.

Roofs

5.6

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1. **Roof Styles and Pitches.** Gable roofs are preferred styles for the community. Other types of roofs and limited design elements will be considered on their own merits by the DRB.

The minimum roof pitch shall be 6 on 12 for primary roof elements. **The DRB may require a steeper roof pitch to conform to the roof pitches already established in the neighborhood.** For small roofs, (dormers, porches & patios) the DRB may approve a minimum pitch of 3 on 12 so long as any such elements are used on a limited basis and are considered essential to the overall architectural character of the home.

2. **Roof Shingles.** A variety of roof shingles may be used within the community and the following include those types that are "permitted" or "not permitted".

Permitted

- Dimensional asphalt shingles [*heavy profile*]
- Flat concrete tile [*smooth, broomswept or shake finish*]
- Slate [*actual or simulated*]
- Copper, terne and zinc [*limited applications*]

Not Permitted

- Non-dimension or monochromatic asphalt shingles
- Barrel tile
- "S" tile
- Roll tile
- Metal [*except as noted above*]
- All other roofing materials

➤ ***Non-painted metal may be used on a limited basis for minor roof elements such as porticos, cupolas, finials, bay windows, eyebrow or arched top dormers, and similar items.***

3. **Plumbing Vents and Stacks.** All plumbing stacks and vents shall be painted to match the adjacent roof or wall material. Such items shall be grouped on the rear slopes of roofs where possible and should not extend above the ridge line.

4. **Valleys.** All valleys should be laid to form "closed" valleys.

Roofs

5.6

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5. **Flashing.** No exposed natural [*mill finished*] aluminum or unfinished galvanized flashing is permitted, but it must be colored to match adjacent material. All exposed step flashing for brick homes shall be copper.
6. **Skylights.** Skylights are discouraged on the front elevation of homes and may be denied in any location based on size, location, quantity or for aesthetic reasons. Glazing must be clear, solar bronze or white. Framing material must be bronze or colored to match the roof. Reflective glazing or mill finish aluminum are not permitted.
7. **Fascias.** Fascias shall be aluminum, vinyl, wood or other approved materials.
8. **Soffits and Vents.** All soffits are to be vented as per applicable building codes and shall be composed of aluminum, vinyl, stucco, wood or other approved materials.
9. **Roof Drainage and Gutters.** Water from roofs and gutters shall be directed away from the foundation and to front, side or rear yards in accordance with the Parcel grading plan. Approved colors for gutters are copper, verde green, white or earth tones compatible with the main body of the Structure.
10. **Ridge Vents.** Unless otherwise approved by the DRB, a concealed vent system shall be used on shingle roofs. Exposed metal ridge vents for other types of roofs must be painted to match the roof color and installed on rear slopes where possible.

Energy Conservation Equipment	5.7
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1. **Solar Collectors.** No solar collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed on any Parcel unless it is an integral and harmonious part of the architectural design of a Structure, as determined in the sole discretion of the DRB. Solar collectors shall be flush mounted and installed parallel to the plane of the roof. Whenever possible, solar collectors shall be located on a roof exposure shielded from view from the street to the maximum extent. Panels and frames must be bronze or colored to match the roof color. Mill finish aluminum is prohibited.

Fireplaces and Chimneys

5.8

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1. **Fireplace Types.** The following types of fireplaces are approved for use within the community:
 - Masonry firebox and flue [*wood-burning or gas*]
 - Pre-fabricated metal firebox and flue [*wood-burning or gas*]
 - Pre-fabricated metal firebox with direct vent [*gas*]

2. **Chimney Materials.** Chimney details shall be shown on floor plans and elevations submitted for Final Design Review. Chimneys may be battered, straight, or stepped. Singular applications or combinations of the following exterior materials are permitted for chimneys:
 - Brick
 - Stone
 - Stucco
 - Fiber Cement Products
 - ***Chimneys are to extend from the foundation up. No cantilevered chimneys are permitted.***

3. **Chimney Caps.** The color of chimney caps must complement roof colors and wall materials of the home. Unless otherwise approved by the DRB, chimney caps shall be construction of the following:
 - Clay
 - Stone
 - Brick
 - Decorative Metal
 - ***If the fireplace is pre-fabricated with a metal flue and spark arrestor at the top of the chimney, the spark arrestor must have a cawling or decorative surround as approved by the DRB. The Applicant is solely responsible for determining if the chimney cap is approved by the manufacturer.***
 - ***Product photos for chimney caps shall be submitted for Final Design Review.***

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Garages and Driveways

1. **Garage Types and Siting.** Garages may be integrated into the main structure, totally detached or connected to the home through the use of a breeze way, patio, garden room or other similar elements. Attached or detached garages must be located within the Maximum Buildable Area of the Parcel. All garages must be fully enclosed. Carports are not permitted.

2. **Garages Loading.** A variety of garage loading conditions are permitted to accommodate the topography and to create variety along streetscapes. Subject to setbacks and design standards, the following types of garage loading are permitted with the approval of the DRB:

Front-load	x	x	x	
Side-load	x	x	x	
Rear-load				x
Alley-load	x	x	x	
Front-load				x

➤ ***Rear-load garages are permitted where alley access is provided and will be reviewed on a case by case basis.***

3. **GARAGE FACADES.** FOR 3- OR 4-CAR GARAGES, NO MORE THAN 2 DOORS MAY EXIST ON THE SAME PLANE. IN SUCH CASES, THE THIRD GARAGE DOOR MUST BE OFF-SET BY A MINIMUM OF 2'.

4. **Garage Doors.** The use of individual garage doors is encouraged for each car; double bay doors are not permitted. The minimum width for garage doors shall be 9'. The maximum plate height for garage doors shall be 10' with a maximum 9' garage door height.

Overhead garage doors with raised panel designs and glazing are recommended. Other types are subject to the approval of the DRB. Flush door panels are not permitted.

Garages and Driveways

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- **All garage doors shall be equipped with automatic garage door openers.**

5. **Driveway Layout and Slopes.** Subject to easements and drainage, driveways shall be set back a minimum of 5'-0" from the side lot line. Driveways shall be constructed with uniform slopes to insure positive drainage.
6. **Driveways Finishes.** For single family homes, to maintain a consistent appearance, driveway finishes shall be continuous from the back of the curb or alley pavement to the garage. Unless otherwise approved by the DRB, the following materials and finishes are "permitted" or "not permitted":

Permitted

- Broom finish concrete with picture frame edging
- Broom finish concrete with exposed natural stone aggregate
- Broom finish concrete with brick, stone or aggregate banding
- Stamped concrete with approved color agent
- Brick
- Brick pavers
- Natural stone pavers
- Precast or interlocking concrete pavers
- Stone set in mortar

Not Permitted

- Asphalt
- Chattahoochee set in epoxy
- Mulch, pine bark or pine straw
- Common stone aggregate or gravel
- Polished stone
- River rock
- Glazed ceramic tile and composite tile
- Unfinished concrete

Garages and Driveways

5.9

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- ***No family names, initials, numbers, crests, logos or similar items may be applied to or set in driveway surfaces during new construction or thereafter.***
- ***The addition of an approved color agent is highly recommended to reduce glare and to improve consistency for broom finish concrete driveways even in cases when the desired color is grey.***
- ***The materials, finishes and colors for driveways may not be changed after completion of new construction without the written approval of the DRB.***

7. **Driveway Radius and Curb Cuts.** When curbs are required to be broken for driveways, the curb shall be saw-cut and subsequently repaired by feathering the concrete from the apron to the curb. ***See Detail Page.***

Walkways

5.10

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1. **Walkways.** An entry walkway at least 42" in width shall be provided from the driveway to the front door. Walkway materials, finishes, shapes and colors shall be compatible with the exterior of the Structure. The following types or finishes are "permitted" or "not permitted" for walkways:

Permitted

- Broom finish concrete with picture frame edging
- Broom finish concrete with exposed natural stone aggregate
- Broom finish concrete with brick, stone or aggregate banding
- Stamped concrete with approved color agent
- Brick
- Brick pavers
- Natural stone pavers
- Precast or interlocking concrete pavers
- Stone set in mortar

Not Permitted

- Asphalt
- Chattahoochee set in epoxy
- Mulch, pine bark or pine straw
- Common stone aggregate or gravel
- Unfinished concrete
- Random stepping stones or precast blocks

- ***The materials, finishes and colors for walkways may not be changed after completion of new construction without the written approval of the DRB.***

Stoops, Entries, Porches and Decks	5.11
	1
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1. **Front Porches and Raised Decks: Front Yards.** Traditional and classical style porches and raised decks with wood planking or other approved materials is encourage for front yards, provided such improvements are consistent with the architectural character of the home and located within the Maximum Buildable Area.

Wood steps integrated in any such design approach shall have closed risers. Deck planks, steps, risers, and railings shall be finished with a solid stain or painted. No unfinished materials are permitted in front yards.

Open areas under porches or raised decks in front yards must be concealed with lattice or other forms of permanent screening such as stucco, brick or stone. Foundation landscaping may also be required.

2. **Porches and Raised Decks: Side and Rear Yards.** Traditional and classical style porches and raised decks with wood planking or other approved materials are permitted in side or rear yards within the Maximum Buildable Area Wood steps integrated in any such design approach shall have closed risers.

➤ *The open areas of porches and raised decks, located in street frontage side yards and readily visible from the street as determined by the DRB, must be concealed with lattice or other forms of permanent screening such as stucco, brick or stone*

3. **Porches, Patios and Pool Decks: Side and Rear Yards.** Porches and patios are permitted in side and rear yards within the Maximum Buildable Area.

Pool decks may be located in rear yards or within the court area of Structures with a central courtyard or atrium.

5.12 1 9/20/04 **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 DRB.

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 DRB.
- B. **Elevation Off Grade**. The elevation of in-ground pool or spa decks shall not be greater than 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, Club facilities or common areas. Unless other alternatives are available and approved by the DRB, any such equipment shall be screened by a service wall or be located below grade in an equipment vault.

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

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.

- ***Compliance with building and safety codes are the responsibility of the Applicant.***

Fences, Walls and Planters

5.13

1

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In order to create a sense of privacy between Parcels, Applicants are encouraged to draw upon natural resources such as berms, tree clusters and other types of landscaping techniques. Except as may be required for pre-determined neighborhoods within Rarity Ridge and for safety purposes around pools and spas, the use of fencing as may be requested by an Applicant, shall be shown on the appropriate Design Documents. The location, design, materials and colors of any such elements are subject to the review and approval of the DRB.

Fence and Wall Types. Depending on the location and/or function, fences, gates and walls are classified as one of the following:

- Pool Fences
- Service Walls
- Privacy Walls
- Courtyard Walls
- Decorative Walls, Gates and Planters
- Dog Runs (as per Single-Family Home Classification)

Pool Fences. Swimming pools and spas shall be protected with a railing which conforms to the building code and requirements:

- ***Rigid covers with locking devices may be approved for portable or in-ground spas in lieu of fencing.***
- ***Code compliance and safety regarding pools and spas are the responsibility of the Applicant to comply with the City of Oak Ridge Zoning Ordinances.***

Service Walls. Service walls or landscaping must be used to screen HVAC compressors, pool/spa equipment, garbage receptacles, log storage and similar items from the street, and adjoining properties. **The location of HVAC equipment must be approved by the DRB so that it has minimal impact on surrounding properties.**

Materials. Service walls shall include a cap for definition and shall match or be compatible with the exterior finish and color of the Structure. Acceptable materials include ***vinyl, stucco, brick or stone.***

- ***Slabs located inside service fence areas shall be designed for positive drainage.***

Fences, Walls and Planters	5.13
	2
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- **Garbage receptacles with animal resistant lids may be located within service fence areas, provided the fence is 6" higher than containers.**

Privacy Walls. Privacy walls shall be restricted to *limited applications*, such as providing additional privacy for a specific room within a Structure and must conform to the construction of the home.

Courtyard Walls. Courtyard walls shall be used for providing privacy to the court area of Structures designed with a courtyard or atrium

Materials. Courtyard walls and privacy walls shall include a cap for definition and shall match or be compatible with the exterior finish and color of the Structure. Acceptable materials include *vinyl, stucco, brick or stone.*

Decorative Walls and Planters. Low walls may be required as part of a neighborhood Regulating Plan and may be approved on a *limited basis* for decorative purposes or for corner lot conditions.

Dog Runs. Dog Runs may be approved on a limited basis. Dog runs, where permitted in the sole discretion of the DRB, must be located in the rear yard zone and must be designed to begin at the rear corners of the house, staying within the width of the home and may continue as far as the rear set-back line of the parcel. The size and materials used must be approved by the DRB. The DRB in its sole discretion may not approve a Dog Run for an Applicant based on certain conditions or use of materials. Before designing Dog Runs, Applicant should consult with the DRB.

Design Approval. Fences, walls, gates and planters shall be shown on the appropriate Design Documents. Details shall show the location, materials and design, including cap details.

Additional Restrictions and Special Conditions. Additional requirements and/or restrictions may be required for certain Parcels with unusual conditions or situations not covered by provisions in this section. Special conditions will be evaluated on an individual basis by the DRB.

EXHIBIT: Pool Fence Standards

5.13

3

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Material	Open picket or decorative vinyl
Material	Extruded aluminum, wrought iron, or vinyl
Material	5/8" to 3/4" sq.
Material	Less than 4" on center
Material	1" sq. [minimum]
Material	1 1/2" sq. [minimum]
Material	72" on center [maximum]
Material	4" sq. [minimum]
Color	White, other colors as may be approved by the DRB in its sole discretion
Finish	Polyester powder coating, electrostatic paint or equal, vinyl
Height	4'-0"
Width	36" wide [minimum] / 48" wide [recommended]

Accessory Structures

5.14

1

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Accessory Structures include elements such as detached garages, guest houses, gazebos, trellises and other similar elements. The design and location of Accessory Structures are subject to review and approval by the DRB. Accessory Structures shall not exceed a 1 or 1 1/2 story profile and shall be located within the Maximum Buildable Area. (See Table II). Colors, materials and detailing of Accessory Structure shall be compatible with the architectural character of the home.

1. **Trellises.** Trellises are an effective method of producing shade and defining outdoor spaces. Trellises shall have a minimum of two layers of top cross members unless otherwise approved by the DRB. The color of trellises shall match the main body of the Structure or its trim. If a trellis is laced with canvas, the color must be specifically approved by the DRB. (Awnings of any kind are not permitted, unless otherwise approved by the DRB.)
2. **Outdoor Fireplaces and Permanent Barbecues.** Outdoor fireplaces and permanent barbecues shall be integrated with the design of covered porches, pools decks or other portions of the Structure. Outdoor fireplaces and permanent barbecues shall be located in the rear yard within the Maximum Buildable Area or the court area of Structures designed with a central courtyard or atrium. The installation of free-standing barbecues is permitted subject to review by the DRB.
3. **Storage and Tool Sheds.** Areas used for outside storage must be part of the Structure and shall be constructed of the same wall finishes, trim and roof materials. Detached storage and tool sheds are not permitted.
4. **Gazebos.** Gazebos shall be compatible with the exterior elevation of the Structure and shall be constructed using the same type and color of roof shingle. The color of columns, railings, pickets and other details shall match the main body of the Structure or its trim.
5. **Garages and Guest Houses.** Garages and guest houses are permitted and may be attached or detached from the Principle Structure. (See Section 5.2, Table II, Lot Classifications)

Play Equipment

5.15

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Planning for the recreation of children and young adults is an essential part of life at Rarity Ridge. For this reason parks and recreational amenities are planned throughout the community. Commercially available play equipment, however, is often less than desirable in appearance. As a result the standards and guidelines in this section have been established to create a balance between the need for play equipment and the impact on streetscapes, and adjoining Parcels.

Privately owned play equipment may include, but is not limited to, swing sets, jungle gyms, playhouses, play complexes, and similar items. The location, number, size, materials and colors for play equipment shall be reviewed on a case-by-case basis, and approval by the DRB is required prior to installation.

1. **Location of Play Equipment.** All play equipment shall be located in the rear yard within the Maximum Buildable Area and shall be located and shall be located within courtyards and/or and buffered by privacy walls or landscaped areas. Play equipment shall at no time be permitted to be in the alley or near an alley so as to interfere with access and egress.
2. **Buffer Landscaping.** Play equipment shall be buffered by landscaping or other means from an alley or street and adjoining properties. The location of play equipment will be evaluated on an individual basis to determine the extent of landscaping required. Generally, more extensive landscaping is required for Corner Parcels.
3. **Basketball Goals.** Permanent basketball goals may be approved and the location for each request will be evaluated on a case-by-case basis by the DRB.

In order of priority, the preferred location for basketball goals is the (1) rear yard and (2) side yard. However, several factors will be examined when considering a request, such as the size and location of the Parcel, the siting of the Structure on the Parcel, the availability of hard surfaces, and the potential damage to landscaping and automobiles on adjacent Parcels.

Regardless of the location, all basketball goals shall have a dark bronze, dark green or black pole with a clear backboard. A landscape buffer may also be required between adjoining Parcels.

- ***No basketball backboards or goals may be attached to any portion of a Structure.***

Play Equipment	5.15
	2
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4. **Swing Sets.** Wood swing sets may be made of pressure treated lumber and left natural or stained a color to match the exterior or trim. Other materials will be considered, provided the finish is painted or stained to conform to the exterior color of the home. Swing sets may be required to be buffered by privacy walls and/or landscaping.

5. **Playhouses.** The exterior of playhouses may be constructed of wood or fiber cement siding with a shingle roof and may be stained or painted a color to match the exterior of the main structure. Playhouses are limited to 100 square feet in area and a maximum height of 6' above grade. No electrical or plumbing connections are permitted to service playhouses. Other materials will be considered, provided the finish is painted or stained.

6. **Play Complexes.** Wooden play complexes may be constructed of pressure treated lumber and stained or painted to conform to the main structure of the home. Play complexes may not exceed 150 square feet in area or more than 12' in height above grade. Other materials will be considered so long as the finish is painted or stained. Play complexes with integral playhouses must also conform to playhouse standards in this section.

7. **Tree Houses.** Tree houses are not permitted anywhere within the community.

8. **Trampolines.** Trampolines are not permitted anywhere within the community.

9. **Skateboard Ramps.** Permanent skateboard ramps are not permitted on any Parcel within the community.

10. **Portable Play Equipment.** Portable play equipment shall be removed daily from yard areas and may be stored in enclosed areas.

Exterior Colors

5.16

1

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1. **Overview.** Color acts as a theme-conveying element reflective of the architectural style within the community. Traditionally styled homes with a "Historic" color palette typically found in America's neighborhood's are the predominate colors permitted for the community. Individual design expressions through the limited use of contrasting accent colors are encouraged by the DRB. All exterior colors shall be noted on a Color Review Application and submitted to the DRB for approval.

- ***The DRB has the authority to require the re-painting of a Structure or the removal of exterior materials at the Applicant's expense if written approval was not obtained in advance, or if the final colors vary from those originally approved.***
- ***Exterior colors shall not be permitted that, in the opinion of the DRB, are considered inharmonious, discordant, incongruous or aesthetically displeasing.***
- ***Colors which are considered inconsistent or inappropriate for Traditional and Classical styles of architecture are not permitted.***
- ***Exterior colors may not be changed as originally approved without receiving written approval for any such modifications from the DRB.***

2. **Color Schemes.** The use of exterior colors has a major impact on how a Structure and its architecture are perceived. It can even affect the value of the Structure and surrounding properties.

When planning a color scheme, start by identifying the color of Structures on either side and across the street. Examine the native vegetation, tree coverage and availability of sunlight that may influence selections. Determine what colors are suggested by the architectural theme or work best with stone, brick or other exterior finishes that may be included. Thereafter, select colors, in order of priority, starting with the roof, main body and accents.

Roof shingles, which are most often deeper in tone than the main body, usually dominate the overall color scheme. The color of shingles has a considerable influence on the remainder of the Structure, and if only a few colors are available, it is beneficial to select the shingle color before the main body of the Structure. Regardless of which color is selected first, here are some other points to consider

Exterior Colors

5.16

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before the overall scheme is finalized:

- A. **Contrasting Colors.** Contrasting colors can be helpful in calling attention to specific design elements of a Structure. In some cases, contrasting colors can also result in major conflicts. For example, two equally large areas of contrasting colors tend to produce an uneasy effect because they compete with each other. On the other hand, if one of the contrasting colors is utilized for the main body of a Structure and the other is used for a minor accent, then the combination may work effectively. Otherwise, large areas of contrasting colors are subject to disapproval.
 - B. **Bright Colors.** Bright colors include primary colors as well as secondary colors that are bright in tone. Although, use of color is encouraged for exterior walls of the main structure, a more "historic" or muted color palette is recommended. Other than for minor accents, bright colors are not permitted.
 - C. **Neutral and Subdued Colors.** The use of subdued colors, neutrals or earth tones is encouraged for the main body of a home. Light-tones work well for the main body of the home, as well as some mid-tone colors. Deep-tone colors may be permitted when planned in concert with appropriate accent colors. Approved colors include, but are not limited to, off-whites, earth-tones, muted pastels and historic deeper colors. Other colors will be considered by the DRB, but are subject to disapproval.
 - D. **Accent Colors.** Accent colors can be lighter than the main body of a Structure, such as off-white trim, or they can be deeper such as rich-color shutters on neutral or subdued main body color. Accent colors can add interest to exteriors, but they must be handled carefully. Too many accent colors and overly contrasting accents may not produce the desired results and, in such cases, are subject to disapproval.
 - E. **Color and Design.** Colors will be evaluated on their overall appropriateness for the community as well as the specific architectural style of the Traditional and Classical Neighborhoods for which they are being proposed.
3. **Wood, Moulded Millwork and Fiber-Cement Products.** All exterior wood must be finished with a solid stain or painted with colors as may be approved by the DRB. Except as may be appropriate for an entry door, semi-transparent stains are highly discouraged. If an exception is made and a semi-transparent stain is approved for wood, the Applicant shall be required to strictly follow the

Exterior Colors

5.16

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manufacturer's specifications for surface preparation, initial application and reapplication.

Colors for moulded millwork and fiber-cement siding shall be submitted for approval by the DRB and painted in accordance with manufacturer recommendations.

4. **Stucco Colors.** Samples of stucco colors for walls, banding and trim shall be submitted for approval.
 - *Elastomeric paints are highly encouraged for cement-based stucco finishes.*
 - *Mildew resistant products should be utilized for all exterior finishes.*
5. **Brick Colors.** Mortar colors and brick sample boards for veneer siding, chimneys, planters or other uses shall be submitted for approval.
 - *The use of standard mason cement is permitted for most brick. However, colored mortars that blend with brick colors are highly encouraged. White mortar is not permitted.*
6. **Stone Colors.** Stone used for veneer siding, chimneys, planters or other uses shall be submitted for approval. Stone colors shall complement the overall color scheme of the Structure and shall be submitted to the DRB for approval.
7. **Flat Concrete Shingle Colors.** Flat concrete shingles are available in a variety of styles and colors from manufacturers. Some colors are considered acceptable while others are clearly not appropriate for use within the community. Product photos and proposed colors shall be submitted for approval.
8. **Slate Shingle Colors.** Colors vary by manufacturer, but generally most slates are available in shades of heather, plum red, green and black. A solid color may be used for slate roofs or a blend may be considered. Product photos and proposed blends must be submitted for approval.
9. **Windows and Glass Sliding Door Colors.** White and beige are pre-approved colors for aluminum windows and glass sliding door frames. Mill finish aluminum is not permitted. Colors for wood windows and doors shall be submitted for approval.

Exterior Colors

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10. **Driveways and Walkways.** Although it is not required for driveways and walkways to match, one or more materials and complementary colors should be repeated to create a sense of consistency and flow from the driveway to the entry of a Structure. Color swatches and product photos or samples shall be submitted for approval.
- *If stamped concrete or pavers are used, mid- and deep-tone colors are recommended to reduce glare and to blend with landscaping.*
 - *If broom finish concrete is used for driveways, the addition of an approved color agent is highly recommended to reduce glare and to improve consistency even in cases when the desired color is grey.*
11. **Patio and Pool Decks.** Patio and pool decks should be complementary to the main body of the Structure and may include, where appropriate, accent colors. Patio and pool deck colors shall be submitted for approval. Depending on the type of material, color swatches or product samples may be required for approval.

Exterior Lighting

5.17

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Christmas or holiday decorative lights may only be displayed between Thanksgiving and January 10th.

Monument lights, post lights, and architectural lights attached to a Structure shall be submitted for approval as indicated for Final Design Review. All other exterior landscape lights shall be submitted for approval in accordance with provisions for Landscape Review.

The intent of the standards in this section is to ensure that lighting is properly used to enhance the **architectural detailing** and **landscaping** of a Structure during evening hours **without overpowering the streetscape, producing excessive glare, or affecting adjoining Parcels.**

1. **Location of Lighting Fixtures.** All exterior lighting, other than low voltage landscape lighting must be attached to a Structure unless otherwise permitted by the DRB.
2. **Lighting Systems.** When preparing a lighting plan, it is best to rely primarily on a single type of system although more than one type of lighting fixture may be required. Low-voltage incandescent or standard incandescent lighting is highly recommended.
 - **Most types of quartz, mercury vapor, high pressure sodium and metal halide lamps with standard voltage are not permitted.**
 - **Fluorescent fixtures or the use of fluorescent tubes is not permitted for exterior lighting, except for under-rail deck lights and recessed step lights.**
3. **Illumination.** When considering "brightness", the appropriate fixture and bulb for each application must be considered. A low-to-medium level of illumination to achieve a "soft look" or "warm glow" is required by the standards in this section. A small quantity of the right kind of light can produce much better visibility and effects than large quantities of an inappropriate kind. Brighter lighting is permitted along walkways for safety, while softer lighting should be used in more intimate areas to create more subtle effects.
4. **Monument and Post Lights.** Monuments with one light fixture per monument may be permitted, subject to the approval of the location, material and design by the DRB. Monuments may not be permitted within certain neighborhoods in Rarity

Exterior Lighting

5.17

2

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Ridge. Post lights not less than 4' or more than 6' above grade, may be permitted, subject to approval of location by the DRB.

- ***Only lantern style decorative fixtures are permitted for monuments or post lights. Approved finishes include white, copper, brass, verde green, rust or black.***

5. **Bollard and Path Lights.** Bollard and path lights, not exceeding 30" in height above grade, may be used on a ***limited basis*** to light walkways. Pagoda-style lights with diffusers and extended shields or louvers are preferred. Other types of designs will be considered on their own merits.

- ***Bollard or path lights with shallow or wide spread louvers or those producing high levels of glare are not permitted.***
- ***Bollard and path lights are not permitted for installation along driveways. [See Ground Lights below.]***

6. **Ground Lights.** Ground lights may be installed at grade and may be used on a ***limited basis*** to provide circular or semicircular sprays of light for walkways and driveways.

7. **Spread Lights.** Mushroom-style spread lights, directing light downward and not exceeding 30" in height may be used on a ***limited basis*** to provide circular patterns of light to illuminate landscaping and walkways.

8. **Flood Lights: Ground-Level.** Ground-level flood lights intended for general illumination of large open areas are not permitted.

9. **Spot Lights: Ground-Level.** Ground-level spot lights, not exceeding 150 watts per fixture, may be used on a ***limited basis*** to accent landscaping and architectural details of a Structure. Shields are required on spot lights to minimize light spillage. Bulbs may not be visible from the street or directed at such an angle to cause excessive glare or light spillage which may affect adjoining Parcels. Ground-level spot lights may not be used to illuminate large open areas.

10. **Spot Lights: Eye-Mounted.** Eye-mounted spot lights, not exceeding 150 watts per fixture, are permitted. Fixtures must be mounted less than 12' above grade and fitted with a shield to minimize light spillage. Bulbs may not be visible from the

Exterior Lighting

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street or directed at such an angle to cause excessive glare or light spillage which may affect adjoining Parcels.

11. **Well Lights.** In-ground well lights may be used on a *limited basis* for up lighting to accent trees. Well lights must be fitted with diffusers and grills to help hide bulbs and to reduce glare.
12. **Entry Lights.** Hanging fixtures, wall or ceiling-mounted fixtures, and recessed high hats may be used for entry lighting. Low-wattage incandescent lights are best for decorative wall-mounted fixtures, while higher-wattage fixtures are recommended for overhead use.
 - *Only lantern style decorative fixtures are permitted for entries, except for recessed lights. Approved finishes include white, copper, brass, verde green, rust or black.*
13. **Garage Lights.** Decorative wall-mounted fixtures may be used to light garage door areas and may be mounted above garage doors or at upper garage door corners.
 - *Only lantern style decorative fixtures are permitted for garages. Approved finishes include white, copper, brass, verde green, rust or black.*
14. **Porch Lights.** Hanging fixtures, wall or ceiling-mounted fixtures, and recessed high hats may be used for porch lighting.
 - *Only lantern style decorative fixtures are permitted for porches, except for recessed lights. Approved finishes include white, copper, brass, verde green, rust or black.*
15. **Side Yard Lights.** Doors facing or opening to the side yards of Structures may be lighted with a shielded fixture which provides up and/or down light only.
 - *Approved finishes include white, copper, brass, verde green, rust or black.*
16. **Dimmers, Time Clocks and Circuits.** When planning exterior lighting, consideration should be given to dimmers for controlling brightness, and time

Exterior Lighting

5.17

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clocks to turn on and off lighting at desired times. It is also a good idea to use more than one circuit if coverage is provided to multiple areas or different kinds of lighting are used.

17. **Bulbs.** All exterior lighting shall be equipped with white, frosted or clear bulbs. Low-voltage incandescent or standard incandescent are highly recommended. Fluorescent tubes will not be permitted for exterior lighting except under-rail deck lights and recessed step light. Colored bulbs are not permitted.
18. **Lenses.** Glass panels or lenses and vinyl or plastic liners for lighting fixtures shall be white, frosted or clear.
19. **Light Spillage and Glare.** Light sources should be hidden when possible so the light is seen, but not the bulb or fixture. In achieving the most natural look possible, hiding the light source avoids glare that results when bulbs are in direct view. Glare can also be reduced by using several smaller lights rather than one larger one. The use of diffusers, shields and grills is also helpful.
 - ***No exterior lighting shall be permitted which, in the opinion of the DRB, would create a nuisance to adjoining Parcels. In the event an approved light produces excessive glare or light spillage after installation, the Owner shall be required to correct the situation by reducing the wattage of bulbs, adjusting shields, or taking other measures as may be requested by the DRB Administrator.***

Landscaping

5.18

1

9/20/04

1. **Landscape Review.** The purpose of the landscape review process is to ensure a harmonious neighborhood streetscape and to protect the aesthetic quality of the overall community. The landscape standards are intended to provide for the needs and desires of the Applicant in a manner which also protects the lifestyle of adjoining neighbors. Landscape and Irrigation Plans **must be submitted as part of the Final Design Review Application and Submittal.** Prior to the installation of landscaping, Applicants shall submit a Landscape Review Application and Final Design Documents for approval by the DRB. Any changes to the approved plan or modifications by Applicants after completion of construction shall be submitted to the DRB for review and approval.

➤ ***All Parcels must be landscaped before arranging for a Certificate of Compliance and return of Compliance Deposit.***

2. **Residential Landscape Concept**

- A. **Overview.** The landscape concept at Rarity Ridge is focused primarily on the use of trees, turf and corner treatments of low walls or landscape hedge and accented with shrub plantings.
- B. **Turf & Shrub Areas.** Shrubs, planted in masses, provide visual interest throughout the year as well as unique opportunity to display seasonal changes. Turf areas provide a multitude of functions in the landscape. In contrast to shrub plantings, turf areas establish a visual base plane from which all other elements of the landscape arise.
- C. **Trees.** Trees provide the most visual and memorable impact within each residential neighborhood. As established in this section, trees are required along right-of-ways and within specific landscape zones on Parcels. Street trees are intended to provide visual accents to emphasize the distinctive four seasons. Trees located within specific landscape zones on Parcels provide additional benefits such as shading hot summer conditions, cutting cold winter winds, or screening undesirable views.

3. **Landscape Zones**

- A. **Overview.** Multiple landscape zones have been established to enhance the definition of each Parcel within Rarity Ridge. The purpose of each of these zones is to maintain a framework of cohesiveness from which Applicants may express their unique tastes and personality, subject to the approval of the DRB.

Landscaping

5.18

2

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The actual size and configuration of each zone varies depending on the specific Parcel conditions and home size.

C. **Zone One: The Front Yard Zone:** The Front Yard Zone is the area between the front of the home and the right-of-way property line. The size of this area is typically 25 feet. On Corner Parcels, this zone also extends down the side of the Parcel parallel to the street.

Landscape Requirements

- Two [2] trees [2" min. caliper] per 3,000 square feet of front yard area [2/3,000 S.F.] or a **minimum** of two [2] trees, whichever is greater. Trees shall be noted on the Landscape Review Plan and be subject to approval by the DRB.
- Turf area to planting bed ratio shall be a **minimum** of 4:1 and a **maximum** of 3:1. Essentially, this means that the landscape **allocated to shrub areas shall be no less than 25% and no greater than 33%**. This guideline may be changed based on the configuration and slope of specific Parcels.

D. **Zone Two: The Rear Yard Zone.** The Rear Yard Zone is the traditional back yard which runs from the back of the home to the back of the Parcel.

Landscape Requirements (Does not Apply To Alley Conditions)

- One [1] tree [2" min. caliper] per 3,000 square feet of yard area [1/3,000 S.F.] or a **minimum** of two [2] trees, whichever is greater.
- Turf area to planting bed ratio shall be a **minimum** of 6:1 and a **maximum** of 4:1. As a result, the landscape allocated to shrub areas shall be **no less than 17% and no greater than 25%**. This guideline may be changed based on the configuration and slope of specific Parcels.

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	3
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4. **Landscape Standards**

- A. **Design Approach.** The recommended landscape character should emphasize native plant material and blend with the surrounding countryside in a *casual* versus a *formal* manner. Plantings are encouraged to screen garages, service areas, blank walls, outdoor patios and swimming pools.

- B. **Existing Vegetation.** Unless otherwise prohibited in conservation areas, native trees selected to remain on a Parcel should be selectively pruned to remove dead wood and undesirable branches. Clusters of smaller trees and natural areas should be groomed and mulched for a neat appearance or planted with shrubs or ground cover. Protective tree fences, tree wells, aerators and erosion control devices shall be installed as required to protect existing trees.

- C. **Trees.** Trees for individual Parcels shall be correct in form for their species and have normal growth habit with well developed and densely foliated branches. Soil amendments should be considered when planting trees in disturbed soils. Testing for PH of soil is encouraged to determine appropriate soil amendments. Trees should be planted with proper space to allow for growth to maturity. Trees should be placed a minimum of 4' from walkways, driveways and property lines. All trees should be adequately planted and staked. After installation, trees that do not continue to grow will need to be replaced.

- D. **Shrubs.** Shrubs of the same species shall be massed together, in general, and random mixing of different species is discouraged. Different shrub species should be tiered in height with the taller shrub species closest to the structure and the lower species in front. Plant masses should be arranged to provide visual excitement by the use of color and texture and to soften stark building elements and corners as well as to enhance architectural features. Shrubs used for buffer hedges should be composed of one type of plant material which will provide the desired level of screening from top to bottom when properly maintained.
 - ***Buffer hedges on corner parcels along property lines in front yards are permitted as per the Regulating Plan for specific neighborhoods. Buffer hedges are also permitted between side-by-side driveways which service two different Parcels, to***

Landscaping

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screen easements or for similar applications as may be approved by the DRB. The use of berming, tree clusters, shrubs and ground covers are recommended to create a sense of separation and definition when appropriate between front yards.

- E. **Sod.** Other than shrubs, ground covers, and conservation areas, all remaining portions of a Parcel and the road right-of-way shall be sodded. To insure a consistent turf color and texture throughout the community, **fescue** or **bluegrass sod** shall be used on all Parcels. Seeding or Sprigging of Parcels is not permitted within Rarity Ridge.
- F. **Planting Beds and Mulch.** Planting beds shall be delineated in smooth, clean lines and include mulch at a minimum depth of 3".
- *Pebbles and small rocks are not approved as a substitute for sod. They may be used for plant beds as approved by the DRB.*
- G. **Plant Quality and Installation.** Trees and shrubs shall be nursery grown in containers and free from diseases, insect infestations, defects and injuries. Installations should allow adequate area to promote a healthy growth pattern and to accommodate the mature growth requirements of each species.
- H. **Utility Boxes.** All utility company boxes and transformers are set within road right-of-ways or easements. Grading around these items should ensure positive drainage, and the landscape plan should include shrubs to reduce the visibility of utility equipment.
- I. **Lines of Sight.** No fence, wall, hedge, shrub or tree planting shall be maintained in such a manner that such improvements would create a traffic or sight problem at intersections for Corner Parcels or at the intersection of street property lines and driveways, alleys, or pedestrian trails.
- J. **Decorative Embellishments.** No artificial vegetation, exterior sculpture, statues, fountains, bird houses, bird baths, swans, flamingos, ducks, windmills, rock gardens or other decorative embellishments shall be permitted unless approved by the DRB.

➤ *The use of decorative landscape rock is not encouraged and is*

Landscaping

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subject to disapproval by the DRB.

5. **Sprinkler Systems.** An automatic irrigation system of sufficient size and capacity shall be installed to irrigate all landscape zones and sod areas, plus all road right-of-ways adjacent to the Parcel up to the sidewalk or the back of curb, depending on the location of the Parcel.

- ***For Corner Parcels, the irrigation system shall provide the same type of coverage along the street frontage side yard for the entire depth of the Parcel.***

Automatic irrigation systems shall conform to the following criteria: Irrigation systems shall be designed to minimize over-spray to adjacent properties, public roadways and driveways.

- Coverage shall include right-of-ways in front of Parcels, including street frontage side yard areas of Corner Parcels and rear alley easements.
- Irrigation systems shall utilize an automatic control system.
- All sprinklers and nozzles shall be compatible with the respective soils, slopes, exposure, orientations and plant types. Irrigation heads for lawn areas should be pop-ups with a minimum height of 4". Soaker hoses and risers may be used for ground cover and shrub areas.

6. **Irrigation Water.** Parcels located on the Clinch River/Watts Bar Lake System may **not** draw upon river/lake water for irrigation purposes. All Parcels within the community are required to use potable water for irrigation.

- ***Please note, you may want a separate meter for your irrigation since your sewer bill is based on water consumption.***

- ~~7. **Sidewalks.** Sidewalks within Rarity Ridge are required by the City Of Oak Ridge, except where certain hillside conditions exist and sidewalk requirements are waived by the City. Specifications for installation and/or replacement of sidewalks in Front Yard Zones of parcels are available from the DRB. Sidewalks where required by the City must be present according to City specifications before Compliance Deposits can be refunded by the DRB.~~

EXHIBIT: Approved Tree List

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Acer Ginnala	Amur Maple	Deciduous, dense crown, scarlet fall color, use in outdoor living areas
Acer Palmatum	Japanese Maple	Deciduous, many cultivars available, some very small, some with red leaves, use in special areas
Aesculus Glabra	Ohio Buckeye	Deciduous, good orange fall color, native
Amelanchier Canadensis	Shadblow Serviceberry	Deciduous, attractive white flowers in April, native
Asimina Triloba	Paw Paw	Deciduous, suited to deep soils, yellow fall color, edible fruits, native
Betula Pendula	European Birch / White Birch	Deciduous, short-lived in Tennessee, a spectacular tree
Carpinus Caroliniana	American Hornbeam [Ironwood]	Deciduous, extremely tough wood, excellent, difficult to transplant, native
Cercidiphyllum Japonicum	Katsura Tree	Deciduous, small leaves, slow growing, may be medium-sized, clean
Cercis Canadensis	Eastern Redbud	Deciduous, magenta flowers in April, short-lived, native
Cercis Canadensis Alba	Whitebud	Deciduous, white flowers in April like the Redbud except for flower color
Chionanthus Retusus	Chinese Fringetree	Deciduous, excellent white flowers in May, attractive foliage, clean
Chionanthus Virginicus	White Fringetree	Deciduous, excellent white flowers in May, native
Cornus Florida	Flowering Dogwood	Deciduous, excellent for white flowers in April and red berries in autumn, native
Cornus Florida Rubra	Red Flowering Dogwood	Deciduous, pink or reddish flowers in April.
Cornus Florida Cultivars		Other flowering dogwoods include Springtime, Cloud Nine, Cherokee, Princess, Cherokee Chief
Cotinus Cogglyria	Smoke Tree	Deciduous, interesting smoke-like fruiting panicles. Native species Amercanus may also be used.
Crataegus Sp.	Hawthorn	Deciduous, many species available, best may be Phaenopyrum, Washington Hawthorn

EXHIBIT: Approved Tree List

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Halesia Carolina	Carolina Silverbell	Deciduous, white flowers in late April, yellow fall color, native
Ilex Decidua	Possum Haw	Deciduous, attractive red berries on female trees, may be grown as large shrub, native
Ilex Vomitoria	Yaupon	Evergreen, attractive red berries on female trees, native
Koelreuteria Paniculata	Golden-Raintree	Deciduous, suited to city conditions, yellow flowers in June
Magnolia Soulangeana	Saucer Magnolia	Deciduous, pink to purple flowers in April, flowers often killed by frost, shrubby in form
Magnolia Stellata	Star Magnolia	Deciduous, white flowers in March or April, flowers often killed by frost, shrubby in form
Malus Sp.	Selections of Crabapples	Deciduous, 30 or more cultivars available, many flower colors, fruit size and tree size
Prunus Cersifera Atropurpurea	Pissard Plum	Deciduous, short-lived, attractive red foliage in summer, subject to disease
Prunus Persica cv.	Flowering Cultivars of Peach	Deciduous, many interesting cultivars but most short-lived, valued for flowers in April
Prunus Serrulata cv.	Cultivars of Oriental Cherry	Deciduous, many interesting cultivars, fairly short-lived but spectacular in flower
Rhamnus Caroliniana	Carolina Buckhorn	Deciduous, lustrous foliage, black fruit, native
Styrax Japonica	Japanese Snowbell	Deciduous, white flowers in May, fine textured foliage
Viburnum Prunitifolium	Blackhaw	Deciduous, white flowers in May, blue-black berries in fall, good fall color, native
Abies Concolor	White Fir	Evergreen, suited to cooler locations, use as specimen tree
Abies Fraseri	Fraser Fir	Evergreen, suited to cooler locations, use as a specimen tree
Aesculus Altissima	Horse-Chestnut	Deciduous, interesting fruits, better is the Baumann cultivar with double flowers and no fruits

RARITY RIDGE

EXHIBIT: Approved Tree List

Alnus Incana	Tree of Heaven	Deciduous, adaptable to most soils, often planted in the cities, attractive fruit on female trees
Betula Nigra	River Birch	Deciduous, may grow large on good sites, interesting bark, native
Carpinus Betulus	European Hornbeam	Deciduous, can be sheared
Castanea Molissima	Chinese Chestnut	Deciduous, edible fruits with spiny husks, unpleasant smelling male flower
Catalpa Bignoniodes	Southern Catalpa	Deciduous, white flowers in June, long bean-like pods
Cedrus Atlantica	Atlas Cedar	Evergreen, may grow in north, slow growing, excellent specimen tree
Cedrus Atlantica Glauca	Blue Atlas Cedar	Evergreen, bluish foliage, slow growing, excellent specimen tree
Cedrus Deodara	Deodar Cedar	Evergreen, may grow quite large on excellent sites, graceful, excellent specimen tree
Chamaecyparis Obtusa	Hinoki False Cypress	Evergreen, scale-like leaves, slow growing, interesting form, may be considered as small tree
Chamaecyparis Pisifera	Sawara False Cypress	Evergreen, plumosa cultivar preferred, bluish foliage, slow growing
Cladrasis Lutea	Yellow-Wood	Deciduous, white flowers in May, excellent clean tree for outdoor living area, native
Cryptomeria Japonica	Cryptomeria	Evergreen, needle foliage, may grow large in time
Cunninghamia Lanceolata	China Fir	Evergreen, glossy needle foliage, may grow large in time, blue foliage cultivar available
Diospyros Virginiana	Persimmon	Deciduous, native, not often planted but may be used where found, edible fruit on female trees
Firmiana Simplex	Chinese Parasol Tree	Deciduous, interesting seed pods, coarse texture, greenish trunk, smooth bark
Halesia Monticola	Mountain Silverbell	Deciduous, white flowers in late April, yellow fall color, native
Ilex Opaca	American Holly	Evergreen, attractive red berries on female trees, many cultivars available, native

EXHIBIT: Approved Tree List

Juniperus Virginiana	Eastern Red-Cedar	Evergreen, may grow large with time, best to transplant as small tree, many cultivars available, native
Kalopanax Rictus	Kalopanax	Deciduous, round crown, seed liked by birds, maple-like leaves
Maclura Pomifera	Osage-Orange	Deciduous, softball sized fruit on female trees, very strong, good yellow fall color, interesting branching
Magnolia Virginiana	Sweet Bay	Evergreen, small white flowers in April, leaves green above and white beneath
Morus Alba	White Mulberry	Deciduous, edible fruit on female trees, interesting form and branching, fruits can be a problem
Ostrya Virginiana	Hop Hornbeam	Deciduous, slow growing, strong, interesting seed pods, difficult to transplant, native
Oxydendrum Arboretum	Sourwood	Deciduous, white flowers in late June, excellent fall color, interesting form, difficult to transplant, native
Paulownia Tomentosa	Empress Tree	Deciduous, purple flowers in late April, large seed pods, coarse textured, adapted to many soils
Phellodendron Amurense	Amur Cork Tree	Deciduous, large branches of picturesque habit, interesting in winter
Picea Pungent Glauca	Blue Colorado Spruce	Evergreen, small or medium tree in Tennessee, excellent blue foliage on some forms, prefers good soils
Pyrus Calleryana Bradford	Bradford Pear	Deciduous, white flowers in late March, excellent fall color, no particular pests
Quercus Acutissima	Sawtooth Oak	Deciduous, lustrous leaves, wide spreading
Sassafras Albidum	Sassafras	Deciduous, difficult to transplant, strong wood, may be short-lived, native
Sophora Japonica	Japanese Pagoda Tree	Deciduous, white flowers in July, fine texture, greenish bark
Sorbus Aucuparia	European Mountain Ash	Deciduous, white flowers in May, red berries in fall, may be short-lived
Thuja Occidentals	American Arbor-Vitae	Evergreen, leaves scale-like, upright form, native in a few places in Tennessee
Tilia Cordata	Little-Leaf Linden	Deciduous, small leaves, slow growing, dense pyramidal form

**EXHIBIT:
Approved Tree List**

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Tsuga Caroliniana	Carolina Hemlock	Evergreen, fine textured, may be sheared, needs well-drained soil, native
Ulmus Parvifolia	Chinese Elm	Deciduous, round top, interesting bark, flowers produced in fall
Ulmus Carpiniifolia	Smooth-Leaved Elm	Deciduous, many cultivars available, Christine Buisman cultivar resist disease
Zelkova Serrata	Japanese Zelkova	Deciduous, marketed as replacement for American Elm, similar to elm in form

Parcel and Landscape Maintenance

5.19

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9/20/04

1. **Maintenance: Vacant Parcels.** Except for areas required to remain natural, Owners shall routinely maintain their respective Parcels, including protection of existing trees; removal of dead trees, leaves, debris and trash; prevention of soil erosion; and mowing of grass or herbaceous cover. Grass areas may not exceed 6" in height between cuts. **The DRB will inspect vacant Parcels in April and September and will make recommendations as to any maintenance that must be performed on the Parcel. The DRB in its sole discretion may give notice to the Rarity Ridge Owner's Association that proper maintenance is not occurring on any Parcel and recommend that the Association take necessary action according to the governing documents to bring the Parcel into compliance with Community Wide Standards.**

2. **Maintenance: Completed Structures**
 - A. **Routine Parcel Maintenance.** Owners shall routinely mow lawns; 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.

 - B. **Removal of Dead Trees.** Owners shall promptly remove all dead trees, except from areas required to remain natural.

 - C. **Irrigation and Maintenance of R-O-Ws.** Owners shall be responsible for irrigation and other costs of maintenance, repair or replacement for landscaping located between the Parcel line and the edge of the roadway.

 - D. **Irrigation and Maintenance of Water's Edge.** Owners of Parcels adjacent to a lake or pond [*other than the Clinch River/Watts Bar Lake*] shall maintain and irrigate, at Owner's expense, all landscaping between the boundary of the Owner's Parcel and the water's edge.

Mailboxes and House Numbers

5.20

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9/20/04

1. **Mailbox Types and Approvals.** Mailboxes shall be one of the following types:

- Post-Mounted Mailbox
- Custom Mailbox Monumentation

The location, design, size, materials, and colors of a mailbox shall be submitted for approval for Final Design Review. The mailbox location shall also be shown on landscape plans for Landscape Review.

2. **Mailbox Standards.** Mailboxes shall conform to the following standards:

- The bottom on the mailbox shall be between 36" and 42" from grade.
- The front of the box should line up with the curb or edge of pavement, whichever applies.
- The approach to, and exit from, the mailbox should be cleared sufficiently on both sides to allow the carrier to drive ahead and not be required to back up the vehicle after delivery.

➤ **Approval by the DRB of custom mailbox monumentation does not imply compliance with applicable building codes, highway regulations or postal standards, which are solely the responsibility of the Applicant.**

3. **House Numbers.** One set of house numbers of no more than one square foot in area may be attached to a Structure. The finish of house numbers may be white brass, black or a complimentary color to the trim or exterior wall finish on the Structure. Bright or fluorescent colors are not permitted. House numbers shall be numeric in format and shall not include the initials or names of the Owners.

➤ ***Back-lighted house number signs are prohibited.***

4. **Newspaper Boxes.** Separate newspaper boxes are not permitted, except as an integral element of the overall mailbox design as approved by the DRB.

Signs

5.21

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9/20/04

1. **Regulatory and Street Signs.** No regulatory or street signs are permitted except those installed by the Developer or the City of Oak Ridge.
2. **Directional Signs.** No directional signs are permitted except those installed by the Developer, the City of Oak Ridge or otherwise approved by the DRB.
3. **Neighborhood Signs.** Signs for neighborhoods, parcels, subdivisions or developments within Rarity Ridge shall be submitted to the DRB for review and approval.
4. **"Builder Identity" Signs.** Builder identity signs are not permitted. No other signs are permitted on Parcels, including, but not limited to, "for sale", "for lease" or "for rent" signs.
 - ***For additional details on builder identity signs, contact the DRB Administrator.***
5. **Miscellaneous Signs and Advertising Devices.** Except as provided for in the Design Guidelines Manual or otherwise approved by the DRB, no other signs, flags, banners or advertising devices may be placed on or about any Parcel, attached to or part of any Structure, located in or about windows visible from the street or adjoining Lots, located within road right-of-ways or common areas, or placed on or about any of the properties within Rarity Ridge. ***(Signs posted for safety or security purposes, i.e. home security alert signs must conform to community-wide standards however are pre-approved by the DRB).***
6. **Removal of Non-Conforming or Unapproved Signs.** Any sign, flag, banner or advertising device in violation of the provisions in this section shall be removed and discarded by the DRB without prior notice or obligation to the offending party and any other associated costs shall be charged to the Applicant. Signs placed in or about windows of structures on any parcel shall not be permitted and may be subject to fines imposed by the Rarity Ridge Owners Association, Inc.

Cable Television, Antennas and Dishes

5.22

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9/20/04

1. **Cable Television.** All homes within Rarity Ridge shall be pre-wired for cable television service compatible with the community cable system.
2. **Antennas and Dishes.** The following provisions shall apply to all Parcels within Rarity Ridge:
 - A. Unless otherwise required by the FCC, all exterior antennas and dishes shall be approved by the DRB as to location, type, size and screening.
 - B. One direct broadcast satellite [DBS] dish or one multipoint distribution service [MDS] dish is permitted per Parcel so long as it is one meter or less in diameter. Dishes larger than one meter are prohibited.
 - C. If a quality signal can be received, the dish shall be located in a place shielded from view from the street to the maximum extent possible, located in the rear yard between the left and right corner of the Structure, and as close to the rear of the Structure as reasonably possible. Landscaping may be required by the DRB to screen any such device.
 - D. Transmission-only antennas are prohibited unless specifically approved in writing by the DRB.

Game Courts

5.23

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9/20/04

Game courts are a very sensitive issue and must be approved by the DRB and adjoining property owners.

Unless otherwise approved by the DRB, game courts should be contained within the Maximum Buildable Area of a Parcel. Game courts or any necessary fencing must not obstruct the views from adjoining properties. It is recommended that game courts be depressed 5' below the surrounding grade. Depressed or recessed game court design should be reviewed by a civil engineer.

Game courts may be enclosed with a fence. Fencing for game courts shall be dark green vinyl coated mesh only. Exposed galvanized fencing is not permitted and fence posts must be painted to match vinyl coated mesh. Wind screens for game courts shall be dark green. Fence height shall be a maximum of 16' above the court surface. Adequate landscaping must be provided to soften the visual impact of the fencing.

Lighting for game courts is permitted, provided the lighting does not spill onto adjacent properties. Lighting standards are limited to 22' in height measured from the finished grade of the court. Lighting fixtures must have internal reflectors to minimize the spread of light outside the court. Additionally, lighting fixtures shall be shielded to prevent any spill-over onto adjacent properties. The light housing and pole for court lighting must be dark green.

Shoreline Treatment,

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9/20/04

1. **Shoreline Access.** All proposals for shoreline access and water-use are subject to the review and approval of the DRB. **Private docking facilities are not permitted within Rarity Ridge.** Community docking facilities are planned in specific locations as per the Master Plan for Rarity Ridge.

➤ ***No non-water or water use or access facilities are permitted.***

2. **Shoreline Treatment.** Shoreline stabilization may be accomplished by rip-rap or shoreline plantings with native vegetation (willows, buttonbush, etc.) Installation of Rip-Rap or planting of vegetation of any kind must first be approved by the DRB and is subject to disapproval.

The shoreline properties will be managed to maintain and develop a vegetated zone which will:

- provide a visually pleasing shoreline
- protect water quality by filtering runoff from adjacent developed areas

3. **Pathway & Access.** Pathways are permitted across this zone only with prior approval of the DRB. Cleared corridor access to the shoreline may be permitted. Any and all activity upon the shoreline property must be approved by the DRB. Cleared access to community will be at the sole discretion of the developer.

Miscellaneous Provisions

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9/20/04

1. **Window Air-Conditioning Units.** Window air-conditioning units may not be installed on any Structure.
2. **Flag and Poles.** Flag poles may not be installed in the ground on any Parcel. One flag pole, not exceeding 6'-0" in length, may be attached to the front elevation of a Structure with wall brackets. No flag shall be attached thereto which displays or includes any letter, words, logo or representation which is in the nature of an announcement, direction or advertisement. Approved flags include pennant, or insignia of any nation, state or city.
3. **Reflective Window Coverings and Film.** Reflective window coverings and film with reflective properties are not allowed on any Structure.
4. **Security Alarms.** Security systems with strobe lights are not allowed on any Structure.
5. **Roadside Obstacles.** No concrete cylinders, pyramids, half-rounds or similar items may be placed along roadways or within right-of-ways in front of a Parcel.
6. **Portable Barbecues.** When not in use, portable barbecues must be stored within a covered porch, other than a front porch or wrap-around porch on a corner lot, or enclosed area out of view.
7. **Firewood.** Firewood should be stacked and stored with sensitivity of views from neighboring properties, and roadways.
8. **RV, Trailer and Boat Storage.** Recreational vehicles, trailers and boats, travel trailers, campers, watercraft and similar vehicles must be stored entirely within an enclosed garage. Overnight parking or storage of any such items is not permitted along roadways, in driveways or on Parcels, except for temporary construction vehicles, trailers and equipment as permitted by the DRB.

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SECRET

Environmental Standards

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9/20/04

The shoreline, conservation areas and lands within Rarity Ridge are highly valued natural amenities. Every effort must be made to preserve and protect the environment that contributes to Rarity Ridge's identity as a most desirable place to live. Accordingly, Owners, builders, subcontractors and suppliers are required to comply with the following provisions:

- **Restricted Activity Areas**. Specific guidelines have been established by the Tennessee Department of Environment and Conservation, TDEC, and the City of Oak Ridge for environmentally sensitive portions of Rarity Ridge. In particular, site work, construction and other activities are prohibited or highly restrictive adjacent to lakeshore buffers and must adhere to SWIPP attachments for construction of any parcel. Detailed Erosion Control requirements are available through the DRB.
- **Tree Protection**. Owners, builders, subcontractors and suppliers shall make a diligent effort to protect remaining trees during construction and to respect tree fence areas for the protection of root systems from heavy vehicles and equipment.
- **Aeration Systems and Tree Wells**. In cases where fill is required around trees, aeration systems or tree wells shall be installed as may be required by the DRB.
- **Protective Fences**. If required by the DRB, protective fences must be installed at the drip line or farther for more mature trees prior to any clearing, site work or construction activities. Protective fencing must be maintained throughout the building phase and shall conform to a standard design established by the DRB. No equipment, material, fill, trash or toxic substances may be placed within boundaries of protective fencing for trees.
- **Concrete Washout & Vehicle Washing**. The washing of concrete trucks or other vehicles is not permitted on roadways or within the drip line of trees. All concrete washouts must be performed entirely on the Parcel where such materials were provided or in areas designated by the Director of Community Operations. If street cleaning work is required to restore the appearance of street surfaces in front of a Parcel, the cost of any such repairs shall be the responsibility of the Owner.

Environmental Standards

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- **Tree Maintenance.** All trees shall be maintained and cared for throughout construction.
- **Penalty for Damage.** In the event a tree targeted to remain is damaged, the builder may be required to pay a fine and/or to replace such tree with one (1) or more comparable trees of such size and number, and in such locations, as the DRB may determine to mitigate the damage, whether such damage was caused by the builder's employees, subcontractors or suppliers.
- **Hazardous Substances.** No property owner, builder, subcontractor or supplier shall dump petroleum substances or other potentially hazardous or toxic substances or auto fluids, whether intentionally or unintentionally, on any Parcel or in any conservation area, pond or drainage system within Rarity Ridge. All violations of this provision must be immediately reported to the Director of Community Operations and will be subject to fines and/or suspension from future approval to perform work within the community.
- **Environment Control During Construction.** When construction occurs along common areas or completed Structures, an environmental (silt) fence shall be installed along the applicable sides and/or rear of the Parcel to prevent debris from blowing onto adjacent property. Prior to construction on any Parcel an approved SWIPP control plan must be attached to the building permit.
 - ***Builders are responsible for ensuring compliance with the SWIPP attachment by their employees, subcontractors and suppliers. Individuals who violate standards may be asked to leave [temporarily or permanently] the job site and/or to pay fines. Workmen who habitually violate rules will not be permitted access to the community. The Director of Community Operations or other designated individuals of the Developer shall have the authority to enforce Environmental Standards, to issue citations and fines, and to temporarily or permanently dismiss construction personnel from performing work within the community.***

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Construction Standards

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9/20/04

Construction Standards have been established to foster a positive working relationship among all builders, subcontractors and suppliers performing work within Rarity Ridge. All companies and their employees are required to comply with Construction Standards which include the following:

- **Construction Access.** All construction vehicles [*trucks, vans and cars*] are required to register with the DRB and to follow the instructions of Rarity Ridge Director of Community Operations.
- **Registration of Subcontractors.** Upon request by the Director of Community Operations, builders shall provide a list of all employees, subcontractors and suppliers who are authorized to perform work or to deliver materials within the community.
- **Employees Only.** Only construction personnel, employed by a builder, subcontractor or supplier, are permitted access to a construction site. No family members or children are allowed, unless such persons are bona fide employees or riding in a vehicle to drop off or pick up construction personnel.
- **Common Area.** Construction personnel are not permitted on common areas of the community, unless specifically invited. Workers are not permitted to walk across preserve areas, shoreline or surrounding areas.
- **Damage to Development Improvements.** Any damage to roadways, curbing, mailboxes, drainage systems, utility lines and services, signage, landscaping and irrigation systems, and common areas must be reported to the Director of Community Operations. The cost of repairing any such damage is the responsibility of the builder, whether such damage is caused by employees of the builder or the builder's subcontractors or suppliers.
- **Speed Limits.** For the safety of children and residents, all speed limits shall be respected. **Individuals who violate speed limits may be asked to leave (temporarily or permanently) the job site and/or pay fines as may be imposed by the City or County. Workmen who habitually violate speeding rules will not be permitted access to the community. The Director of Community Operations or other designated individuals of the developer shall have the authority these rules.**

Construction Standards

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- **Construction Parking.** Under certain circumstances, workmen may be required to park in designated areas. When parking is permitted in the immediate area of construction, only one side of the roadway may be used. No parking is permitted in permanently landscaped or grassed areas. Special parking requirements must be approved by the Director of Community Operations. Driving over curbs is not be permitted at any time and may be subject to fines by the DRB.
- **Removal of Construction Vehicles.** Construction vehicles [*trucks, vans and cars*] must be removed from job sites each day unless otherwise approved by the Director of Community Operations. Vehicles left within the community are subject to removal at the owner's expense and without prior notice.
- **Job Site Conditions and Dumpsters.** All job sites shall be kept in a clean and orderly condition. Builders and subcontractors are responsible for removal and placement of trash in **required** dumpsters or designated areas. If a recycling plan is in effect, trash shall be placed in appropriate containers.
- **Street Cleaning.** Builders are responsible for keeping streets routinely swept and for removing construction materials, trash and debris from easements and swales abutting job sites under construction.
- **Walkways & Driveways.** Driving across walkways or using residential driveways for parking or to turn around is not permitted.
- **Storage of Fill & Materials.** No fill or materials may be stored or placed in right-of-ways, on vacant parcels, or any other portions of the community without approval of the Director of Community Operations.
- **Temporary Electric & Water.** Builders are responsible for providing temporary electric and water service for homes under construction. Builders and subcontractors are not permitted to use the services of another builder without permission. The use of electricity or water from homeowners is strictly prohibited.
- **Loud Music.** The playing of loud music is prohibited. Workmen who continue to violate this provision, after adequate warning, will be asked to leave the community.
- **Pets.** Pets of construction workers are not permitted on job sites or inside

Construction Standards

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vehicles parked within the community.

- **Signage.** No signage is permitted within the community, except signs authorized by the DRB or Developer. Unapproved signage, located on Parcels or other portions of the community, will be removed and discarded without notice.
- **Job Site Deliveries.** Job site deliveries shall be scheduled between 7:00 a.m. and 6:00 p.m. from Monday to Friday. Any exceptions must be approved in advance by the Director of Community Operations or DRB Administrator.
- **Portable Restrooms.** Builders shall provide one portable restroom per structure under construction. Portable restrooms should be located, where possible, with the access door facing the opposite direction of the street and/or not toward a residence.
- **Construction Trailers, Sheds & Offices.** Construction trailers, sheds or offices will not be permitted within the community without the prior written approval of the Director of Community Operations.
- **Construction Hours.** No equipment may be operated before 7:00 a.m. from Monday to Saturday or anytime on Sundays, and (b) all equipment must be shut down by 6:00 p.m. from November 1st to March 31st and by 8:00 p.m. from April 1st to October 31st. Any exceptions to construction hours must be approved in advance by the Director of Community Operations.
- **Alcoholic Beverages.** No alcoholic beverages may be consumed by workmen at any time. Failure to comply with this provision will result in *immediate dismissal* from the community.
- **Intentional Damage.** Subcontractors will respect the work of other trades. Workmen causing intentional damage to materials or workmanship of others are subject to *immediate* and *permanent dismissal* from the community, and may result in notification to appropriate governmental agencies. .
- **Security.** The security of construction improvements and materials is the responsibility of each builder. Construction vehicles are subject to search at any time and construction personnel are required to cooperate fully with Rarity Ridge personnel.

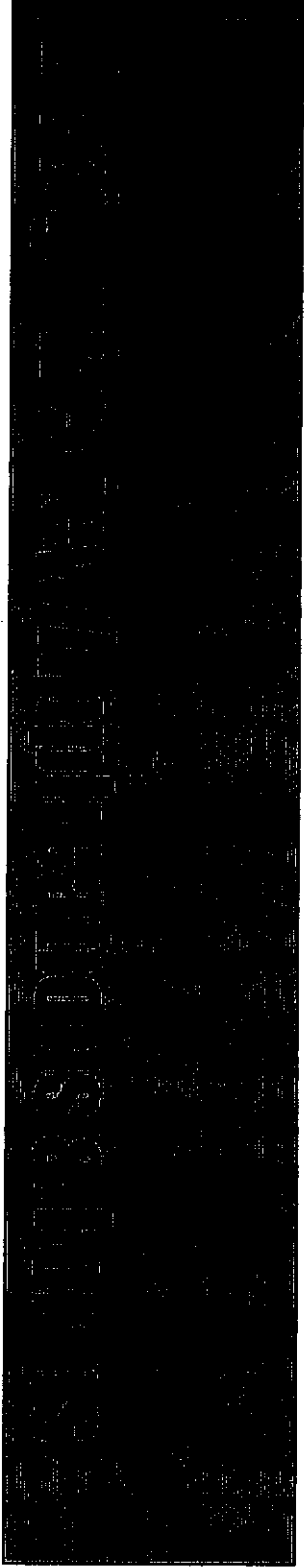
Construction Standards

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- ***Builders are responsible for ensuring compliance with Construction Standards by their employees, subcontractors and suppliers. Individuals who violate standards may be asked to leave [temporarily or permanently] the job site and/or to pay fines. Workmen who habitually violate rules will not be permitted access to the community. The Director of Community Operations or other designated individuals of the Developer shall have the authority to enforce Construction Standards, to issue citations and fines, and to temporarily or permanently dismiss construction personnel from performing work within the community.***
- The Rarity Ridge maintenance facilities, model homes and Sales Offices are not to be used by anyone other than those persons authorized to use these facilities.



HOMEOWNER FACT SHEET

1. ADDRESS

--	--	--	--	--

2. PROPERTY INFORMATION

Year Built		Year Renovated		Number of Units	
Number of Bedrooms		Number of Bathrooms		Number of Stories	

3. FINANCIAL INFORMATION

Estimated Market Value		Estimated Rental Income	
Estimated Operating Expenses		Estimated Net Operating Income	
Estimated Vacancy		Estimated Capital Expenditures	
Estimated Property Taxes		Estimated Insurance	
Estimated Maintenance		Estimated Depreciation	

4. RISK FACTORS

Age of Major Components		Presence of Lead Paint	
Age of Roof		Presence of Asbestos	
Age of HVAC System		Presence of Radon	
Age of Water Heater		Presence of Mold	
Age of Siding		Presence of Termites	

5. COMPLIANCE AND LEGAL MATTERS

Local Building Code		Local Zoning Code	
Local Health Code		Local Fire Code	
Local Environmental Code		Local Rental Code	
Local Safety Code		Local Accessibility Code	
Local Energy Code		Local Historic Preservation Code	

6. OTHER INFORMATION

Other Notes		Other Notes	
Other Notes		Other Notes	
Other Notes		Other Notes	
Other Notes		Other Notes	
Other Notes		Other Notes	

RARITY RIDGE

PRELIMINARY DESIGN REVIEW APPLICATION

	DRB Administrator

Applicant Signature [Parcel Owner]		Date
------------------------------------	--	------

- | | |
|---|---|
| <input type="checkbox"/> Preliminary Design Review Application [4 copies]
<input type="checkbox"/> Preliminary Site Plan [4 copies]
<input type="checkbox"/> Preliminary Floor Plans [4 copies] [24" X 36"] | <input type="checkbox"/> Preliminary Elevations [4 copies] [24" X 36"]
<input type="checkbox"/> Preliminary Roof Plan [4 copies] [24" X 36"]
<input type="checkbox"/> Preliminary Pool Plans [4 copies] [24" X 36"] |
|---|---|

DRB Administrator Signature		Date
-----------------------------	--	------

FINAL DESIGN REVIEW APPLICATION: 1 OF 5

DRB Administrator	

Applicant Signature [Parcel Owner]		Date
------------------------------------	--	------

<input type="checkbox"/> Final Design Review Application [4 signed copies] <input type="checkbox"/> Site Plan [4 sealed copies] <input type="checkbox"/> Parcel Grading Plan [4 sealed copies] <input type="checkbox"/> Floor Plans [4 copies 24" X 36"] <input type="checkbox"/> Building Sections & Footer-Foundation Detail [4 copies] <input type="checkbox"/> Exterior Elevations [4 copies 24" X 36"] <input type="checkbox"/> Roof Plan [4 copies 24" X 36"]	<input type="checkbox"/> Pool Plans [4 copies 24" X 36"] <input type="checkbox"/> Landscape and Irrigation Plan <input type="checkbox"/> Retaining Wall Details [4 copies, sealed if 3'-0" or higher] <input type="checkbox"/> Mailbox and/or Monumentation Design [4 copies] <input type="checkbox"/> Builder Application & Agreement [2 signed originals] <input type="checkbox"/> Builder Administrative Fee & Construction Deposit [check payable to "Rarity Ridge Design Center"] <input type="checkbox"/> City of Sweetwater Building Permit [1 copy]
---	---

<input type="checkbox"/> APPROVED as Submitted <input type="checkbox"/> APPROVED with Stipulations <input type="checkbox"/> DISAPPROVED

DRB Administrator Signature		Date
-----------------------------	--	------

FINAL DESIGN REVIEW APPLICATION: 2 of 5

APPLICANT		PARCEL
BUILDER		ADDRESS
		X X
		(1) (2)
		X
		X
		X
		X X
		X X
		X X

FINAL DESIGN REVIEW APPLICATION: 3 of 5

APPLICANT	PARCEL	ADDRESS		
BUILDER				
			X	
			X	
			X	
			(3)	(4)
			(3)	(4)
			X	X
			X	X
			(1)	(2)

FINAL DESIGN REVIEW APPLICATION: 4 OF 5

Exterior Architectural Lighting Schedule

APPLICANT		PARCEL	
BUILDER		ADDRESS	

CODE EXEMPT TOP PLANS
INCLUDE POST-EMPTIONMENT LIGHT & ALL FIXTURES AT EACH SITE

CODE	CITY	CHECKLIST TYPE						APPLICANT	
		Post-Fixture	Component Light	Wall Mount	Canopy Mount	String Light	Recessed	Surface	

DO NOT INCLUDE LANDSCAPE LIGHTING ON THIS SHEET

FINAL DESIGN REVIEW APPLICATION: 5 OF 5

APPLICANT	PARCEL
BUILDER	ADDRESS

<input type="checkbox"/> Stucco: Main Body <input type="checkbox"/> Stucco: Bands/Quoins <input type="checkbox"/> Siding <input type="checkbox"/> Fascia <input type="checkbox"/> Soffit <input type="checkbox"/> Millwork/Mouldings <input type="checkbox"/> Front Door	[ATTACH COLOR CHIP]	<input type="checkbox"/> Garage Door <input type="checkbox"/> Shutters <input type="checkbox"/> Windows <input type="checkbox"/> Window Trim <input type="checkbox"/> Columns <input type="checkbox"/> Louvered Vents <input type="checkbox"/> Railings	<input type="checkbox"/> Stucco: Main Body <input type="checkbox"/> Stucco: Bands/Quoins <input type="checkbox"/> Siding <input type="checkbox"/> Fascia <input type="checkbox"/> Soffit <input type="checkbox"/> Millwork/Mouldings <input type="checkbox"/> Front Door	<input type="checkbox"/> Garage Door <input type="checkbox"/> Shutters <input type="checkbox"/> Windows <input type="checkbox"/> Window Trim <input type="checkbox"/> Columns <input type="checkbox"/> Louvered Vents <input type="checkbox"/> Railings	[ATTACH COLOR CHIP]
--	---------------------	---	--	---	---------------------

<input type="checkbox"/> Stucco: Main Body <input type="checkbox"/> Stucco: Bands/Quoins <input type="checkbox"/> Siding <input type="checkbox"/> Fascia <input type="checkbox"/> Soffit <input type="checkbox"/> Millwork/Mouldings <input type="checkbox"/> Front Door	[ATTACH COLOR CHIP]	<input type="checkbox"/> Garage Door <input type="checkbox"/> Shutters <input type="checkbox"/> Windows <input type="checkbox"/> Window Trim <input type="checkbox"/> Columns <input type="checkbox"/> Louvered Vents <input type="checkbox"/> Railings	<input type="checkbox"/> Stucco: Main Body <input type="checkbox"/> Stucco: Bands/Quoins <input type="checkbox"/> Siding <input type="checkbox"/> Fascia <input type="checkbox"/> Soffit <input type="checkbox"/> Millwork/Mouldings <input type="checkbox"/> Front Door	<input type="checkbox"/> Garage Door <input type="checkbox"/> Shutters <input type="checkbox"/> Windows <input type="checkbox"/> Window Trim <input type="checkbox"/> Columns <input type="checkbox"/> Louvered Vents <input type="checkbox"/> Railings	[ATTACH COLOR CHIP]
--	---------------------	---	--	---	---------------------

<input type="checkbox"/> Stucco: Main Body <input type="checkbox"/> Stucco: Bands/Quoins <input type="checkbox"/> Siding <input type="checkbox"/> Fascia <input type="checkbox"/> Soffit <input type="checkbox"/> Millwork/Mouldings <input type="checkbox"/> Front Door	[ATTACH COLOR CHIP]	<input type="checkbox"/> Garage Door <input type="checkbox"/> Shutters <input type="checkbox"/> Windows <input type="checkbox"/> Window Trim <input type="checkbox"/> Columns <input type="checkbox"/> Louvered Vents <input type="checkbox"/> Railings	<input type="checkbox"/> Stucco: Main Body <input type="checkbox"/> Stucco: Bands/Quoins <input type="checkbox"/> Siding <input type="checkbox"/> Fascia <input type="checkbox"/> Soffit <input type="checkbox"/> Millwork/Mouldings <input type="checkbox"/> Front Door	<input type="checkbox"/> Garage Door <input type="checkbox"/> Shutters <input type="checkbox"/> Windows <input type="checkbox"/> Window Trim <input type="checkbox"/> Columns <input type="checkbox"/> Louvered Vents <input type="checkbox"/> Railings	[ATTACH COLOR CHIP]
--	---------------------	---	--	---	---------------------

LANDSCAPE REVIEW APPLICATION: 1 OF 3

	DRB Administrator

Applicant acknowledges and understands that landscaping and irrigation must be completed prior to occupancy of the home.

Applicant Signature <i>[Parcel Owner]</i>	Date Submitted
---	----------------

- Landscape Review Application *[4 copies]*
- Landscape Plan *[4 copies] [24" X 36"]*
- Irrigation Plan *[4 copies] [24" X 36"]*

APPROVED	<input type="checkbox"/> APPROVED as Submitted <input type="checkbox"/> APPROVED with Stipulations <input type="checkbox"/> DISAPPROVED

DRB Administrator Signature	Date
-----------------------------	------

COMPLIANCE DEPOSIT REFUND REQUEST

	DRB Administrator	
<ul style="list-style-type: none"> ▪ The items listed below are attached? <input type="checkbox"/> Yes <input type="checkbox"/> No ▪ The home is complete in all regards and ready for occupancy? <input type="checkbox"/> Yes <input type="checkbox"/> No ▪ Construction materials and equipment have been removed? <input type="checkbox"/> Yes <input type="checkbox"/> No ▪ The site and roadway have been cleaned? <input type="checkbox"/> Yes <input type="checkbox"/> No ▪ The landscaping and irrigation have been installed? <input type="checkbox"/> Yes <input type="checkbox"/> No 		
Builder Signature		Date
<input type="checkbox"/> Certificate of Occupancy or Electrical Inspection [as applicable]	<input type="checkbox"/> Final Survey [sealed]	<input type="checkbox"/> Final Parcel Grading As Built [sealed and certified]
DRB Administrator Signature		Date

Definitions

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The words, terms and phrases contained in this section are defined as follows and shall be interpreted as such throughout this Manual. Terms not defined herein or within the content of the Manual shall have the meaning customarily assigned to them or such as the context may imply.

Accessory Structure shall mean and refer to a detached structure which is customarily associated with and subordinate to the Principal Structure including, but not limited to, detached garages, gazebos, swimming pools, spas, and detached trellises.

Alteration shall mean and refer to additions, changes, extensions, rearrangements, enlargements or modifications to existing site grades, drainage, building materials, finishes and colors, construction, or landscaping, except for the repainting of a Structure with the same color or repairs which do not result in an alteration. The term "alter", in its various modes and tenses and its practical forms, refers to the making of an alteration.

Applicant shall mean and refer to an Owner who submits a Design Review Application to the DRB.

Association shall mean and refer to the Rarity Meadows Owners Association, Inc. and as further defined in the Declaration of Covenant, Conditions and Restrictions.

Attached Single-Family Home shall mean and refer to a house that has its own roof and foundation, and is separated from other houses by dividing walls that extend from roof to foundation. [*Also, may be referred to as a townhome or duplex.*]

Average Ground Elevation shall mean and refer to the elevation of the mean finished grade at the front of a Structure.

Basement shall mean and refer to a story partly or wholly underground. For purposes of height measurement, a basement shall be counted as a story when more than one-half of its height is above the average ground elevation.

Buffer Zone shall mean and refer to a zone of vegetative cover sufficient to restrict significant movement of soil resulting from land-disturbing actions in the immediate vicinity of watercourses in the reservoir area, including manmade or natural drainageways.

Building Setback Line, Front shall mean and refer to a line delineating the minimum allowable distance between the street right-of-way, or if an official future street right-of-way has been established, from that future street right-of-way line and the front

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of the Principal Structure on a Parcel [other than for permitted Accessory Structures]. The Front Building Setback Line extends the full width of the Parcel and is parallel to or concentric with the street right-of-way.

Building Setback Line, Rear shall mean and refer to a line delineating the minimum allowable distance between the rear property line and the Principal Structure on a Parcel [other than for permitted Accessory Structures]. The Rear Building Setback Line extends the full width of the Parcel.

Building Setback Line, Side shall mean and refer to a line delineating the minimum allowable distance between the side property line and the Principal Structure on a Parcel [other than for permitted Accessory Structures]. The Side Building Setback Line extends from the Front Building Setback Line to the Rear Building Setback Line.

Commencement of Construction shall mean and refer to the start of construction which shall not have been deemed to commence until (a) all plans for such construction have been approved by the DRB; (b) a building permit has been issued for the construction of improvements, and (c) footings for a residential dwelling on the Parcel have been poured.

Common Area shall mean and refer to real property devoted to the common use of residents of Rarity Meadows and as further defined in the Declaration of Covenant, Conditions and Restrictions.

Completion of Construction shall mean and refer to the date a Structure is complete, including installation of all landscaping, as evidenced by receipt of a Certificate of Occupancy or Final Electrical Inspection [as applicable].

Construction Standards shall mean and refer to standards pertaining to construction site activity as contained in the Design Guidelines Manual.

Corner Parcel shall mean and refer to any Parcel which abuts two roadways, provided that the interior angle at the intersection is less than 135 degrees.

Design Guidelines Manual ("Manual") shall mean and refer to the manual which sets forth policies and procedures of the DRB, and establishes standards, guidelines and provisions for new construction and modifications to existing Structures.

Design Documents shall mean and refer to site plans, architectural or design drawings, specifications, Parcel grading plans, surveys, engineering details, landscaping plans, color and material samples, and any other document, drawing, or literature which

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illustrates, describes, or otherwise interprets the plan of development proposed for any structure, site, parcel or subdivision.

Design Review Application shall mean and refer to the form and any attachments thereto for each stage of review as established by the DRB.

Design Review Board ("DRB") shall mean and refer to a committee of the Developer formed to establish and administer the standards and guidelines contained in the Design Guidelines Manual.

Design Review Board ("DRB") Administrator shall mean and refer to the individual appointed to accept Design Review Applications from Owners; to conduct field inspections of construction; to maintain records of the DRB; to enforce design, environmental and construction standards; and to counsel with Applicants with regard to specific standards and guidelines.

Design Standards shall mean and refer to the standards of site planning, site development, architecture and landscaping as contained in the Design Guidelines Manual.

Detached Single-Family Home shall mean and refer to a house that has open space on all its sides.

Developer shall mean and refer to Tellico Lake Properties, L.P., its successors and assigns, and as further defined in the Declaration of Covenant, Conditions and Restrictions.

Dock shall mean and refer to any Accessory Structure extending from the land into the water intended primarily for the mooring of boats.

Drip Line shall mean and refer to the circular area of ground below a tree which corresponds to the greatest extent of its branches.

Environmental Standards shall mean and refer to standards pertaining to protection of the environment as contained in the Design Guidelines Manual.

Finished Area shall mean and refer to an enclosed area in a house that is suitable for year-round use, embodying walls, floors and ceilings that are similar to the rest of the house.

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Finished Square Footage shall mean and refer to the finished space of a Structure as measured at floor level from the outside of finished perimeter walls and from the center line of demising walls separating heated and non-heated space. Openings in floors are not included in calculations. The area of stair treads and landings proceeding to the floor below is included for the floor from which the stairs descends, not to exceed the area of the opening in the floor.

To be included in calculations, finished areas must have a ceiling height of at least 7'-0" except: under beams, ducts and other obstructions where the height may be 6'-4"; under stairs where there is no specified height requirement; or where the ceiling is sloped. If a room's ceiling is sloped, at least one-half of the finished square footage in that room must have a vertical ceiling height of at least 7'-0"; no portion of the finished area that has a height of less than 5'-0" may be included in calculations.

Garages and unfinished areas are not included in calculations. Chimneys, windows and other finished areas that protrude beyond the exterior finished surface of the outside walls and do not have a floor on the same level are not included in calculations.

Garage shall mean and refer to the structure or space used or useful for the storage of automobiles and other vehicles. An attached garage is part of the Principal Structure and a detached garage is an Accessory Structure.

Interior Parcel shall mean and refer to a Parcel other than a Corner Parcel.

Maximum Buildable Area shall mean and refer to the portion of a Parcel within the building setbacks and upon which the Principal Structure of a house may be constructed, subject to maximum Parcel Coverage and other provisions contained in the Design Guidelines Manual.

Minimum Floor Elevation shall mean and refer to the lowest elevation permissible for the construction, erection or other placement of any floor, including a basement floor.

Modification shall mean and refer to additions, changes, extensions, rearrangements, enlargements or alterations to existing site grades, drainage, building materials, finishes and colors, construction, or landscaping, except for the repainting of a Structure with the same color or repairs which do not result in a modification. The term "modify", in its various modes and tenses and its practical forms, refers to the making of a modification.

Open Space shall mean and refer to an area of a Parcel [*with a Principal Structure constructed thereon*] which is open, unoccupied, and unobstructed by structures from the

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ground to the sky, except as otherwise provided in these standards.

Owner shall mean and refer to the record title holder, whether one (1) or more persons or entities, of the fee simple title to any property within Rarity Meadows.

Parcel shall mean and refer to a piece, Parcel, or parcel of land in one ownership, which may include one or more Parcels of record, occupied or to be occupied by one Principal Structure and its Accessory Structures, including the open spaces required under these standards.

Parcel Area shall mean and refer to the total surface land area included within Parcel lines.

Parcel Coverage shall mean and refer to the Parcel area covered by all Structures located thereon, including the area covered by all overhanging roofs. The maximum Parcel Coverage shall not exceed 50 percent of the base acreage of the site.

Parking Space shall mean and refer to an off-street space available for parking one motor vehicle and having an area of not less than 200 square feet exclusive of passageways and driveways giving access thereto and having access to a street or alley.

Plat shall mean and refer to a map or representation on paper of a piece of land subdivided into Parcels.

Principal Structure shall mean and refer to the main or primary structure on a Parcel, and shall include any attached secondary structures such as an attached garage.

Rarity Meadows shall mean and refer to the planned residential community being developed in Loudon and Monroe Counties, Tennessee, and as set forth in the Declaration of Covenants, Conditions and Restrictions.

Roofline shall mean and refer to the highest point of a roof, excluding weathervanes, chimneys or other appurtenances.

Stone shall mean and refer to natural stone or manufactured materials with the appearance of stone.

Story shall mean and refer to that portion of a Structure included between the upper surface of any floor and the upper surface of the floor next above. Any portion of a

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Structure between the top most floor and the roof which is used for human occupancy in which the floor area with 8' or more head clearance equals 50 percent or more of floor area of the next story below shall be considered a "half-story". A basement shall be considered as a story if more than half of its height is above the average ground level from which the height of a Structure is measured.

Structure shall mean and refer to any Principal Structure and/or Accessory Structure.

Stucco shall mean and refer to traditional cement-based coatings as well as synthetic architectural coatings.

Unfinished Areas shall mean and refer to sections of a house that do not meet the criteria of finished area.

Yard, Front shall mean and refer to the yard extending across the entire width of the Parcel between the front of the Principal Structure, including porches, and the front Parcel line.

Yard, Rear shall mean and refer to the yard extending across the entire width of the Parcel between the rear of the Principal Structure, including porches, and the rear Parcel line.

Yard, Side shall mean and refer to the yard between the side Parcel line and the Principal Structure and between the front yard and the rear yard.

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PRODUCTION

RARITY RIDGE

ORB SPEED MEMO

- For your records
- For your approval
- Read and comment

- Read and return
- Read and retain
- Follow-up and report

- Reply and send me a copy
- Take appropriate Action

BK/PG: 1016/670-746

03052789

77 PGS : AL - RESTRICTIVE COVENANTS	
MARLENE BATCH: 2883	
08/22/2003 - 11:40 AM	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	385.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	387.00

STATE OF TENNESSEE, ROANE COUNTY

MARLENE HENRY
REGISTER OF DEEDS

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

RARITY RIDGE

August 15, 2003

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EXHIBIT "D" Maintenance Agreement with City of Oak Ridge

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

RARITY RIDGE

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR RARITY RIDGE (“Declaration”) is made as of the date set forth on the signature page hereof by Oak Ridge Land Company, L.L.C., a Tennessee limited liability company (referred to herein as the “Declarant”).

Declarant is the owner of the real property described on Exhibit “A,” which is attached and incorporated by reference. This Declaration imposes upon the Properties mutually beneficial restrictions under a general plan of improvement for the benefit of the owners of each portion of the Properties and establishes a flexible and reasonable procedure for the overall development, administration, maintenance and preservation of the Properties. In furtherance of such plan, this Declaration provides for the creation of Rarity Ridge Owners Association, Inc. to own, operate and maintain Common Areas and to administer and enforce the provisions of this Declaration and the By-Laws (capitalized terms are defined in Article 1 below).

It is contemplated that the Properties will be developed as a residential development with complementary commercial components, comprised of various office, retail, and other permitted uses allowed under the Zoning Ordinance, with public and/or private streets, sidewalks, street lights, open spaces and other Common Areas and Improvements for the benefit of the Owners of Parcels made subject to the terms of this Declaration.

Declarant hereby declares that all of the property described on Exhibit “A” and any Additional Property subjected to this Declaration by Supplemental Declaration shall be held, sold, used and conveyed subject to the following easements, restrictions, covenants, and conditions, which shall run with the title to the real property subjected to this Declaration. This Declaration shall be binding upon all parties having any right, title, or interest in any portion of the Properties, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner of any portion of the Properties.

ARTICLE 1: DEFINITIONS

The terms in this Declaration and the exhibits to this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

1.1 **“Additional Property”**: All of that certain real property which is more particularly described on Exhibit “B”, which is attached and incorporated herein by this reference, and which real property is subject to annexation to the terms of this Declaration in accordance with Article 7.

1.2 **“Area of Common Responsibility”**: The Common Area, together with those areas, if any, for which the Association has or assumes responsibility pursuant to the terms of this Declaration, any Supplemental Declaration, any Cost Sharing Agreement, the Zoning Ordinance, or other applicable covenant, contract, or agreement.

1.3 **“Articles of Incorporation” or “Charter”**: The Charter of Rarity Ridge Owners Association, Inc., as filed with the Secretary of State of the State of Tennessee, April 17, 2003.

1.4 **“Association”**: Rarity Ridge Owners Association, Inc., a Tennessee nonprofit mutual benefit corporation, its successors or assigns.

1.5 **“Board of Directors” or “Board”**: The body responsible for administration of the Association, selected as provided in the By-Laws and serving as the board of directors under Tennessee corporate law.

1.6 **“By-Laws”**: The By-Laws of Rarity Ridge Owners Association, Inc., as they may be amended.

1.7 **“Common Area”**: All real and personal property, including easements and licenses, which the Association owns, leases or holds possessory or use rights in for the common use and enjoyment of the Owners. The term also shall include the Exclusive Common Area, if any, as defined below.

1.8 **“Common Expenses”**: The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Governing Documents.

1.9 **“Community-Wide Standard”**: The standard of conduct, maintenance, or other activity generally prevailing throughout the Properties. Such standard shall initially be established by the Declarant and may be more specifically determined by the Board of Directors and the DRB.

1.10 **“Cost Sharing Agreement”**: Any agreement, contract or covenant between the Association and an owner or leasehold owner of property adjacent to, in the vicinity of, or within the Properties, including any Private Amenity, for the allocation of expenses for amenities and/or services that benefit both the Association and the owner or leasehold owner of such property.

1.11 **“Days”**: Calendar days; provided however, if the time period by which any action required hereunder must be performed expires on a Saturday, Sunday or legal holiday in the State of Tennessee, then such time period shall be automatically extended to the close of business on the next regular business day.

1.12 **“Declarant”**: Oak Ridge Land Company, L.L.C., a Tennessee limited liability company, or any successor, successor-in-title, or assign who takes title to any portion of the property described on Exhibits “A” or “B” for the purpose of development and/or sale and who is designated as the Declarant in a recorded instrument executed by the immediately preceding Declarant; provided however, there shall be only one (1) “Declarant” hereunder at any one time.

1.13 **“Declarant-Related Entity”**: Any Person or entity which is a parent, subsidiary or affiliate of the Declarant, and/or in which the Declarant or any parent, subsidiary or affiliate of the Declarant or any officer, director, shareholder, partner, member, manager or trustee of any of the foregoing owns, directly or indirectly, not less than thirty-three percent (33.0%) of such entity, including but not limited to Rarity Communities, Inc.

1.14 **Development Period**: The period of time during which the Declarant or any Declarant-related Entity owns any property which is subject to this Declaration, any Additional Property or any Private Amenity, or has the unilateral right to subject Additional Property to this Declaration

pursuant to Section 7.1; provided however, the Development Period shall not terminate until one hundred percent (100%) of the total number of Parcels permitted by the Master Plan for the property described on Exhibits "A" and "B" have certificates of occupancy issued thereon by the controlling governmental authority, have been conveyed to Persons other than the Declarant or a Declarant-Related Entity and initial vertical construction on each Parcel is complete. The Declarant may, but shall not be obligated to, unilaterally relinquish its rights under this Declaration and/or terminate the Development Period upon an earlier date by recording a written instrument in the Register of Deeds Office for Roane County. Easements and Dedications of Land granted to governmental entities, including but not limited to the City of Oak Ridge, are not subject to limitations on the Development Period..

1.15 **"District"**: One or more Parcels which share common interests, other than those common to all Parcels in the Properties, as more particularly described in Section 3.3. For example, and by way of illustration and not limitation, an office complex comprised of several Parcels surrounding a common plaza, a retail/commercial center comprised of various Parcels sharing common parking areas, a condominium, or a separately developed single-family housing development each might be designated as separate Districts. A District may be comprised of more than one use and may include noncontiguous tracts of property. District boundaries may be established and modified as provided in Section 3.3

1.16 **"District Assessments"**: Assessments levied against the Parcels in a particular District or Districts to fund District Expenses, as described in Sections 8.1 and 8.3.

1.17 **"District Association"**: Any condominium association or other owners association having concurrent jurisdiction with the Association over any District.

1.18 **"District Expenses"**: The actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of Owners of Parcels within a particular District or Districts, which may include a reasonable reserve for capital repairs and replacements, as the Board may specifically authorize from time to time and as may be authorized herein or in Supplemental Declarations applicable to such District(s).

1.19 **"DRB"**: The Design Review Board as described in Section 9.2.

1.20 **"Exclusive Common Area"**: A portion of the Common Area intended for the exclusive use or primary benefit of one (1) or more, but less than all, Districts or Parcels, as more particularly described in Article 2.

1.21 **"General Assessments"**: Assessments levied on all Parcels subject to assessment under Article 8 to fund Common Expenses for the general benefit of all Parcels, as more particularly described in Sections 8.1 and 8.2.

1.22 **"Governing Documents"**: The Declaration, By-Laws, Articles of Incorporation, all Supplemental Declarations, the Design Guidelines (as such term is defined in Section 9.3 (a) herein), the Zoning Ordinance, the rules of the Association, any Lake Use Restrictions, all Cost Sharing Agreements, and all additional covenants governing any portion of the Properties, or any of the above, as each may be amended from time to time.

1.23 **"Improvement"**: Any structure or improvement, broadly defined to include but not be limited to, buildings of a permanent or temporary nature (with temporary buildings being permitted only during the construction of other Improvements, subject to approval by the DRB), outbuildings, underground installations, slope alterations, surface water drainage facilities, sediment control devices, roads, berms, driveways, alley ways, parking areas or facilities, loading docks and areas, garbage

dumpsters and cans, fences, screening walls, retaining walls, enclosures, stairs, decks, windbreaks, planting or removal of trees, shrubs and other landscaping materials, irrigation systems, poles, signs, antennas and satellite dishes, Utilities, heating, cooling and air circulation equipment and facilities, roofed structures, hedges, exterior illumination, changes in exterior color or shape, staking, clearing, excavation, grading, exterior alteration of existing improvements, and all other structures or landscaping improvements of every type and kind initially or at any time thereafter placed or constructed on any Parcel.

1.24 **“Lake”**: Any body of water located within the Properties which is or will be owned by the Association and made subject to the Lake Use Restrictions by the Association. Notwithstanding the foregoing, the definition of “Lake” will not include the following: (1) Watts Bar Lake and the Clinch River, both of which are located adjacent to Rarity Ridge; and (2) any streams, creeks, areas designated on the recorded plat as “wetlands”.

1.25 **“Lake Use Restrictions”**: Use restrictions, rules and procedures for the Lakes promulgated by the Association.

1.26 **“Leasehold Owner”**: The lessee under any lease of a Parcel with an initial term of not less than twenty (20) years, and which lessee has been assigned all of the Owner’s rights and obligations under this Declaration with respect to the leased premises.

1.27 **“Maintenance Agreement”** That certain Maintenance Agreement entered into between the Rarity Ridge Owners Association, Inc. and the City of Oak Ridge dated the day of _____, 2003 and attached hereto as Exhibit “B”.

1.28 **“Majority”**: Those votes, Owners, Members, or other group, as the context may indicate, totaling more than fifty percent (50%) of the total eligible number.

1.29 **“Management Fee”** Fees and costs assessed by the Declarant or any Declarant –related entity on a per parcel per month basis for services provided to Rarity Ridge Owners Association, Inc. in managing the business of the Association.

1.30 **“Master Plan”**: The Conceptual Master Plan for Rarity Ridge, as such plan may be amended from time to time, and as submitted and approved by the City of Oak Ridge, Tennessee, (the “City”), which plan includes the property described on Exhibit “A” and all or a portion of the Additional Property described on Exhibit “B” that Declarant may from time to time anticipate subjecting to this Declaration. Inclusion of property on the Master Plan shall not, under any circumstances, obligate Declarant to subject such property to this Declaration, nor shall the exclusion of property described on Exhibit “B” from the Master Plan bar its later annexation in accordance with Article 7. Notwithstanding the above, all present and future references to the Master Plan shall refer to the then latest version of the Master Plan prepared for the Declarant.

1.31 **“Member”**: A Person subject to membership in the Association pursuant to Section 3.2. The definition of “Member” does not include the City of Oak Ridge, which is exempt from membership.

1.32 **“Mortgage”**: A mortgage, a deed of trust, a deed to secure debt, or any other form of security instrument affecting title to any Parcel.

1.33 **“Mortgagee”**: A beneficiary or holder of a Mortgage.

1.34 **“Occupant”**: The Owner or Leasehold Owner of any Parcel and their respective employees, agents, tenants, independent contractors, invitees and licensees or any other Person who either lawfully or unlawfully occupies or comes upon such Parcel. All actions or omissions of any Occupant shall be deemed the actions or omissions of the Owner or Leasehold Owner of such Parcel.

1.35 **“Owner”**: One (1) or more Persons who hold the record title to any Parcel, including the Declarant and any Declarant-Related Entity, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Parcel is owned by more than one (1) Person, all such Persons shall be jointly and severally obligated to perform the responsibilities of such Owner. An Owner (including the Declarant or any Declarant-Related Entity) who has transferred or otherwise conveyed a leasehold interest in and to any Parcel to a Leasehold Owner may, in its sole discretion, assign in such lease, all of such Owner’s rights and obligations as an owner herein; provided, however, that any such assignment shall not relieve such Owner from its duties and obligations hereunder except as expressly provided herein. From and after receipt of such assignment, Declarant, the Association and the DRB shall recognize the Leasehold Owner as the Owner of such Parcel.

1.36 **“Parcel”**: A portion of the Properties, whether improved or unimproved, which may be independently owned and conveyed. Each separately platted lot shall be deemed to be a separate Parcel, regardless of the number of uses or businesses operated on such lot, unless otherwise specified by the applicable Supplemental Declaration. The term shall refer to the land, if any, which is part of the Parcel as well as any Improvements thereon. In the case of a portion of the Properties intended and suitable for subdivision but as to which no final lot subdivision map has been filed, such property shall be deemed to be a single Parcel until such time as a final lot subdivision map is filed of record with respect to all or a portion of the property. This term shall not include Common Area, common property owned by any District Association, or property owned by or dedicated to the public.

1.37 **“Person”**: A natural person, a corporation, a partnership, a limited liability company, a fiduciary acting on behalf of another person or any other legal entity.

1.38 **“Private Amenity”**: Certain real property and any Improvements and facilities thereon located adjacent to, in the vicinity of, or within the Properties which are owned and operated, in whole or in part, by Persons other than the Association for recreational or other purposes. Any Private Amenity shall be designated by the Declarant in its sole discretion. The use of the term “Private Amenity” shall not be construed to imply or require a private club. Private Amenities may be operated on a club membership, daily fee, use fee, public, or private basis or otherwise.

1.39 **“Properties”**: The real property described on Exhibit “A” as such exhibit may be amended or supplemented from time to time to reflect any additions or removal of property in accordance with Article 7.

1.40 **“Public Records”**: The Registrar’s Office of Roane County, Tennessee, or such other place which is designated as the official location for recording of deeds and similar documents affecting title to real estate.

1.41 **“Rarity Ridge”**: That certain mixed use residential and commercial community located on the property described on Exhibits “A” and “B” in the City of Oak Ridge, Roane County, Tennessee developed by the Declarant and commonly known and referred to as Rarity Ridge.

1.42 **“Special Assessment”**: Assessments levied in accordance with Section 8.5.

1.43 **“Specific Assessment”**: Assessments levied in accordance with Section 8.6.

1.44 **“Supplemental Declaration”**: An instrument filed in the Public Records which subjects Additional Property to this Declaration, designates Districts, and/or imposes, expressly or by reference, additional restrictions and obligations on the land described in such instrument. The term shall also refer to an instrument filed by the Declarant pursuant to Section 3.5 which designates Voting Groups or pursuant to Section 7.4 which imposes additional restrictions or limits on the Declarant or the Association, any declaration of covenants, conditions and restrictions, and any declaration of condominium.

1.45 **“Utilities”**: Any utilities serving any portion of the Properties or any Common Areas, including, without limitation, water, public or private sewage and sewer service, storm drains, steam, gas, electricity, telephone, internet, intranet, cable, digital or similar television services, solar or passive energy sources or any other utilities of any nature whatsoever.

1.46 **“Voting Delegate”**: Any representative selected by the Class “A” Members within each District to be responsible for casting all Class “A” votes attributable to Parcels in the District on matters requiring a vote of the membership. The term “Voting Delegate” shall also refer to any alternate Voting Delegate acting in the absence of a Voting Delegate.

1.47 **“Voting Group”**: One (1) or more Members who vote on a common slate for election of directors to the Board of Directors of the Association, as more particularly described in Section 3.5.

1.48 **“Zoning Ordinance”** Ordinance Number 2, titled “The Zoning Ordinance of Oak Ridge, Tennessee.

ARTICLE 2: PROPERTY RIGHTS

2.1 **Common Area**. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Area, which is appurtenant to and shall pass with the title to each Parcel, subject to:

- (a) This Declaration and all other Governing Documents;
- (b) Any restrictions or limitations contained in any deed conveying such property to the Association;
- (c) The right of the Board to adopt, amend and repeal rules regulating the use and enjoyment of the Common Area, including rules limiting the number of invitees who may use the Common Area;
- (d) The right of the Board to allow persons other than Owners, Occupants and their respective employees, lessees, invitees, clients, customers and guests to use any facilities situated upon the Common Area upon such conditions and fees as may be established by the Board;
- (e) The right of the Board to suspend the right of an Owner to use any recreational and social facilities within the Common Area pursuant to Section 4.3;
- (f) The right of the Board to impose reasonable requirements and charge reasonable admission or other use fees for the use of any facility situated upon the Common Area;
- (g) The right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(h) The right of the Association, acting through the Board, to dedicate or transfer all or any portion of the Common Area, subject to any approval requirements set forth in the Governing Documents (subject to the provisions of the Zoning Ordinance as set out in further detail in Section 4.2 below);

(i) The rights of certain Owners to the exclusive use, access and enjoyment of those portions of the Common Area designated "Exclusive Common Areas," as more particularly described in Section 2.2; and

(j) The right of the Declarant and any Declarant-Related Entity to conduct activities and establish facilities within the Properties as provided in Article 13.

Any Owner may extend its right of use and enjoyment to such Owner's employees, lessees, invitees, clients, customers, and guests, as applicable, subject to reasonable regulation by the Board.

2.2 Exclusive Common Area. Certain portions of the Common Area may be designated as Exclusive Common Area and reserved for the exclusive use or primary benefit of Owners and Occupants of specified Parcels or Districts. By way of illustration and not limitation, Exclusive Common Areas may include recreational and social facilities, entry features, roads, alleys, parking areas, landscaped medians, parks and open spaces and other portions of the Common Area within a particular District or Districts. All costs associated with maintenance, repair, replacement, and insurance of an Exclusive Common Area shall be assessed against the Owners of Parcels to which the Exclusive Common Areas are assigned either as a District Assessment or as a Specific Assessment, as applicable.

Initially, any Exclusive Common Area shall be designated as such, and the exclusive use thereof shall be assigned in the deed by which the Common Area is conveyed to the Association, or in this Declaration, or any Supplemental Declaration and/or on the subdivision plat relating to such Common Area; provided however, any such assignment shall not preclude the Declarant from later assigning use of the same Exclusive Common Area to additional Parcels and/or Districts during the Development Period. Thereafter, a portion of the Common Area may be assigned as Exclusive Common Area of particular Parcels or a particular District or Districts and Exclusive Common Area may be reassigned upon approval of the Board and the vote of Members holding a Majority of the total Class "A" votes in the Association, including, if applicable, a Majority of the Class "A" votes within the District(s) to which the Exclusive Common Area is assigned, if previously assigned, and within the District(s) to which the Exclusive Common Area is to be assigned or reassigned. During the Development Period, any such assignment or reassignment shall also require the Declarant's written consent.

The Association may, upon approval of a Majority of the Class "A" votes within the District(s) to which any Exclusive Common Area is assigned, permit Owners of Parcels in other Districts to use all or a portion of such Exclusive Common Area upon payment of reasonable user fees, which fees shall be used to offset the District Expenses or Specific Assessments attributable to such Exclusive Common Area.

2.3 Lakes. Access to and use of the Lakes is strictly subject to the Lake Use Restrictions and no Person gains any right to enter or to use the Lakes or to gain access to the Lakes from the Properties other than by virtue of membership in the Association. Each Owner acknowledges and agrees to strictly abide by the Lake Use Restrictions. Any Person, including any Owner, using any Lake for any purpose shall assume the risk of such use. Under no circumstance shall the Declarant, any Declarant-Related Entity, the Association, or any Person acting on their behalf assume any liability for use of any Lake by an Owner, its invitees, or licensees.

2.4 **No Partition.** Except as permitted in this Declaration, there shall be no judicial partition of the Common Area. No Person shall seek any judicial partition unless the portion of the Common Area which is the subject of such partition action has been removed from and is no longer subject to the provisions of this Declaration. This Article shall not prohibit the Board from acquiring and disposing of other real property that may or may not be subject to this Declaration.

2.5 **Condemnation.** The Association shall be the sole representative with respect to condemnation proceedings concerning Common Area and shall act as attorney-in-fact for all Owners in such matters. If any part of the Common Area shall be taken by any authority having the power of condemnation or eminent domain or be conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Members holding at least sixty-seven percent (67%) of the total Class "A" votes in the Association and, during the Development Period, the written consent of the Declarant, each Owner shall be entitled to written notice of such taking or conveyance prior to disbursement of any condemnation award or proceeds of such conveyance. The award made for such taking or proceeds of such conveyance shall be payable to the Association.

If the taking or conveyance involves a portion of the Common Area on which Improvements have been constructed, the Association shall restore or replace such Improvements on the remaining land included in the Common Area to the extent available, unless within sixty (60) Days after such taking the Members holding at least sixty-seven percent (67%) of the total Class "A" vote of the Association and, during the Development Period, the Declarant shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board and the DRB. The provisions of Section 6.1(c) regarding funds for the repair of damage or destruction shall apply.

If the taking or conveyance does not involve any Improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds may be used by the Association for such purposes as the Board shall determine.

2.6 **Private Amenities.** Access to and use of any Private Amenity is strictly subject to the rules and procedures of the owner of such Private Amenity, and no Person gains any right to enter or to use any Private Amenity by virtue of membership in the Association or ownership or occupancy of a Parcel. All Persons, including all Owners and Occupants, are hereby advised that no representations or warranties have been or are made by the Declarant, any Declarant-Related Entity, the Association, or by any Person acting on behalf of any of the foregoing, with regard to the continuing ownership or operation of any Private Amenity, and no purported representation or warranty in such regard, either written or oral, shall be effective unless specifically set forth in a written instrument executed by the record owner of the Private Amenity.

ARTICLE 3: MEMBERSHIP AND VOTING RIGHTS

3.1 **Membership.** Every Owner shall be a Member of the Association. There shall be only one (1) membership per Parcel. If a Parcel is owned by more than one (1) Person, all co—Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in Section 3.2 and in the By-Laws. The membership rights of an Owner which is not a natural person may be exercised by any officer, director, member, manager, partner or trustee of such Owner, or by any individual designated from time to time by the Owner in a written instrument provided to the secretary of the Association.

3.2 **Voting.** The Association shall have two (2) classes of membership, Class "A" and Class

(a) **Class "A".** Class "A" Members shall be all Owners except the Class "B" Member, if any. Class "A" Members shall have the number of votes allocated to the Parcel in which they hold the interest required for membership under Section 3.1 in accordance with the formula set forth in Exhibit "C".

If there is more than one (1) Owner of a Parcel, the votes for such Parcel shall be exercised as the co-Owners determine among themselves and advise the secretary of the Association in writing prior to the vote being taken. Absent such advice, the Parcel's vote shall be suspended if more than one (1) Person seeks to exercise it. No vote shall be exercised on behalf of any Parcel if any assessment for such Parcel is delinquent. In addition, no vote shall be exercised for any property which is exempt from assessment.

If Voting Delegates have been elected by a District pursuant to Section 3.4, the vote for each Parcel owned by a Class "A" Member shall be exercised by the Voting Delegate representing the District of which the Parcel is a part, as provided in such Section.

(b) **Class "B".** The sole Class "B" Member shall be the Declarant. The rights of the Class "B" Member, including the right to approve, or withhold approval of, actions proposed under this Declaration, the By-Laws and the Articles, are specified in the relevant sections of this Declaration, the By-Laws and the Articles. The Class "B" Member may appoint the members of the Board of Directors until termination of the Development Period. Upon termination of the Development Period, the Class "B" membership shall expire, and the Declarant shall be a Class "A" Member entitled to Class "A" votes for each Parcel which it owns.

(c) **Additional Classes of Membership.** The Declarant may, by Supplemental Declaration, create additional classes of membership for the Owners of Parcels within any Additional Property made subject to this Declaration pursuant to Article 7, with such rights, privileges and obligations as may be specified in such Supplemental Declaration, in recognition of the different character and intended use of the property subject to such Supplemental Declaration. Such additional classes of membership may be either voting or non-voting classes of membership.

3.3 **Districts.** Every Parcel shall be located within a District; provided however, unless and until additional Districts are established, the Properties shall consist of one (1) District. The Declarant, in its sole discretion, may establish Districts within the Properties by designation on Exhibit "A" to this Declaration, a Supplemental Declaration, or a plat. During the Development Period, the Declarant may unilaterally amend this Declaration, any Supplemental Declaration or any plat from time to time to assign property to a specific District, to redesignate District boundaries, or to remove property from a specific District.

The Parcels within a particular District may be subject to additional covenants and/or the Parcel Owners may be members of a District Association in addition to the Association. However, a District Association shall not be required except as required by law. Any District which does not have a District Association may, but shall not be obligated to, establish a District Committee, as described in the By-Laws, to represent the interests of Owners of Parcels in such District. No District Association or District Committee shall be formed or otherwise established without the prior submission to and written approval of Declarant of all documents creating or establishing such District Association or District Committee, including without limitation, the submission of any declaration of covenants, conditions and restrictions, declaration of condominium, articles of incorporation, by-laws and other organizational and governing documents.

Any District may request that the Association provide a higher level of service or special services for the benefit of Parcels in such District and, upon the affirmative vote, written consent, or a combination thereof, of Owners of a Majority of the Parcels within the District, the Association may, in its sole discretion, provide the requested services. The cost of such services, which may include a reasonable administrative charge in such amount as the Board deems appropriate (provided any such administrative charge shall apply at a uniform rate per Parcel to all Districts receiving the same service), shall be assessed against the Parcels within such District as a District Assessment pursuant to Article 8 hereof

3.4 **Voting Delegates.** The Board in its sole discretion shall determine whether Voting Delegates shall be elected for each District; provided, however, all Districts which are similarly situated shall be treated the same. Until such time as the Board first calls for election of a Voting Delegate for any District, the Owners within such District shall be entitled personally to cast the votes attributable to their respective Parcels on any issue requiring a vote of the Voting Delegates under this Declaration, the By-Laws or the Articles.

If the Board determines that Voting Delegates shall be elected, the elections and Voting Delegates shall be subject to the following procedures unless the Governing Documents for such District provide for stricter requirements:

(a) The Board shall send notice of the election of a Voting Delegate to all Owners within the District; provided, however, the first election of a Voting Delegate for any District shall not be held until at least fifty percent (50%) of the Parcels planned for such District have been conveyed to Persons other than the Declarant or a Declarant-Related Entity. After the initial election of a Voting Delegate for a District, subsequent elections shall take place on an annual basis.

(b) Elections may take place by written ballot cast by mail or at a meeting of the Class "A" Members within each District, as the Board determines; provided, however, upon written petition signed by Class "A" Members holding at least ten percent (10%) of the votes attributable to Parcels within any District, the election for such District shall be held at a meeting.

(c) The presence, in person or by proxy, of Class "A" Members representing at least ten percent (10%) of the total Class "A" votes attributable to Parcels in the District shall constitute a quorum at any District meeting. Each Class "A" Member who owns a Parcel within the District shall be entitled to cast the number of votes allocated to the Parcel in accordance with the formula set forth in Exhibit "C".

(d) At each election, the Owners within each District shall elect a Voting Delegate who shall be responsible for casting all votes attributable to Parcels owned by Class "A" Members in the District on all Association matters requiring a membership vote. In addition, each District shall elect an alternate Voting Delegate who shall be responsible for casting such votes in the absence of the Voting Delegate. The candidate who receives the greatest number of votes shall be elected as Voting Delegate and the candidate receiving the next greatest number of votes shall be elected as the alternate Voting Delegate. The Voting Delegate and the alternate Voting Delegate shall serve a term of one (1) year and until their successors are elected. No Person shall be eligible to serve as a Voting Delegate or an alternate Voting Delegate if any assessment for such Person's Parcel is delinquent.

(e) Any Voting Delegate or alternate Voting Delegate may be removed, with or without cause, upon the vote or written petition of Owners holding at least a Majority of the total Class "A" votes attributable to Parcels in the District which the Voting Delegate or alternate Voting Delegate represents. Any Voting Delegate or alternate Voting Delegate shall be automatically removed and ineligible to cast the votes attributable to Parcels in such Voting Delegate's District if any assessment for alternate, a successor shall be elected by the Owners of Parcels within the District to fill the vacancy for the remainder of such delegate's term.

(f) Prior to taking a vote on any issue requiring membership approval, the Association shall distribute proxies to all Members represented by Voting Delegates allowing each Member to direct in writing how such Member's vote is to be cast with respect to such issue by the Voting Delegate who represents such Member. The Voting Delegates shall be required to cast all votes for which specific proxies are returned in the manner directed in such proxies. All other votes may be cast as the Voting Delegate deems appropriate in its sole discretion. The Board may adopt resolutions establishing additional procedures for polling Members.

(g) Notwithstanding anything to the contrary above, with respect to any portion of the Properties that is subject to the jurisdiction of a District Association, the Voting Delegate and alternate Voting Delegate for such District shall be the president and secretary of the District Association, respectively.

3.5 **Voting Groups.** The Declarant may designate Voting Groups consisting of one (1) or more Districts for the purpose of electing directors to the Board. The designation of Voting Groups, if any, shall promote representation on the Board of Directors for various groups having dissimilar interests. Following termination of the Development Period, the number of Voting Groups within the Properties shall not exceed the total number of directors to be elected by the Class "A" Members pursuant to the By-Laws. The Members within each Voting Group shall vote on a separate slate of candidates for election to the Board, with each Voting Group being entitled to elect the number of directors specified in the By-Laws.

The Declarant shall establish Voting Groups, if at all, not later than the date of expiration of the Development Period by filing with the Association and in the Public Records a Supplemental Declaration identifying each Voting Group by legal description or other means such that the Parcels within each Voting Group can easily be determined. Such designation may be unilaterally amended from time to time by the Declarant during the Development Period.

After expiration of the Declarant's right to amend any designation of Voting Groups as provided above, the Board shall have the limited right to file or amend any Supplemental Declaration for the sole purpose of designating Voting Groups. Neither recordation nor amendment of such Supplemental Declaration shall constitute an amendment to this Declaration, and no consent or approval of any Person shall be required except as stated in this Section. Until such time as Voting Groups are established, all of the Properties shall constitute a single Voting Group. After a Supplemental Declaration establishing Voting Groups has been filed, any and all portions of the Properties which are not assigned to a specific Voting Group shall constitute a single Voting Group.

ARTICLE 4: RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

4.1 **Function of Association.** The Association shall be the entity responsible for management, maintenance, operation and control of the Area of Common Responsibility and all Improvements thereon. The Association shall be the primary entity responsible for enforcement of this Declaration and such reasonable rules regulating use of the Properties as the Board may adopt pursuant to Article 10. The Association shall perform its functions in accordance with the Governing Documents and the laws of the State of Tennessee. The Association shall be the organization serving as the "Maintenance Association" pursuant to the Zoning Ordinance.

4.2 **Personal Property and Real Property for Common Use.** The Association may acquire, hold, and dispose of tangible and intangible personal property and real property. The Declarant and its designees, including but not limited to any Declarant-Related Entity, with the Declarant's prior written consent, may convey to the Association improved or unimproved real estate, or interests in real estate, located within the property described in Exhibits "A" or "B," personal property and leasehold and

other property interests. Such property shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of its Members, subject to any restrictions set forth in the deed or other instrument transferring such property to the Association. Declarant shall not be required to make any Improvements or repairs whatsoever to property to be conveyed and accepted pursuant to this Section, including, without limitation, dredging or otherwise removing silt from any Lake, pond or other body of water that may be conveyed. During the Development Period, the Association shall reconvey to Declarant any portions of the Properties originally conveyed by Declarant to the Association for no consideration upon written request of Declarant. The Association shall provide of any proposed transfer of Common Area in those circumstances where notice is required by the Zoning Ordinance. The Association shall also include provisions in any agreement to lease common space, as such provisions are specifically required by the Zoning Ordinance.

4.3 **Enforcement.** The Board or any committee established by the Board, with the Board's approval, may impose sanctions for violation of the Governing Documents after compliance with the notice and hearing procedures set forth in Section 3.22 of the By-Laws. Such sanctions may include, without limitation:

(a) imposing monetary fines which shall constitute a lien upon the Parcel of the violator. (In the event that any Occupant, employee, lessee, invitee, client, customer or guest of a Parcel violates the Governing Documents and a fine is imposed, the fine may first be assessed against the Occupant; provided however, if the fine is not paid by the Occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Board.);

(b) filing liens in the Public Records for non-payment of any assessments or fees;

(c) filing notices of violations in the Public Records providing record notice of any violation of the Governing Documents;

(d) suspending an Owner's right to vote;

(e) suspending any Person's right to use facilities within the Common Area; provided however, nothing herein shall authorize the Board to limit ingress or egress to or from a Parcel; and

(f) suspending any services provided by the Association to an Owner or the Owner's Parcel if the Owner is more than thirty (30) Days delinquent in paying any assessment or other charge owed to the Association.

In the event that any Occupant, employee, lessee, invitee, client, customer or guest of a Parcel violates the Governing Documents, the Board or any committee established by the Board, with the Board's approval, may sanction the Occupant and/or the Owner of such Parcel.

In addition, the Board, or the covenants committee, if established, may elect to enforce any provision of the Governing Documents by exercising self-help (specifically including, but not limited to, the filing of liens in the Public Records for non-payment of assessments and other charges, the towing of vehicles that are in violation of parking rules, or the correction of any maintenance, construction or other violation of the Governing Documents) without the necessity of compliance with the procedures set forth in the By-Laws. The Association may levy a Specific Assessment to cover all costs incurred in bringing a Parcel into compliance with the terms of the Governing Documents in accordance with Section 8.6(c).

The Association may also elect to enforce any provisions of the Governing Documents by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedures set forth in the By-Laws.

All remedies set forth in this Declaration and the By-Laws shall be cumulative of any remedies available at law or in equity. In any action or remedy taken by the Association to enforce the provisions of the Governing Documents, if the Association prevails, it shall be entitled to recover from the Owner or other person or entity all costs, including, without limitation, reasonable attorneys' fees and court costs, reasonably incurred in such action.

The Association shall not be obligated to take action to enforce any covenant, restriction, or rule which the Board in the exercise of its business judgment determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action. Any such determination shall not be construed a waiver of the right of the Association to enforce such provision under any circumstances or prevent the Association from enforcing any other covenant, restriction or rule.

The Association, by contract or other agreement, may enforce county, city, state and federal ordinances, if applicable, and permit local and other governments to enforce ordinances on the Properties for the benefit of the Association and its Members.

4.4 Implied Rights; Board Authority. The Association may exercise any right or privilege given to it expressly by this Declaration or the By-Laws, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in this Declaration, the By-Laws, the Articles, or by applicable law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

4.5 Governmental Interests. During the Development Period, the Declarant may designate sites within the Properties as public or quasi-public facilities. No membership approval shall be required for such designation. The sites may include Common Area, in which case the Association shall take whatever action is required with respect to such site to permit such use, including conveyance of the site, if so directed by Declarant. The sites may include other property not owned by Declarant provided the owner of such property consents.

4.6 Indemnification. The Association shall indemnify every officer, director, DRB member and committee member against all damages, liabilities, and expenses, including reasonable attorneys fees, incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, DRB member or committee member, except that such obligation to indemnify shall be limited to those actions for which liability is limited under this Section, the Articles of Incorporation and Tennessee law.

The officers, directors, DRB members and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance or malfeasance, willful misconduct, or bad faith. The officers, directors, DRB members, and committee members shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers, directors, DRB members or committee members may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director, DRB member and committee member harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, DRB member or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

4.7 **Dedication of or Grant of Easements on Common Area.** The Association, or during the Development Period, the Declarant, may dedicate or grant easements across portions of the Common Area to Roane County, Tennessee, or the City, or to any other local, state, or federal governmental or quasi-governmental entity.

4.8 **Rezoning.** No Owner or any other Person may apply or join in an application to amend, vary or modify the Zoning Ordinance or rezone or apply for any zoning variance or waiver as to all or any portion of the Properties without the prior written consent of the Board. Every Person that acquires any interest in the Properties acknowledges that Rarity Ridge is a master planned community, the development of which is likely to extend over many years, and agrees not to protest, challenge or otherwise disagree with (a) changes in uses or density of property outside of his Parcel, or (b) changes in the Master Plan relating to property outside of his Parcel. Declarant or any Declarant-Related Entity may apply for such rezoning as to any portion of the Properties owned by it at any time.

4.9 **Security.** Each Owner and Occupant of a Parcel, and their respective employees, lessees, invitees, clients, customers and guests, shall be responsible for their own personal safety and the security of their property in the Properties. The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to make the Properties safer than they otherwise might be. Neither the Association, the Declarant, any Declarant-Related Entity, nor any successor Declarant shall in any way be considered insurers or guarantors of security within the Properties, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any security system or measure, including any system for limiting access to the Properties, cannot be compromised or circumvented, nor that any such security system or measure undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform its lessees and all Occupants of its Parcel that the Association, its Board of Directors and committees, Declarant, and any Declarant-Related Entity, and any successor Declarant are not insurers and that each Person using the Properties assumes all risks of personal injury and loss or damage to property, including the contents of structures located upon the Parcels, resulting from acts of third parties. Any costs incurred by the Association to provide such services shall be paid by the Association and shall be charged either to all Parcels as a General Assessment or a Special Assessment, or only to those certain Districts or Parcels benefited thereby, as a Specific Assessment or a District Assessment, as determined by the Board in its sole discretion.

4.10 **Relationship With Tax-Exempt Organizations.** The Declarant or the Association may create, enter into agreements or contracts with, or grant exclusive and/or non-exclusive easements over the Common Area, or convey portions of the Common Area, to non-profit, tax-exempt organizations for the benefit of the Properties. The Association may contribute money, real or personal property or services to any such entity. Any such contribution shall be a Common Expense and included as a line item in the Association's annual budget. For the purposes of this Section a "tax-exempt organization" shall mean an entity which is exempt from federal income taxes under the Internal Revenue Code, including but not limited to, Sections 501(c)(3) or 501(c)(4) thereof.

4.11 **Lakes.** Neither the Association, the original Declarant, any Declarant-Related Entity nor any successor Declarant shall be held liable for any loss or damage by reason of use of any Lake for any purpose by Owners, their invitees, licensees, and tenants. Each Owner acknowledges, understands and covenants to inform its tenants and all Occupants of its Parcel that the Association, its Board of Directors, DRB and committees, Declarant, any Declarant-Related Entity, and any successor Declarant are not insurers and that each Person using the Lakes shall do so only as permitted under the Lake Use Restrictions and applicable governmental laws, ordinances, rules and regulations. Each Person assumes

all risks of personal injury, and loss or damage to property, including Parcels, resulting from or associated with use of the Lakes.

4.12 **View Impairment.** Neither the Declarant, any Declarant-Related Entity, the Association, nor the owners of any Private Amenities, guarantees or represents that any view over and across any Lake, other water body, Common Area, public park or other facility or Private Amenity from Parcels will be preserved without impairment. The owners of such areas shall have no obligation to prune or thin trees or other landscaping, and shall have the right, in their sole and absolute discretion, to add trees and other landscaping or to install improvements or barriers (both natural and artificial) to such areas from time to time. Any such additions or changes may diminish or obstruct any view from the Parcels and any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed. Each Owner, by acceptance of a deed, acknowledges that any view of a Lake, other water body, Common Area, public park or other facility or Private Amenity which the Parcel may enjoy as of the date of the purchase of the Parcel may be impaired or obstructed by the natural growth of existing landscaping, the installation of additional trees, other landscaping or other types of improvements or barriers (both natural and artificial) within such areas.

4.13 **Powers of the Association Relating to District Associations.** The Association may veto any action taken or contemplated by any District Association that the Board reasonably determines to be adverse to the interests of the Association or its Members or inconsistent with the Community-Wide Standard. The Association also may require specific action to be taken by any District Association to fulfill its obligations and responsibilities under any Governing Document. For example, the Association may require that specific maintenance or repairs or aesthetic changes be performed by the District Association. If the District Association fails to comply with such requirements within a reasonable time as specified in writing by the Association, the Association may effect such action on behalf of the District Association and assess the Parcels within such District for any expenses incurred by the Association in taking such action. Such assessments may be collected as a Specific Assessment.

4.14 **Provision of Services.** The Association may provide or contract for services and facilities for the Owners, Occupants, and their employees, lessees, invitees, clients, customers and guests. The Association shall be authorized to enter into contracts or other similar agreements with other entities, including Declarant or any Declarant-Related Entities, to provide such services and facilities. The costs of services and facilities provided by the Association may be funded by the Association as a Common Expense or charged to the benefited Parcel(s) as a Specific Assessment. By way of example, some services and facilities which may be provided include cable, digital, satellite or similar television services, internet, intranet or other computer related services, fire protection, Utilities, patrols or security services, street cleaning, waste collection, landscaping, special and promotional events coordination, and similar services and facilities. The Board, without the consent of the Class "A" Members of the Association, shall be permitted to add, modify or cancel any services or facilities being provided. Nothing contained herein can be relied upon as a representation as to the services and facilities, if any, which will be provided by the Association.

4.15 **Future Development.** Each Owner acknowledges, understands and covenants to inform its lessees and all Occupants of its Parcel that the Properties and areas adjacent to the Properties are subject to further development and expansion, and therefore, there may be certain inconveniences during any period of construction, and Owner as well as any of its tenants or Occupants of its Parcel waives all claims with respect thereto. Owner agrees that if Owner or Owner's employees, lessees, invitees, clients, customers, guests, contractors or agents enter onto any area of construction, they do so at their own risk, and that the Declarant, all Declarant-Related Entities, the Association, and their respective contractors, agents or employees shall not be liable for any damage, loss or injury to such persons.

ARTICLE 5: MAINTENANCE

5.1 Association's Responsibility.

(a) The Association shall maintain and keep in good condition, order and repair the Area of Common Responsibility, which may include, but need not be limited to all Common Area; landscaping and other flora, parks, structures, and improvements, including any bike and pedestrian pathways/trails, alleys, parking areas and sidewalks situated upon the Common Area;

all furnishings, equipment and other personal property of the Association;

any street trees, street furniture, landscaping and other flora, irrigation systems, parks, bike and pedestrian pathways/trails, buffers, structures and Improvements within public rights-of-way within or abutting the Properties or upon such other public land adjacent to or within the Properties as deemed necessary in the discretion of the Board;

any Lakes (provided that the Association may leave the Lakes in their natural state without further obligation for maintenance);

any storm water management facilities serving the Properties (if not maintained by a governmental agency or located on or within a Parcel);

all planter strips and landscaping within any rights-of-way, medians, roundabouts or squares of the roadways within or adjacent to the Properties to the extent that the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard;

all entry signs and features serving the Properties, constructed by or on behalf of the Declarant, excluding entry signs and features which are maintained by a District Association or Parcel Owner;

all signage within or adjacent to public rights-of-way within or adjacent to the Properties which the Board, in its sole discretion, deems appropriate;

such additional portions of any property included within the Area of Common Responsibility as may be dictated by this Declaration, any Supplemental Declaration, any Cost Sharing Agreement, the Zoning Ordinance, or any contract or agreement for maintenance thereof entered into by the Association; and

any property and facilities owned by the Declarant and made available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members, such property and facilities to be identified by written notice from the Declarant to the Association and to remain a part of the Area of Common Responsibility and be maintained by the Association until such time as Declarant revokes such privilege of use and enjoyment by written notice to the Association.

The Association may, as a Common Expense, maintain other property and Improvements which it does not own, including, without limitation, property dedicated to the public, or provide maintenance or services related to such property over and above the level being provided by the property owner, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard

(b) The Association shall maintain the facilities and equipment within the Area of Common Responsibility in continuous operation, except for any periods necessary, as determined in the sole discretion of the Board, to perform required maintenance or repairs, unless Members holding sixty-seven percent (67%) of the Class "A" votes in the Association and, during the Development Period, the Declarant agree in writing to discontinue such operation.

(c) The Association may be relieved of all or any portion of its maintenance responsibilities herein to the extent that (i) such maintenance responsibility is otherwise assumed by or assigned to an Owner or a District Association; (ii) such maintenance responsibility is otherwise assumed by the City pursuant to a Maintenance Agreement (as such term is defined in Section 5.6 below) executed by the City; or (iii) such property is dedicated to any local, state, or federal governmental or quasi-governmental entity; provided however, that in connection with any such assumption, assignment or dedication, the Association may reserve or assume the right or obligation to continue to perform all or any portion of its maintenance responsibilities, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

Except as provided above, the Area of Common Responsibility shall not be reduced by amendment of this Declaration or any other means during the Development Period except with the written consent of the Declarant.

(d) Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense to be allocated among all Parcels as part of the General Assessment without prejudice to the right of the Association to seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Area of Common Responsibility pursuant to the Governing Documents, any recorded covenants, or any agreements with the owner(s) thereof. All costs associated with maintenance, repair and replacement of Exclusive Common Areas shall be a District Expense and assessed as a District Assessment solely against the Parcels within the District(s) to which the Exclusive Common Areas are assigned, or a Specific Assessment against the particular Parcels to which the Exclusive Common Areas are assigned, notwithstanding that the Association may be responsible for performing such maintenance hereunder.

(e) During the Development Period, if the Association fails to perform its maintenance responsibilities hereunder properly and to comply with the Community-Wide Standard, the Declarant may, upon not less than ten (10) Days' notice and opportunity to cure such failure, cause such maintenance to be performed and in such event, shall be entitled to reimbursement from the Association for all costs incurred. The Association shall maintain the Common Area in reasonable order and condition in accordance with the Master Plan adopted by the City. Failure of the Association to maintain the Common Area in such condition as required by the Zoning Ordinance shall permit the City to exercise the remedies set forth in the Zoning Ordinance pertaining to "Failure of Maintenance Organization." In particular, if the Association fails to maintain the Common Area in reasonable order and condition in accordance with the Master Plan (or a master plan for a particular "sub-area" of Rarity Ridge), the City Manager of the City may serve written notice upon the Association, as the owner of the Common Area, in accordance with the Zoning Ordinance. The Association shall have thirty (30) days from receipt of the notice to correct and cure any deficiencies. If the Association has continued to fail to maintain the Common Area, then a public hearing shall be held, after notice to the Association and the Owners of the applicable Units. If, after a public hearing, the City determines that the Association has materially failed to diligently attempt to maintain the Common Area, then the City shall have the right to call upon any private or public agency to maintain the Common Area for such period of time as is reasonably necessary to rectify the Common Area maintenance issues, with such time period not to exceed one (1) year. If, after such time period, the City determines after notice to the original organization and a public hearing that the original organization lacks the capability to continue maintenance of common open space, the

agency appointed under the provisions of this subsection may continue maintenance for periods not to exceed one (1) year at a time with a review of the original organization's or any successor organization's capability to resume maintenance of the common open space. The cost of such maintenance shall be assessed proportionately against the properties within the TND that have a right of enjoyment of the common open space, and shall become a special assessment to the property tax or a lien on said properties. Such lien shall include an administrative fee to compensate the City for staff time which shall not exceed one hundred per cent (100%) of the yearly Property Owners Association budget for maintenance of common areas. The City shall review the Association's maintenance efforts thereafter on an annual basis and hold a public hearing to determine the Associations' ability to resume control of the Common Areas. The provisions of this paragraph are based upon the Zoning Ordinance in effect as of the date of this Declaration. Declarant shall have the right to amend this paragraph of the Declaration upon any change in the applicable Zoning Ordinance.

5.2 **Owner's Responsibility.** Each Owner shall maintain its Parcel, and all Improvements located thereon, including without limitation, all structures, parking areas, irrigation systems, sewer utility connections, drainage facilities, landscaping, setback areas and other Improvements located in rights-of-way adjacent to the Owner's Parcel in a manner consistent with the Community-Wide Standard and all Governing Documents, unless such maintenance responsibility is otherwise assumed by or assigned to the Association or a District Association. Such maintenance includes but is not limited to the following:

- (a) Removal of all litter, trash, refuse and waste at least once a week and keeping the trash pick-up, service and loading areas in a neat condition;
- (b) Lawn mowing on a regular basis such that the grass level on undeveloped land is not higher than ten inches (10") and the grass level on developed land is not higher than four inches (4");
- (c) Tree and shrub pruning;
- (d) Keeping exterior lighting, signage, fixtures, and mechanical facilities in working order;
- (e) Keeping plant materials within lawn and garden areas alive, and any adjoining rights-of-way or drainage ditches attractive and free of trash and debris;
- (f) Promptly removing and replacing any dead plant material;
- (g) Keeping parking areas, driveways, alleyways and roads in good repair;
- (h) Striping of parking areas and repainting of Improvements, as applicable; and
- (i) Repair of exterior damage to Improvements and keeping exterior Improvements in good repair.
- (j) Repair of lateral feed sewer connecting lines in the right-of-way, repair and replacement of landscaping in the right-of-way.

Every Owner shall also be responsible for the security and safety of its Parcel notwithstanding any security systems or measures which may be provided by the Association.

In addition to any other enforcement rights, if an Owner fails properly to perform its maintenance responsibility, the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the Parcel and the Owner in accordance with Section 8.6. The Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to

entry, except when entry is required due to an emergency situation. Entry by the Association or its designee under this Section shall not constitute a trespass.

5.3 **District's Responsibility.** Upon resolution of the Board of Directors, the Owners of Parcels within each District shall be responsible for paying, through District Assessments, the costs of operating, maintaining and insuring certain portions of the Area of Common Responsibility within or adjacent to such District. This may include, without limitation, the costs of maintaining any signage, entry features, rights-of-way and green space between the District and adjacent public roads, private streets or alleys within the District, regardless of ownership or the Person performing the maintenance; provided however, all Districts which are similarly situated shall be treated the same.

Any District Association having responsibility for maintenance within a particular District pursuant to additional covenants applicable to such District shall perform such maintenance responsibility in a manner consistent with the Community-Wide Standard. If it fails to do so, the Association may perform such responsibilities and assess the costs as a Specific Assessment against all Parcels within such District as provided in Section 8.6.

5.4 **Standard of Performance.** Unless otherwise specifically provided herein or in other instruments creating and assigning such maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all Governing Documents. Neither the Association or District Association nor any Owner shall be liable for any damage or injury occurring on, or arising out of the condition of, property which such Person does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities.

5.5 **Party Structures.**

(a) **General Rules of Law to Apply.** Each sidewalk, driveway or similar structure which serves and/or separates any two (2) adjoining Parcels shall constitute a party structure. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) **Sharing of Repair and Maintenance.** The cost of reasonable repair and maintenance of a party structure shall be shared equally by the Owners who make use of the party structure.

(c) **Damage and Destruction.** If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the structure may restore it. If other Owners thereafter use the structure, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

(d) **Right to Contribution Runs With Land.** The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

5.6 **Maintenance under the City of Oak Ridge's TND Ordinance-**

It is the intent of the Developer to enter into a Maintenance Agreement with the City of Oak Ridge under the City's TND Ordinance. All maintenance agreements set out in this section 5 shall be

consistent with said TND Ordinance. Any property owned or controlled by the City of Oak Ridge and including the City of Oak Ridge property within the public right-of-way shall be governed by a separate Maintenance Agreement, which may be amended from time to time, between the Association and the City of Oak Ridge which shall be over this Declaration of Covenants, Conditions, and Restrictions and is attached here as Exhibit

5.7 Maintenance Agreement- That certain Maintenance Agreement entered into between the Rarity Ridge Owners Association and the City of Oak Ridge which explains the City's responsibility for repair and maintenance of City owned property, including but not limited to rights-of-way and utility easements. The Maintenance Agreement is hereto attached as Exhibit "D" and made part of the Conditions, Covenants and Restrictions for Rarity Ridge.

ARTICLE 6: INSURANCE AND CASUALTY LOSSES

6.1 Association Insurance.

(a) Required Coverages. The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:

Blanket property insurance for all insurable Improvements within the Area of Common Responsibility;

Commercial general liability insurance on the Area of Common Responsibility, insuring the Association and its Members;

Workers compensation insurance and employers liability insurance, if and to the extent required by law;

Directors and officers liability coverage;

Fidelity insurance covering all Persons responsible for handling Association funds; and

Such additional insurance as the Board, in its best business judgment, determines advisable or is required by law.

In the event that any portion of the Common Area is or shall become located in an area identified by the Federal Emergency Management Agency ("FEMA") or its successor entity as an area having special flood hazards, a "blanket" policy of flood insurance on the Common Area must be maintained in the amount of one hundred percent (100%) of current "replacement cost" of all effected Improvements and other insurance property or the maximum limit of coverage available, whichever is less.

In addition, the Association may obtain and maintain property insurance on the insurable Improvements within any District in such amounts and with such coverages as the Owners in such District may agree upon pursuant to Section 3.3. Any such policies shall provide for a certificate of insurance to be furnished to the District Association and to the Owner of each Parcel insured upon request.

Premiums for all insurance on the Area of Common Responsibility shall be Common Expenses and shall be included in the General Assessment, except that (i) premiums for property insurance obtained on behalf of a District shall be charged to the Owners of Parcels within the benefited District as a District Assessment; and (ii) premiums for insurance on Exclusive Common Areas may be included in the District Assessment of the District(s) benefited unless the Board of Directors reasonably determines that other

treatment of the premiums is more appropriate. In the event of an insured loss, the deductible shall be treated as a Common Expense or a District Expense and assessed in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one (1) or more Owners, their employees, lessees, invitees, clients, customers or guests, then the Board may specifically assess the full amount of such deductible against such Owner(s) and their Parcels pursuant to Section 8.6.

(b) Policy Requirements. The Association shall arrange for periodic reviews of the sufficiency of insurance coverage by one (1) or more qualified Persons, at least one (1) of whom must be familiar with insurable replacement costs in the Oak Ridge, Tennessee, area.

All Association policies shall provide for a certificate of insurance to be furnished to the Association and to each Member upon request. The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 6.1(a).

All insurance coverage obtained by the Board shall:

(1) be written with a company authorized to do business in the State of Tennessee which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

(2) be written in the name of the Association as trustee for the benefited parties. Policies on the Common Areas shall be for the benefit of the Association and its Members. Policies secured on behalf of a District shall be for the benefit of the Owners of Parcels within the District and their Mortgagees, as their interests may appear;

(3) not be brought into contribution with insurance purchased by Owners, Occupants, or their Mortgagees individually;

(4) contain an inflation guard endorsement;

(5) include an agreed amount endorsement, if the policy contains a co-insurance clause; and

(6) include an endorsement requiring at least thirty (30) Days prior written notice to the Association of any cancellation, substantial modification, or non-renewal.

In addition, the Board shall use reasonable efforts to secure insurance policies which list the Owners as additional insureds and provide:

(7) a waiver of subrogation as to any claims against the Board, its agents, officers, employees, Members, guests and manager(s);

(8) a waiver of the insurer's rights to repair and reconstruct instead of paying cash;

(9) an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any one (1) or more individual Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure;

(10) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause

(11) a cross liability provision; and

(12) a provision vesting the Board with the exclusive authority to adjust losses; provided however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss.

(c) Damage and Destruction. In the event of any insured loss, only the Board or its duly authorized agent may file and adjust insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this subsection, means repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or Improvements necessitated by changes in applicable building codes.

Any damage to or destruction of the Common Area shall be repaired or reconstructed unless the Members holding at least sixty-seven percent (67%) of the total Class "A" votes in the Association, and during the Development Period the Declarant, decide within sixty (60) Days after the loss not to repair or reconstruct.

If either the insurance proceeds or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not available to the Association within such sixty (60) Day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed sixty (60) additional Days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed.

If determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative Improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association consistent with the Community-Wide Standard.

Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by and for the benefit of the Association or the District, as appropriate, and placed in a capital improvements account. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Parcel.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board of Directors may, without a vote of the Members, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under Section 6.1(a).

6.2 Owners' Insurance. By virtue of taking title to a Parcel, each Owner covenants and agrees with all other Owners and with the Association to carry liability and property insurance with limits of not less than the full replacement cost of all insurable Improvements on its Parcel, less a reasonable deductible.

Each Owner further covenants and agrees that in the event of damage to or destruction of structures on or comprising its Parcel, the Owner shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 9. Alternatively, the Owner shall clear the Parcel of all debris and ruins and maintain the Parcel in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs that are not covered by insurance proceeds.

The requirements of this Section shall also apply to any District Association that owns common property within the District in the same manner as if the District Association were an Owner and the

common property were a Parcel. Additional recorded covenants applicable to any District may establish more stringent requirements for insurance and more stringent standards for rebuilding or reconstructing structures on the Parcels within such District and for clearing and maintaining the Parcels in the event the structures are not rebuilt or reconstructed.

ARTICLE 7: ANNEXATION AND WITHDRAWAL OF PROPERTY

7.1 **Annexation by Declarant.** Until twenty-five (25) years after the recording of this Declaration in the Public Records, Declarant may from time to time unilaterally subject to the provisions of this Declaration all or any portion of the Additional Property. The Declarant may transfer or assign this right to annex property, provided that the transferee or assignee is the developer of at least a portion of the real property described in Exhibits "A" or "B" and that such transfer is memorialized in a written, recorded instrument executed by Declarant.

Such annexation shall be accomplished by filing a Supplemental Declaration in the Public Records describing the property being annexed. Such Supplemental Declaration shall not require the consent of Members, but shall require the consent of the owner of such property to be annexed, if other than Declarant. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein.

Nothing in this Declaration shall be construed to require the Declarant or any successor to annex or develop any of the Additional Property in any manner whatsoever. Additionally, the term "annexation" as used herein shall only apply to actions by the Declarant and is not applicable to or related to any annexation actions taken by the City for purposes of expanding the jurisdictional territory of the City pursuant to applicable law.

7.2 **Annexation by Membership.** The Association may annex any real property to the provisions of this Declaration with the consent of the owner of such property, the affirmative vote of Members holding a Majority of the Class "A" votes of the Association represented at a meeting duly called for such purpose, and, during the Development Period, the written consent of the Declarant.

Such annexation shall be accomplished by filing a Supplemental Declaration describing the property being annexed in the Public Records. Any such Supplemental Declaration shall be signed by the president and the secretary of the Association, and by the owner of the annexed property, and by the Declarant, if the Declarant's consent is required. Any such annexation shall be effective upon filing unless otherwise provided therein.

7.3 **Withdrawal of Property.** The Declarant reserves the right to amend this Declaration during the Development Period, for the purpose of removing any portion of the Properties from the coverage of this Declaration, provided such withdrawal is not unequivocally contrary to the overall uniform scheme of development for Rarity Ridge and/or to the extent that such property was originally subjected in error. Such amendment shall not require the consent of any Person other than the Owner of the property to be withdrawn, if not the Declarant. If the property is Common Area, the Board shall consent to such withdrawal, with such consent by the Association deemed to be given upon the filing of an amendment as required herein by the Public Records.

7.4 **Additional Covenants and Easements.** The Declarant may unilaterally subject any portion of the Properties to additional covenants and easements, including, without limitation, covenants obligating the Association to maintain and insure such property on behalf of the Owners and obligating such Owners to pay the costs incurred by the Association through District Assessments. Such additional covenants and easements shall be set forth in a Supplemental Declaration, filed either concurrently with

or after the annexation of the subject property, and shall require the written consent of the owner(s) of the property affected by such additional covenants and easements, if other than the Declarant. Any such Supplemental Declaration may supplement, create exceptions to, or otherwise modify the terms of this Declaration, including but not limited to provisions relating to assessment obligations, capitalization amounts and transfer fees, as they apply to the subject property in order to reflect the different character and intended use of such property.

7.5 **Annexation.** The term “Annexation” as used in this Section pertains only to actions of the Declarant, and is in no way intended to apply to annexation actions undertaken by the City of Oak Ridge under Tennessee state law and set out in the Tennessee Code Annotated and applicable annexation statutes.

7.6 **Amendment.** Notwithstanding anything to the contrary contained in this Declaration, this Article 7 shall not be amended during the Development Period without the prior written consent of Declarant.

ARTICLE 8: ASSESSMENTS

8.1 **Creation of Assessments.** Assessments are hereby created for Association expenses as the Board may specifically authorize from time to time. There shall be four (4) types of assessments: (a) General Assessments to fund Common Expenses for the general benefit of all Parcels as described in Section 8.2; (b) District Assessments for District Expenses benefiting only Parcels within a particular District or Districts as described in Section 8.3; (c) Special Assessments as described in Section 8.5; and (d) Specific Assessments as described in Section 8.6. Each Owner, by accepting a deed or entering into a recorded contract of sale for any portion of the Properties, is deemed to covenant and agree to pay these assessments.

All assessments and other charges, together with interest, late charges, costs of collection, and reasonable attorneys fees, shall be a charge and continuing lien upon each Parcel against which the assessment or charge is made until paid, as more particularly provided in Section 8.7. Each such assessment or charge, together with interest, late charges, costs, and reasonable attorneys fees, also shall be the personal obligation of the Person who was the Owner of such Parcel at the time the assessment arose. Upon a transfer of title to a Parcel, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance. However, no first Mortgagee who obtains title to a Parcel by exercising the remedies provided in its Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

The Association shall, upon request, furnish to any Owner liable for any type of assessment a written statement signed by an Association officer or designee setting forth whether such assessment has been paid. Such statement shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such statement.

Assessments shall be paid in such manner and on such dates as the Board may establish, which may include discounts for early payment or similar time/price differentials. The Board may require advance payment of assessments at closing of the transfer of title to a Parcel and impose special requirements for Owners with a history of delinquent payment. If the Board so elects, assessments may be paid in two (2) or more installments. Unless the Board otherwise provides, the General Assessment, and any District 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 its Parcel, the Board may require any unpaid installments of all outstanding assessments to be paid in full immediately. Any

assessment or installment thereof shall be considered delinquent on the fifteenth (15th) day following the due date unless otherwise specified by Board resolution.

No Owner may exempt itself from liability for assessments by Owner's non-use of Common Area, including Exclusive Common Area reserved for such Owner's use, abandonment of its Parcel, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or Improvements, or from any other action taken by the Association or Board. The Association is specifically authorized to fully or partially exempt certain Parcels from liability for and payment of assessments as the Board may from time to time determine in its sole discretion.

The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services, materials, or a combination of services and materials with the Declarant, any Declarant-Related Entity, or other entities for payment of Common Expenses.

The Governing Documents applicable to each District may designate one or more Persons who shall be responsible for collecting all assessments levied against Parcels within such District (such Person or Persons hereinafter defined and referred to as the "District Assessor"). The District Assessor shall pay the full amount of such assessments to the Association on or before the date that such assessments are due. No District Assessor may claim set-off nor abatement based upon such Person's inability or failure to collect such assessments from the Owners of Parcels within such District. If the Governing Documents applicable to a particular District create a District Association, the District Association shall serve as the District Assessor.

8.2 Computation of General Assessments. At least thirty (30) Days before the beginning of each fiscal year, the Board shall prepare a budget covering the estimated Common Expenses during the coming year. The budget may also include a contribution to establish a reserve fund in accordance with a budget separately prepared as provided in Section 8.4.

General Assessments to be levied against each Parcel subject to assessment shall be calculated in accordance with the formula set forth in Exhibit "C". The aggregate amount of the assessments shall be set at a level which is reasonably expected to produce total income for the Association equal to the total budgeted Common Expenses, including any reserves. In determining the level of assessments, the Board, in its discretion, may consider other sources of funds available to the Association, including any surplus from prior years, any assessment income expected to be generated from any additional Parcels reasonably anticipated to become subject to assessment during the fiscal year, and any income expected to be generated from any Cost Sharing Agreement.

During the Development Period, the Declarant may, but shall not be obligated to, reduce the General Assessment for any fiscal year by payment of a subsidy and/or contributions of services and materials which may be treated as either a contribution or a loan, in the Declarant's discretion. The Board of Directors, specifically including members of the Board appointed by the Declarant, shall be authorized to execute a promissory note or notes on behalf of the Association to evidence the repayment obligation of the Association; provided however, the failure to execute such a note shall in no way diminish such obligation. Any anticipated payment or contribution by the Declarant shall be disclosed as a line item in the Common Expense budget. Payments by the Declarant in any year shall under no circumstances obligate the Declarant to continue such payments in future years, unless otherwise provided in a written agreement between the Association and the Declarant.

The Board shall calculate the total amount of General Assessments to be allocated to each Parcel based on the formula set forth in Exhibit "C". The Board shall send a copy of the budget and notice of the amount of the General Assessment for the following year to each Owner and District Assessor at least thirty (30) Days prior to the beginning of the fiscal year for which it is to be effective. Such budget and assessment shall become effective unless disapproved at a meeting by Members holding at least sixty-seven percent (67%) of the total Class "A" votes in the Association and, during the Development Period, by the Declarant. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings in Section 2.4 of the By-Laws, which petition must be presented to the Board within twenty (20) Days after the date of the notice of assessments. If a meeting is requested, assessments pursuant to such proposed budget shall not become effective until after such meeting is held, provided such assessments shall be retroactive to the original effective date of the budget if the budget is not disapproved at such meeting.

If the proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then until such time as a budget is determined, the budget in effect for the immediately preceding year shall continue for the current year. If the proposed budget is disapproved, or if the Board fails to determine a budget for any year, or if the budget proves inadequate for any reason, or if the use of a Parcel changes and affects the assessment obligation of the Owner of such Parcel, the Board may prepare a revised budget for the remainder of the fiscal year. The Board shall send a copy of the revised budget to each Owner and District Assessor at least thirty (30) Days prior to its becoming effective. The revised budget shall become effective unless disapproved in accordance with the above procedure.

8.3 Computation of District Assessments. At least thirty (30) Days before the beginning of each fiscal year, the Board shall prepare a separate budget covering the estimated District Expenses for each District on whose behalf District Expenses are expected to be incurred during the coming year. The Board shall be entitled to set such budget only to the extent that this Declaration, any Supplemental Declaration, or the By-Laws specifically authorizes the Board to assess certain costs as a District Assessment. Any District may request that additional services or a higher level of services be provided by the Association and, upon approval of Owners within such District in accordance with Section 3.3, any additional costs shall be added to such budget. Such budget may include a contribution establishing a reserve fund for repair and replacement of capital items maintained as a District Expense, if any, within the District. District Expenses shall be allocated among all Parcels within the District(s) benefited thereby in accordance with the formula set forth in Exhibit "C" and levied as a District Assessment.

The Board shall cause a copy of such budget and notice of the amount of the District Assessment for the coming year to be delivered to the Owner of each Parcel in the District and the District Assessor at least thirty (30) Days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved by Owners of a Majority of the Parcels in the District to which the District Assessment applies and, during the Development Period, by the Declarant. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of Owners holding at least ten percent (10%) of the votes attributable to Parcels in such District. This right to disapprove shall apply only to those line items in the District budget which are attributable to services requested by the District. If a meeting is requested, assessments pursuant to such proposed budget shall not become effective until after such meeting is held, provided such assessments shall be retroactive to the original effective date of the budget if the budget is not disapproved at such meeting.

If the Owners within any District disapprove any line item of a District budget, the Association shall not be obligated to provide the services anticipated to be funded by such line item of the budget. If the Board fails for any reason to determine a District budget for any year, or if the budget proves inadequate for any reason, or if the use of a Parcel changes and affects the assessment obligation of the Owner of such Parcel, the Board may prepare a revised District budget for the remainder of the fiscal

year. The Board shall send a copy of the revised budget to the District Assessor for, and each Owner within, the affected District at least thirty (30) Days prior to its becoming effective. The revised budget shall become effective unless disapproved in accordance with the above procedure.

All amounts which the Association collects as District Assessments shall be expended solely for the benefit of the District for which they were collected and shall be accounted for separately from the Association's general funds.

8.4 **Reserve Budget.** The Board may, in its sole discretion, annually prepare reserve budgets for both general and District purposes which take into account the number and nature of replaceable assets, if any, within the Area of Common Responsibility, the expected life of each asset, and the expected repair or replacement cost. The Board shall include in the general and District budgets reserve amounts sufficient to meet the projected needs of the Association.

8.5 **Special Assessments.** In addition to other authorized assessments, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment may be levied against all Parcels, if such Special Assessment is for Common Expenses, or against the Parcels within any District if such Special Assessment is for District Expenses.

Any Special Assessment shall become effective unless disapproved at a meeting by Members holding at least sixty-seven percent (67%) of the total Class "A" votes allocated to Parcels which will be subject to such Special Assessment and, during the Development Period, by the Declarant. There shall be no obligation to call a meeting for the purpose of considering any Special Assessment except on petition of the Members as provided for special meetings in Section 2.4 of the By-Laws, which petition must be presented to the Board within twenty (20) Days after the date of the notice of such Special Assessment. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

8.6 **Specific Assessments.** The Association shall have the power to levy Specific Assessments against a particular Parcel or Parcels as follows:

(a) to cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Parcel(s) or Occupants thereof upon request of the Owner pursuant to a list of choices of special services which the Board may from time to time authorize to be offered to Owners and Occupants (which might include, without limitation, landscape maintenance, patrols or security services, pest control service, cable, digital or similar television services, internet or intranet service, fire protection, Utilities and special and promotional events coordination), which assessments may be levied in advance of the provision of the requested benefit, item or service as a deposit against charges to be incurred by the Owner;

(b) to cover the costs associated with maintenance, repair, replacement and insurance of any Exclusive Common Area assigned to one (1) or more Parcels; and

(c) to cover all costs incurred in bringing the Parcel(s) into compliance with the terms of the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or Occupants of the Parcel, their agents, contractors, employees, lessees, licensees, invitees, clients, customers or guests.

In addition, fines levied by the Association pursuant to Section 4.3 shall constitute Specific Assessments.

The Association may also levy a Specific Assessment against the Parcels within any District to reimburse the Association for costs incurred in bringing the District into compliance with the provisions of the Declaration, any applicable Supplemental Declaration, the Articles, the By-Laws, and rules; provided however, the Board shall give prior written notice to the District Assessor and the Owners of Units in the District and an opportunity for the Owners within the District to be heard before levying any such assessment.

8.7 **Lien for Assessments.** The Association shall have a lien against each Parcel to secure payment of assessments and other charges, as well as interest at a rate to be set by the Board (subject to the maximum interest rate limitations of Tennessee law), late charges in such amount as the Board may establish (subject to the limitations of Tennessee law), costs of collection and reasonable attorneys fees. Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Such lien may be enforced by suit, judgment, and judicial or nonjudicial foreclosure.

The Declarant, any Declarant-Related Entity, or the Association may bid for the Parcel at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Parcel. While a Parcel is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Parcel shall be charged, in addition to its usual assessment, its pro rata share of the assessment allocated to the Parcel owned by the Association. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

The sale or transfer of any Parcel shall not affect the assessment lien or relieve such Parcel from the lien for any subsequent assessments. However, the sale or transfer of any Parcel pursuant to foreclosure of the first Mortgage shall extinguish the lien as to any installments of such assessments due prior to such sale or transfer. A Mortgagee or other purchaser of a Parcel who obtains title pursuant to foreclosure of the Mortgage shall not be personally liable for assessments on such Parcel due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Parcels subject to assessment under Section 8.8, including such acquirer, its successors and assigns.

All other Persons acquiring liens or encumbrances on any Parcel after this Declaration has been recorded shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

8.8 **Date of Commencement of Assessments.** The obligation to pay assessments shall commence as to each Parcel on the date which the Parcel is conveyed to a Person other than the Declarant or a Declarant-Related Entity. The first annual General Assessment and District Assessment, if any, levied on each Parcel shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on the Parcel and shall be due and payable on the date of conveyance.

8.9 **Failure to Assess.** Failure of the Board to establish assessment amounts or rates or to deliver or mail the District Assessor or each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay General Assessments and District Assessments on the same basis as during

the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfalls in collections.

8.10 **Capitalization of Association.** Upon acquisition of record title to a Parcel by the first Owner thereof other than the Declarant or any Declarant-Related Entity, a contribution shall be made by or on behalf of the purchaser of the Parcel to the working capital of the Association in an amount equal to percent (100%) of the annual General Assessment for that Parcel for that year. This amount shall be in addition to, not in lieu of, the annual General Assessment and shall not be considered an advance payment of such assessment. This amount shall be collected and disbursed to the Association at closing of the purchase and sale of the Parcel and may be used by the Association in covering operating expenses and other expenses incurred by the Association pursuant to the Governing Documents.

8.11 **Variation of Level of Assessments.** Notwithstanding anything to the contrary contained in this Article 8 or elsewhere in this Declaration, in setting the levels or amounts of the various assessments provided for herein, and using the formula for determining same as provided in Exhibit "C", the Board may, but shall not be obligated to, consider the size and location of the Parcel, the level of maintenance provided by the Association and the particular usage of any Parcel, such as commercial, retail, service or residential (such designations being used as examples only). Such factors shall be considered a reasonable basis upon which to differentiate between assessments levied on various Parcels or Districts within the Properties or to exempt a Parcel from any or all assessments.

8.12 **Payment of Assessments by Declarant and Declarant-Related Entities.** Notwithstanding anything provided in this Declaration to the contrary, neither the Declarant (as a Member of the Association or as the Owner of any Parcel) nor any Declarant-Related Entity shall be responsible for the payment of any assessments with respect to any Parcel owned by Declarant or such Declarant-Related Entity unless such Parcel has been improved by the erection of Improvements thereon and a certificate of occupancy has been issued by the controlling governmental authority, in which event the Owner of such Parcel shall pay assessments in the manner set forth in this Article 8.

8.13 **Transfer Fees.** Excluding any sales or transfers between and among the Declarant and any Declarant-Related Entities and also excluding the first sale of each Parcel from the Declarant or a Declarant-Related Entity to an Owner other than the Declarant or a Declarant-Related Entity, but including all other sales of all Parcels, a transfer fee shall be paid by or on behalf of the purchaser of each Parcel equal to one-half of one percent (0.5%) of the total purchase price of such Parcel, which transfer fee shall be paid to the Association. This amount shall be collected and disbursed to the Association at the closing of the purchase and sale of each Parcel, except as provided above. Such funds may be used by the Association in its sole discretion and may include without limitation, the cost of park maintenance, community events and similar expenditures. The Association may, but shall not be obligated to, assign the right to collect transfer fees to a tax-exempt organization pursuant to Section 4.10. In the event of non-payment of such transfer fee, the amount due shall bear interest and shall be collectible as an assessment, as set forth in this Article 8. The Association may require the purchasing and/or selling Owner to provide reasonable written proof of the applicable sales price, such as executed closing statements, contracts of sale, copies of deeds, or other such evidence.

8.14 **Assessments by or on behalf of the City.** The assessments referenced in this Article 8 do not replace or supercede the assessments that may be made on behalf of the City pursuant to the Zoning Ordinance.

8.15 **Non-applicability of Assessments to City property.** The assessments referenced within this Declaration shall not be assessed against property within Rarity Ridge, if any, that has been dedicated to or conveyed to the City.

ARTICLE 9: ARCHITECTURAL STANDARDS

9.1 **General.** No Improvements shall be placed, erected, installed, constructed or altered upon any Parcel except in compliance with this Article and with the prior written approval of the appropriate reviewing body under Section 9.2, in accordance with the application and approval requirements pursuant to Section 9.3.

All Improvements constructed on any portion of the Properties shall be designed by and built in accordance with the plans and specifications of a licensed architect or other qualified building designer acceptable to the Design Review Board, in its sole discretion. All plans and specifications shall be subject to review as provided herein.

This Article shall not apply to the activities of the Declarant, nor to Improvements to the Common Area by or on behalf of the Association. This Article may not be amended during the Development Period without the Declarant's written consent.

9.2 **Architectural Review.** Responsibility for review of all applications for use, construction and modifications under this Article shall be handled by the reviewing bodies described below, the members of which need not be Members of the Association or representatives of Members, and may, but need not, include architects, landscape architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the DRB. The reviewing bodies may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers or other professionals.

(a) **Design Review Board.** The DRB shall have exclusive jurisdiction over all construction on any portion of the Properties. Until one hundred percent (100%) of the Properties have been developed and conveyed to Owners other than Declarant and initial construction on each Parcel has been completed in accordance with all approved plans and a certificate of occupancy has been issued by the controlling governmental authority, the Declarant retains the right to appoint all member(s) of the DRB who shall serve at the Declarant's discretion. There shall be no surrender of this right prior to that time except in a written instrument on recordable form executed by Declarant. Upon expiration or surrender of such rights, the Board shall appoint the members of the DRB, who shall thereafter serve and be removed in the Board's discretion.

(b) **Modifications Committee.** The Board of Directors may establish one (1) or more Modifications Committees ("MC"). The members of any Modifications Committee shall be appointed by and shall serve at the discretion of the Board. If established, a MC shall have jurisdiction over modifications, additions, or alterations of specific Parcels or Districts, including existing Improvements, after completion of initial construction on the Parcel. The DRB shall have the right to veto any action taken by any MC which the DRB determines, in its sole discretion, to be inconsistent with the guidelines promulgated by the DRB. Any MC may be eliminated and its duties assumed by the DRB at any time in the discretion of the Board.

9.3 **Guidelines and Procedures**

(a) **Design Guidelines.** The Declarant may prepare and amend from time to time design and construction guidelines and application and review procedures for the Properties ("Design Guidelines"). Any Design Guidelines may contain general provisions applicable to all of the Properties, as well as specific provisions which vary according to land use and from one (1) portion of the Properties to another depending upon the location, unique characteristics, and intended uses. For example, by way

of illustration but not limitation, the Design Guidelines may impose stricter requirements on those portions of the Properties adjacent to or visible from any Lakes or any Private Amenity. The Design Guidelines are intended to provide guidance to Owners regarding matters of particular concern to the reviewing bodies in considering applications hereunder, but shall not necessarily be the exclusive basis for decisions of the reviewing bodies. The term "Design Guidelines" includes that certain plan (the "Regulating Plan for Rarity Ridge") prepared and adopted by the Declarant from time to time to establish additional development standards for some or all portions of Rarity Ridge. Such plan may include additional restrictions and concept illustrations and be contained in a Supplemental Declaration of Conditions, Covenants and Restrictions for specific Parcels or Districts and recorded in the County of Roane..

Any MC may promulgate guidelines, procedures and standards governing its area of responsibility, subject to review and approval or disapproval by the DRIB. Any architectural guidelines and standards adopted by the MC may be more restrictive than any Design Guidelines, but under no circumstances shall they be inconsistent with any Design Guidelines.

(b) Procedures. No activities within the scope of Section 9.1 shall commence on any portion of the Properties until an application for approval of the proposed work has been submitted to and approved by the DRB or the MC, as appropriate, and the specific use for such portion of the Properties has been approved by Declarant in accordance with Article 13. The DRB or the MC may require the submission of application forms and information as it deems necessary to consider any application and may require multiple stages of application and review for any use, construction or modification.

In the event that the DRB or MC fails to approve or to disapprove in writing any stage of an application within sixty (60) Days after submission of all information and materials reasonably requested, the application shall be deemed denied unless an extension of such time period is agreed to by both the reviewing body and the applicant.

Notwithstanding the above, the DRB by resolution may exempt certain activities from the application and approval requirements of this Article, provided that such activities are undertaken in strict compliance with the requirements of such resolution. However, no approval whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the Design Guidelines unless a variance has been granted in writing by the DRB pursuant to Section 9.5.

(c) Basis of Approval. In reviewing each submission, the reviewing body may consider (but shall not be limited to consideration of) the quality of workmanship and design, harmony of external design with existing structures, and location in relation to surrounding structures, topography, setbacks and finish grade elevation, among other things. Decisions of the reviewing bodies may be based solely on aesthetic considerations and shall be made by a Majority vote of all members of the reviewing body. Each Owner acknowledges that opinions on aesthetic matters are subjective and may vary as members of the reviewing bodies change over time.

Review of the plans shall be based on general adequacy of site dimensions, conformity and harmony of the exterior design, location with neighboring structures and sites, relation of finished grades and elevations to neighboring sites, compatibility with first class commercial, retail, and mixed use developments, and conformity to both the specific and general restrictions and covenants set forth herein, and in any Design Guidelines. The reviewing body shall have the right to disapprove any submitted plans of any Parcel if such plans are not in conformity with the provisions of this Declaration or any Design Guidelines, or if the reviewing body, acting pursuant to Article 9 hereof in its discretion determines that such plans are not in the best interest of the contemplated development of the Properties as a master planned mixed use development as described by this Declaration.

Approval by the DRB of any plans and specifications or the granting of a variance with respect to this Declaration, the Design Guidelines or any rules and regulations of the Association, shall not in any way be construed to set a precedent for approval, alter in any way this Declaration, the Design Guidelines or any rules and regulations of the Association or be deemed a waiver of the DRB's right, in its discretion, to disapprove similar plans and specifications, use of any Improvement, or any of the features or elements which are subsequently submitted for use in connection with any other Parcel.

(d) Commencement and Completion. All work shall be commenced and completed within such period as provided in the notice of approval; provided however, all work shall be completed within twelve (12) months after commencement of construction. The reviewing body may, in its sole discretion, grant an extension if commencement or completion is delayed due to causes beyond the reasonable control of the Owner. In the event construction of the work called for by the approved plans has not substantially commenced within the period set forth in the notice of approval, then the approval shall be deemed expired and no construction shall thereafter commence unless a written renewal is granted by the reviewing body.

(e) Easements and Common Area Dedications. As a prerequisite of approval of plans, the DRB shall have the power to require an Owner who has submitted plans to grant any reasonable Utility and drainage easements as may be required for the enjoyment and benefit of the Owners or the Association. Where possible, the DRB shall attempt to locate any such required easements along the perimeter of the Parcel, within existing or proposed rights-of-way, within other existing or proposed easements, or in such a manner as to not materially impair the proposed use of the Parcel.

(f) Architect, Builder and General Contractor Approval. In order to ensure that appropriate standards of construction are maintained throughout the Properties, all architects, builders and general contractors must be approved by the DRB prior to engaging in any construction activities within the Properties. The DRB shall implement a review process utilizing established criteria and requiring the submission of a written application for approval. Approval of any plans may be withheld until such time as the Owner's architect, builder or contractor has been approved by the DRB. Approval of an architect, builder or general contractor may be conditioned upon an agreement with the DRB to maintain certain insurance coverages required by the DRB, pay construction deposits to ensure completion of a project without damage to the Properties, and pay fees determined by the DRB, from time to time. Approval of architects, builders and contractors may not be construed as a recommendation of a specific architect, builder or contractor by the DRB or the Declarant, nor a guarantee or endorsement of the work of such architect, builder or contractor. The DRB shall maintain a list of general architects, builders or general contractors who are currently approved and licensed by the State of Tennessee and shall provide copies of the list to Owners upon request. Once approved (unless such approval is withdrawn by the DRB), an approved architect, builder or contractor shall not be required to re-submit to the approval process.

9.4 No Waiver of Future Approvals. Approval of proposals, plans and specifications, or drawings for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings, or other matters subsequently or additionally submitted for approval.

9.5 Variance. The DRB may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require. Such variances may be granted, however, only when unique circumstances dictate and no variance shall (a) be effective unless in writing; (b) be contrary to this Declaration; or (c) prevent the DRB from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing may not be considered a hardship warranting a variance. Additionally, the

approval of any plans or the granting of any variances by the DRB shall not necessarily eliminate the need for approval of such plans by the City of Oak Ridge and shall not serve as a representation or warranty by the DRIB that such plans shall be approved by the City.

9.6 **Limitation of Liability.** The standards and procedures established pursuant to this Article are intended to provide a mechanism for maintaining and enhancing the overall aesthetics of the Properties only, and shall not create any duty to any Person. Neither the Declarant, the Association, the Board, the DRB nor the MC shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, the adequacy of soils or drainage, nor for ensuring compliance with building codes and other governmental requirements, nor for ensuring that all Improvements are of comparable quality, value or size, of similar design, or aesthetically pleasing or otherwise acceptable to neighboring property owners. Neither the Declarant, the Association, the Board, the DRI, the MC, any committee, nor any member of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction on or modifications to any Parcel. In all matters, the Declarant, the Board, the DRB, the MC, and their members shall be defended and indemnified by the Association as provided in Section 4.6.

9.7 **Enforcement.** The Declarant, any member of the DRB, the MC, the Board, or the representatives of each shall have the right, during reasonable hours and after reasonable notice, to enter upon any Parcel to inspect the same for the purpose of ascertaining whether any Improvement is in violation of this Article. Any Improvement placed or made in violation of this Article shall be deemed to be nonconforming. Upon written notice from the DRB or MC, Owners shall, at their own cost and expense, remove such structure or Improvement and restore the property to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore the property as required, any authorized agent of Declarant, the DRB, the MC or the Board shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as previously existed. Entry for such purposes and in compliance with this Section shall not constitute a trespass. In addition, the Board may enforce the decisions of the Declarant, the DRB and the MC by any means of enforcement described in Section 4.3. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against the benefited Parcel and collected as a Specific Assessment pursuant to Section 8.6.

Unless otherwise specified in writing by the committee granting approval, all approvals granted hereunder shall be deemed conditioned upon completion of all elements of the approved work and all work previously approved with respect to the same Parcel, unless approval to modify any application has been obtained. If any Person fails to commence and diligently pursue to completion all approved work, the Association shall be authorized, after notice to the Owner of the Parcel and an opportunity to be heard in accordance with the By-Laws, to enter upon the Parcel and remove or complete any incomplete work and to assess all costs incurred against the Parcel and the Owner thereof as a Specific Assessment.

The DRB, the MC, the Association, the Declarant, and the members, officers or directors of the foregoing shall not be held liable to any Person for exercising the rights granted by this Article. Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Article may be excluded by the DRB from the Properties, subject to the notice and hearing procedures contained in the By-Laws.

In addition to the foregoing, the Association shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the DRB and the MC.

ARTICLE 10: USE RESTRICTIONS

10.1 **General.** This Article sets out certain use restrictions which must be complied with by all Owners and Occupants of any Parcel. Declarant has established the Properties as a mixed use development with the intent that the development be comprised of a residential area with complimentary commercial components interspersed throughout the Properties. The Properties shall be used only for residential, office, retail, and commercial purposes consistent with the Zoning Ordinance, this Declaration and any Supplemental Declarations.

10.2 **Plan of Development; Applicability; Effect.** Declarant has established a general plan of development for the Properties as a master planned mixed use development in order to enhance all Owners' quality of life and collective interests, the aesthetics and environment within the Properties, and the vitality of and sense of community within the Properties, all subject to the Board's and the Members' ability to respond to changes in circumstances, conditions, needs, and desires within the master planned mixed use development and to regulate and control the Area of Common Responsibility. The Properties are subject to the Master Plan, the land development, architectural, and design provisions described in Article 9, the other provisions of this Declaration governing individual conduct and uses of and actions upon the Properties, any applicable Supplemental Declaration, and the rules promulgated pursuant to this Declaration, all of which establish affirmative and negative covenants, easements, and restrictions on the Properties, and which are enforceable by the Association as set forth in this Declaration.

The Properties shall be used only for such purposes permitted by the Zoning Ordinance and specifically approved by the Declarant or its designee, consistent with this Declaration and any Supplemental Declaration. As set forth in Section 13.5, Declarant retains the right, in its discretion, during the Development Period, to specifically determine, limit and otherwise review and designate the uses permitted for any Parcel or group of Parcels to one or more of the uses permitted by the Zoning Ordinance. Such specific permitted use designations may be amended only as provided in Section 13.5. The Declarant's rights with respect to approval, limitation, and designation of specific uses for any of the Properties shall be fully assignable or delegable by Declarant at any time and from time to time. During the Development Period, Declarant may further, in its discretion, establish such rules, regulations and procedures for initial and continuing review and approval of the use or uses for all Parcels on a case by case basis.

All provisions of this Declaration and any rules shall apply to all Owners, Occupants, employees, lessees, clients, customers, guests and invitees of any Parcel. Any lease on any Parcel shall provide that the lessee and all Occupants of the leased Parcel shall be bound by the terms of this Declaration, the By-Laws, and the rules of the Association.

10.3 **Procedures for Review and Enforcement of Parcel Specific Uses.** In order to carry out the general plan of development, create enhancements to the Properties and maintain the values thereof, Declarant has been given and retains in its discretion, as provided above in Section 10.1 and in Article 13 and throughout this Declaration, the specific right and authority to limit the specific use or uses of any portion of the Properties, including any one Parcel or portions thereof or group of Parcels, or negatively restrict any Parcel or portions thereof or group of Parcels from being used for a certain use or uses. Accordingly, no activities within the scope of Section 9.1 shall commence on any portion of the Properties until an application for approval of the proposed use or uses for the specific Parcel or Parcels or other portion of the Properties in question, has been submitted to and approved in writing by Declarant or its designee. Thereafter, the use for all or any portion of a specific Parcel or group of Parcels shall not be changed from that last approved by Declarant in accordance with Article 13 unless and until an application for such change in use has been submitted to and approved in writing by Declarant or its designee. Declarant or its designee may require the submission of application forms and such information

as it deems necessary to consider any application for approval of an initial use and/or for the approval of a change in use from one previously approved. Notwithstanding the foregoing, in the event the Declarant fails to approve or to disapprove in writing an application for initial use or for a change of use within thirty (30) Days after submission of all requested information and materials, the application and the specific use for which approval is being sought shall be deemed approved unless an extension of such time period is agreed to by Declarant and the applicant. All such review and approval of the use or uses for any portion of the Properties shall be done and made in Declarant's sole and absolute discretion and an approval of a specific use for a Parcel or portion thereof, or a group of Parcels shall not be deemed an approval for any other Parcels nor shall it constitute a waiver of the right to withhold approval as to any similar proposals for use of a specific Parcel or of other Parcels within the general area. The failure of an Owner to submit and obtain approval for the specific use to be carried out on or within its Parcel (whether initial uses or change in use), or to comply with such use after approval thereof shall be deemed a violation of this Declaration and shall be subject to enforcement by Declarant and/or the Association as provided in this Declaration and in the By-Laws. Declarant may, without limitation, designate all or certain of its rights and authority under this Section to the DRB.

All Owners and Occupants of Parcels and purchasers are given notice that the specific operational use or uses of each Parcel is limited by the use review and approval rights of Declarant. Each Owner, by acceptance of a deed or entering into a contract for the purchase of a Parcel, acknowledges the rights of Declarant with respect to review and approval of the specific uses of the Properties, agrees to abide thereby, and further acknowledges and agrees that the specific use and enjoyment and marketability of its Parcel can be affected.

10.4 **Obnoxious or Offensive Activity.** No obnoxious or offensive activity shall be allowed on the Properties, nor shall any use or practice be allowed which is a source of annoyance, embarrassment or discomfort to Owners or their tenants or invitees, or which interferes with the peaceful possession and proper use and enjoyment of the Properties, nor shall any improper, unsightly, offensive or unlawful use be made of any Parcel or of the Common Area. All laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction over the Properties shall be observed. Restricted and prohibited activities include without limitation, the following terms and conditions:

(a) The use, enjoyment and occupancy of the Properties shall be in such a manner so as not to cause or produce any of the following effects discernible outside the building located thereon, or affect the adjoining property or any portion by its volume, duration, pounding beat, frequency or shrillness; smoke, dust, or dirt; unusual fire or explosive hazards; or vibration or light.

(b) Loading, service and refuse areas shall be constructed in accordance with the plans approved by the DRB. No accumulation of rubbish, trash, or garbage shall be made except between regular garbage pick ups, and then only in approved containers and screened from view from streets and other Parcels.

(c) No use of any radio, loudspeaker, horn, whistle, bell, or other sound device shall be audible to Occupants of other Parcels, except alarm devices used exclusively for security purposes.

(d) Discharge of firearms, firecrackers and other fireworks is prohibited except under a license or permit issued for that purpose. The term "firearms" includes without limitation "B-B" guns, pellet guns, and firearms of all types. The Board shall have no obligation to take action to prevent or stop such discharge.

(e) Plants, animals, devices or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as to potentially diminish or destroy the enjoyment of the Properties are prohibited.

(f) Structures, equipment or other items on a Parcel which have become rusty, dilapidated or otherwise fallen into disrepair are prohibited and shall be removed or repaired by the Owner of the Parcel at the request of the Board. If an Owner fails to honor such request, the Board may remove the offending structure, and charge the costs of removal thereof to the Owner as a Specific Assessment.

(g) Funeral parlors, cemeteries, junk yards, stockyards, flea markets, second-hand stores, massage parlors, establishments selling or exchanging obscene or pornographic materials or paraphernalia related to illegal drugs, or in the provision of entertainment featuring topless or nude performers are prohibited.

10.5 **Fuel Storage and Dispensing.** On-site storage and dispensing of gasoline, heating, or other fuels is prohibited, except that a reasonable amount of fuel may be stored on each Parcel for emergency purposes and for the operation of lawn mowers and similar tools or equipment. The Association shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment. This provision shall not apply to fuels stored and dispensed incident to the retail operation of a gasoline service station or convenience store dispensing fuel for primarily passenger vehicles and household uses, nor to any underground fuel tank approved by the DRB, nor to any underground or above-ground fuel tank actively used for storage of fuels used incident to cooking operations in connection with the operation of a restaurant or other food service facility approved by the DRB, and provided in either case that operation and installation of such facilities shall be according to applicable laws, ordinances, and regulations, including without limitation zoning ordinances. This Section 10.5 shall not apply to any fuel stored by the City for its municipal purposes.

10.6 **Animals and Pets.**

(a) Raising, breeding or keeping of animals, livestock, or poultry of any kind is restricted within the Properties to the keeping of a reasonable number of dogs, cats, or other usual and common household pets. The Board, in its sole discretion, may make further restrictions regarding pets, including without limitation restrictions on the number, size, and types of pets permitted within Parcels.

(b) Pets shall be kept on a leash or otherwise confined in a manner acceptable to the Board, and shall not be permitted to roam free, or, in the sole discretion of the Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the Owners or Occupants of Parcels and their employees, lessees, invitees, clients, customers and guests. Pets shall be registered, licensed and inoculated as required by law. The owners of the pet shall be responsible for all of the pet's actions. Pet waste shall be promptly removed and disposed of in proper receptacles. If, in the sole opinion of the Board, any animal becomes dangerous or an annoyance or nuisance in the Properties or to nearby property or destructive to wildlife, the animal shall be removed from the Properties. By way of explanation and not limitation, this Section may be enforced by exercising self-help rights provided in Section 4.3 of the Declaration.

(c) Nothing herein contained shall interfere with any provision under the Americans with Disabilities Act or any similar applicable federal, state or local law, ordinance or regulation.

(d) A reasonable number of dogs, cats, and other common household pets may be permitted in a Parcel: (i) if related to the approved specific use of the Parcel. (i.e. a grooming service or a

retail store selling pet supplies may keep pets within such Parcels); and (ii) in conjunction with the conduct of business in a Parcel, such as the use of animals to provide security for a Parcel or for the temporary keeping of pets within a Parcel by the Owner or Occupant of such Parcel.

10.7 **Common Area, Plazas, Sidewalks, and Bike and Pedestrian Pathways/Trails.**

(a) Owners and Occupants of Parcels, as well as their employees, lessees, invitees, clients, customers, guests, and pets shall refrain from any actions which deter from the enjoyment by other Owners of areas within the Properties designated as Common Area, pedestrian plazas, sidewalks, bike and pedestrian pathways/trails, and private streets, lanes, and alleys. Notwithstanding the fact that certain greenspace such as riverfront trail system is not a part of the Properties, Owners and Occupants of Parcels, their employees, the lessees, invitees, clients, customers, guests, and pets shall refrain from any actions which deter from the enjoyment of such areas by other Owners or Occupants and members of the general public. The Owners or Occupants of Parcels shall be solely responsible for the actions of their employees, lessees, invitees, clients, customers, guests and pets. Prohibited activities shall include without limitation, activities which obstruct the Common Area and/or the other greenspace, maintenance of dogs or other pets under conditions which interfere with the use of the specified areas by other Owners, their tenants and invitees, playing of loud radios or musical instruments, holding of large gatherings without advance approval of the Board, loitering, erecting tents, stages or other temporary structures, installing vending machines, and soliciting. Such activities shall only be permitted for events approved in advance by the Board and otherwise permitted under this Declaration. The Board may promulgate other rules and restrictions for the use of these areas.

(b) Special events held within the Properties by any Person other than the Declarant or a Declarant-Related Entity, including without limitation educational, cultural, entertainment, promotional, sporting or social events expected to draw increased vehicle, bicycle and pedestrian traffic to the Common Area, pedestrian plazas, sidewalks, and bike and pedestrian pathways/trails within the Properties shall be approved in advance by the Board. Such approval shall be in the sole discretion of the Board.

10.8 **Lakes and Other Water Bodies.** Lakes shall be used only in accordance with the Lake Use Restrictions promulgated by the Declarant and the Association. No Person may use any Lake in any fashion for irrigation of a Parcel. Notwithstanding the foregoing, the Association shall have the right to use the equipment it deems necessary at the times and places it deems necessary to comply with its maintenance responsibilities. The Association shall not be responsible for any loss, damage, or injury to any Person or property arising out of the authorized or unauthorized use of any Lake. In addition, the Association shall not be responsible for maintaining, increasing or decreasing the water level within any Lake or other water body or removing vegetation from any Lake or other water body. With the exception of any community dock constructed on behalf of the Association, no docks, piers, or gazebos shall be constructed, attached or floated upon or adjacent to any Lake.

10.9 **Parking and Vehicles.**

(a) Unless otherwise authorized by the Declarant, parking of the following vehicles within the Properties is restricted: construction vehicles or equipment, mobile homes, recreational vehicles, golf carts, boats and other water craft, trailers, stored vehicles or inoperable vehicles. The foregoing vehicles may be parked only in enclosed garages or other areas as may be designated by the Board and approved in accordance with Article 9 of the Declaration. Construction vehicles and equipment shall be exempt from this provision during daylight hours for such period of time as is reasonably necessary for construction within a Parcel or the Common Area. In the sole discretion of the Board, limitations may be placed on the parking areas, times for parking and points of entry for construction and commercial vehicles.

(b) Operation of motorized vehicles on pedestrian ways, sidewalks and plazas maintained by the Association is prohibited unless specifically permitted in the discretion of the Board. Any use of pedestrian ways, sidewalks and plazas maintained by the Association for motorized vehicles shall be subject to local laws and ordinances and any restrictions established by the Board in permitting such use.

(c) Nothing herein contained shall interfere with any provision under the Americans with Disabilities Act or any similar applicable federal, state or local law, ordinance or regulation.

10.10 **Environmental Protection.** Any activities which materially disturb or destroy the vegetation, wildlife, or air quality within the Properties or adjoining buffer zones or which use excessive amounts of water or which result in unreasonable levels of sound or light pollution are prohibited. Restricted and prohibited activities include without limitation the following:

(a) Dumping of grass clippings, leaves or other debris, chemicals, petroleum products, fertilizers, or other potentially hazardous or toxic substances in any buffer zone, drainage or irrigation ditch, swale or elsewhere within the Properties or adjoining areas, except that fertilizers may be applied to landscaping on Parcels provided care is taken to minimize runoff

(b) Obstructing, rechanneling or any other interfering with drainage flows after location and installation of drainage swales, storm sewers, or storm drains, except that the Declarant, any Declarant-Related Entity and the Association shall have such right, provided that the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Parcel without the Owner's consent.

(c) Installing of sprinkler or irrigation systems or wells of any type which draw upon water from Lakes, creeks, streams, rivers, ponds, wetlands, canals, or other ground or surface waters within the Properties, except that Declarant, any Declarant-Related Entity and the Association shall have the right to draw water from such sources.

Living trees shall be removed from the Properties only in conformance with plans approved in accordance with Article 9.

All areas designated on a recorded plat as "wetlands" shall be generally left in a natural state, and any proposed alteration of the wetlands must be in accordance with any restrictions or covenants recorded against such property and be approved by all appropriate regulatory bodies. Prior to any alteration of a Parcel, the Owner shall determine if any portion thereof meets the requirements for designation as a regulatory wetland. Notwithstanding anything contained in this Section, the Declarant, any Declarant-Related Entity, the Association, and the successors, assigns, affiliates and designees of each may conduct such activities as have been or may be permitted by the U.S. Army Corps of Engineers or any successor thereof responsible for the regulation of wetlands.

10.11 **Construction Activities.** No construction, erection, or placement of any structure, permanently or temporarily, on the outside portions of the Parcel, whether such portion is improved or unimproved is permitted, except in strict compliance with the provisions of Article 9 of the Declaration. The following restrictions shall also apply:

(a) After commencement of construction of any Improvements in the Properties, the Owner shall diligently prosecute the work thereon, such that the Improvements shall not remain in a partly finished condition any longer than reasonably and normally necessary for completion thereof

(b) The Owner of the Parcel on which Improvements are being constructed shall at all times keep streets and parking contiguous to the Parcel free from excess dirt, mud, garbage, trash or other debris as may be occasioned by construction of the Improvements.

(c) Rocks and trees removed during construction of Improvements shall be disposed of in strict conformance with plans approved in accordance with Article 9.

(d) Storage of construction materials and equipment shall strictly conform to plans approved in accordance with Article 9. The foregoing materials and equipment shall not be permitted within any natural barriers established prior to construction.

10.12 **Signs.** No signs, advertisements, billboards, solicitation or advertising structures or any kind shall be erected, modified or maintained on a Parcel or within the Properties unless prior written approval of the Board of Directors and Owner's Association is obtained. In addition, with respect to any Parcels that are restricted to, intended for, or used primarily for residential purposes, no "for sale" or "for lease" signs shall be permitted on any portion of such Parcels, including within any residences located thereon, if such sign would be visible from the exterior of such Parcel as determined in the Board's sole discretion. The Board of Directors may restrict the size, materials, color, lettering, illumination and placement of all signs. The restrictions of this Section shall not apply to community directional signs erected or constructed by or on behalf of the Declarant or a Declarant-Related Entity.

10.13 **Fences or Walls.** No fences or walls shall be erected except with prior written DRB approval or as part of a District Regulating Plan as part of a specific Supplemental Declaration for that District.

10.14 **Lighting.** Exterior lighting must be approved by the DRB. Seasonal decorative lights may be used only pursuant to rules and regulations established by the Board from time to time.

10.15 **Air-Conditioning Equipment.** No air conditioning equipment which is visible on the exterior of any Improvement shall be permitted in the Properties unless constructed in accordance with plans approved by the DRB. Approval shall be based on adequacy of screening and/or landscaping of the equipment.

10.16 **Temporary Structures.** Except as specifically approved in writing in advance by the DRB, no temporary buildings (including construction trailers) shall be erected or placed on the Properties.

10.17 **Antennas.** Antennas, satellite dishes, or any other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind shall be constructed only after written approval of the DRB. Notwithstanding the foregoing, the DRB shall regulate antennas, satellite dishes, or any other apparatus for the transmission or reception of television, radio, satellite or other signals of any kind only in strict compliance with all federal laws and regulations.

10.18 **Subdivision.** Subdivision of a Parcel into two (2) or more Parcels, or changing the boundary lines of any Parcel after a plat including such Parcel has been approved and filed in the Public Records is prohibited, except with the written consent of the Declarant during the Development Period and the Board thereafter.

10.19 **Alleys.** Owners of Parcels located adjacent to alleys and other permitted users of any alley shall be obligated to refrain from any actions which would deter from or interfere with the use and enjoyment of the alley by other authorized users of the alley. Prohibited activities shall include, without limitation, obstruction of any of the alleys. For the purposes of this Section, the term "alley" shall refer to a thoroughfare providing access to, through or within Parcels that may be more particularly described

on a recorded subdivision plat for such Parcels. No structures or trees shall be placed in an alley which is used in whole or part as a public entity easement without prior consent of the City of Oak Ridge.

10.20 **Occupants Bound.** All provisions of the Declaration, By-Laws and of any rules and regulations, use restrictions or Design Guidelines governing the conduct of Owners and establishing sanctions against the Owners shall also apply to all occupants even though Occupants are not specifically mentioned.

10.21 **Rules and Regulations.** In addition to the use restrictions set forth in this Article, the Board may, from time to time, without consent of the Members, promulgate, modify, or delete rules and regulations applicable to the Properties. Such rules shall be distributed to all Owners and Occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled, or modified in a regular or special meeting by a Majority of the Members holding a Majority of the total Class "A" votes in the Association, and, during the Development Period, the written consent of the Declarant.

ARTICLE 11: EASEMENTS

Declarant reserves, creates, establishes, promulgates, and declares the non-exclusive, perpetual easements set forth herein for the enjoyment of the Declarant, any Declarant-Related Entity, the Association, the Members, and the Owners, and their successors-in-title.

11.1 **Easements of Encroachment.** Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal, appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between adjacent Parcels and between each Parcel and any adjacent Common Area due to the unintentional placement or settling or shifting of the Improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than three (3) feet, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

11.2 **Easements for Utilities, Etc.**

(a) Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal, appurtenant easements, for itself and any Declarant-Related Entity during the Development Period, for the Association, and the designees of each (which may include, without limitation, any governmental or quasi-governmental entity and any Utility company) upon, across, over, and under all of the Properties (but not through a structure) to the extent reasonably necessary for the purpose of installing, constructing, monitoring, replacing, repairing, maintaining, operating and removing cable, digital or similar television systems, master television antenna systems, and other devices for sending or receiving data and/or other electronic signals; security and similar systems; roads, walkways, alley ways, irrigation, and drainage systems; street lights and signage; and all Utilities, including, but not limited to, water, sewer, telephone, gas, and electricity, and Utility meters; and an easement for access of vehicular and pedestrian traffic over, across, and through the Properties, as necessary, to exercise the easements described above.

Declarant may assign to the local water supplier, sewer service provider, electric company, telephone company, and natural gas supplier the easements set forth herein across the Properties for ingress, egress, installation, reading, replacing, repairing, and maintaining Utility lines, meters and boxes, as applicable.

(b) Declarant reserves, creates, establishes, promulgates and declares for itself during the Development Period and its designees non-exclusive, perpetual, reciprocal, appurtenant easements, the non-exclusive right and power to grant such specific easements as may be necessary, in the sole discretion of Declarant, in connection with the orderly development of any property described on Exhibits "A" or "B."

(c) Any damage to a Parcel outside of an easement resulting from the exercise of the easements described in subsections (a) and (b) of this Section shall promptly be repaired by, and at the expense of, the Person exercising the easement. The exercise of these easements shall not extend to permitting entry into the structures on any Parcel, nor shall it unreasonably interfere with the use of any Parcel, and except in an emergency, entry onto any Parcel shall be made only after reasonable notice to the Owner or Occupant.

(d) Declarant reserves unto itself the right, in the exercise of its sole discretion, upon the request of any Person holding, or intending to hold, an interest in the Properties, or at any other time, (i) to release all or any portion of the Properties from the burden, effect, and encumbrance of any of the easements granted or reserved under this Section, or (ii) to define the limits of any such easements. This Section shall not be applicable to easements in favor of the City of Oak Ridge.

11.3 Easement for Slope Control, Drainage and Waterway Maintenance. Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal, appurtenant easements, for itself, and the Association, and their respective representatives, successors and assigns, contractors and agents, over, across, under, through and upon each Parcel for the purposes of:

(a) controlling soil erosion, including grading and planting with vegetation any areas of any Parcel which are or may be subject to soil erosion;

(b) drainage of natural or man-made water flow and water areas from any portion of the Properties;

(c) changing, modifying or altering the natural flow of water, water courses or waterways on or adjacent to any Parcel or Common Area; and

(d) installing such pipes, lines, conduits or other equipment as may be necessary for slope control and drainage maintenance of any portion of the Properties.

11.4 Easements to Serve Additional Property. The Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal, appurtenant easements for itself and its duly authorized successors and assigns, including without limitation, successors-in-title, agents, representatives, and employees, successors, assigns, licensees, and mortgagees, over the Common Area for the purposes of enjoyment, use, access, and development of the Additional Property, whether or not such property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of roads, for the posting of signs, and for connecting and installing Utilities and Improvements on such property. In addition, Declarant reserves the non-exclusive right and power to grant such specific easements and licenses as may be necessary, in the sole discretion of Declarant, in connection with the orderly development of any property described on Exhibits "A" or "B."

11.5 Maintenance, Construction, Utility and Drainage Easements. The Owners of all Parcels recognize and agree that temporary construction and permanent and perpetual maintenance easements and all rights of access reasonably necessary to permit construction and maintenance of the

Common Area, including reasonable permanent easements to permit installation and maintenance of Utilities, roads, walkways and storm water drainage on the Properties are hereby granted to and retained by Declarant for the benefit of Declarant and of the Association and their respective Mortgagees, employees, independent contractors, agents and assigns. Such easements must be granted and conveyed hereafter by each Owner to Declarant and the Association for the benefit of Declarant and of the Association and their respective Mortgagees, employees, independent contractors, agents and assigns. Each Owner, by taking title to its respective Parcel, hereby grants and conveys and shall be deemed to have consented and agreed to hereafter designate, grant and convey such easements when requested to do so by Declarant or the Association. Each Owner, by taking title to its respective Parcel, shall also be deemed to have agreed to obtain from all appropriate parties, including its Mortgagees and trustees under deeds to secure debt, the written subordination of any and all Mortgages, deeds to secure debt, security interests and all other liens that encumber or in any way affect its respective Parcel to such easements and to all other easements, rights-of-way and rights of ingress, egress, access and passage now set forth in or otherwise provided for in or contemplated by this Article. Such written subordination instruments shall be provided promptly and without delay to Declarant and the Association when requested by Declarant or the Association. Each Mortgagee, noteholder under a deed to secure debt, trustee under a deed to secure debt and other holders of any security interest in any Parcel by accepting a security interest in or legal or equitable title to a Parcel, shall be deemed to have consented to and agreed that its security interest or legal or equitable title is subject to said easements and agrees to execute any instrument reasonably required to subordinate its debt and security instruments to such easements, rights-of-way and rights of ingress, egress, access and passage subject to the same not materially adversely affecting the Parcel serving as the security for the obligations owed to such Mortgagee or noteholder. Such easements will contain terms and conditions reasonably requested by Declarant or the Association, as the case may be, but such easements will not unreasonably interfere with the development, use and occupancy of any Parcel or unreasonably affect access to, or operation of, any such Parcel. All temporary construction easements, and temporary access rights in connection therewith, of Declarant shall terminate automatically when construction of the Common Area for which such easement is granted or retained is completed, but the permanent and perpetual maintenance easements, and access rights in connection therewith, of Declarant and the Association shall continue in full force and effect except as hereinafter provided. Prior to the Declarant's or the Association's exercise of any easement rights created by this Section, a written instrument defining the location of the respective easement shall be approved by the appropriate governmental entity.

11.6 **Roadside Access Easements.** There is hereby reserved to Declarant, the Association and the general public an easement for access, adjacent and parallel to all public road rights-of-way within the Properties, extending from the curb to the far side of any sidewalk or jogging or bicycle path running more or less parallel to the curb, for the purpose of using such sidewalk or path. There is also hereby reserved to Declarant, the Association, and the designees of each, a right to go upon, over and across all property adjacent to public road rights-of-way within the Properties to maintain, repair, and replace street furniture (e.g., park benches), sidewalks and paths, sewer and utility connections, and traffic and directional signs.

11.7 **Easement for Entry.** Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal easements for the Association to enter upon any Parcel for emergency, security, and safety reasons. Such right may be exercised by any member of the Board, the Association's officers, committee members, agents, employees and managers of the Association, and by all police officers, fire fighters, ambulance personnel, and similar emergency personnel in the performance of their duties. Except in emergencies, entry onto a Parcel shall be only during reasonable hours and after notice to and permission from the Owner. This easement includes the right to enter any Parcel to cure any condition which may increase the possibility of fire, slope erosion, immediate risk of personal injury, or other hazard if an Owner fails or refuses to cure the condition within a reasonable time after request by the Board, but shall not authorize entry into any dwelling without permission of the

Owner, except by emergency personnel acting in their official capacities. Entry under this Section shall not constitute a trespass.

11.8 **Easements for Maintenance and Enforcement.**

(a) Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal easements for the Association to enter all portions of the Properties, including each Parcel, to (a) perform its maintenance responsibilities under Article 5, and (b) make inspections to ensure compliance with the Governing Documents. Except in emergencies, entry onto a Parcel shall be only during reasonable hours. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owners' property, and any damage shall be repaired by the Association at its expense.

(b) The Association also may enter a Parcel to abate or remove, using such measures as may be reasonably necessary, any structure, thing or condition which violates the Governing Documents. All costs incurred, including reasonable attorneys' fees, may be assessed against the violator as a Specific Assessment.

(c) In addition, Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, appurtenant rights and easements for the City or its duly authorized designee to enter all portions of the Properties, including each Parcel, to perform various maintenance tasks in accordance with Section 5.1(e). Except in emergencies, entry onto a Parcel shall be only during reasonable hours. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owners' property, and any damage shall be repaired by the City at its expense.

(d) Entry under this Section shall not constitute a trespass.

11.9 **Public Park Easements.** There is hereby reserved to Declarant and the Association an easement for access to all public parks adjacent to or surrounded by the Properties for the purpose of maintaining those areas in accordance with the Community-Wide Standard.

11.10 **Landscape Easements and Tree Preservation.** There are hereby reserved to Declarant during the Development Period, the Association and the designees of each, non-exclusive easements for access, installation, pruning and other maintenance, removal and replacement of street trees and landscaping over those portions of the Properties lying adjacent to all roadways and consisting of a strip of land as shown on the plat of the Properties. This easement shall run the entire length of, and on both sides of, all roadways ("Landscape Easement") and over such other portions of the Properties as are designated "Landscape and Access Easement" on the recorded plats of the Properties. Such easement shall include the right to disturb existing landscaping within the Landscape Easement, to dig holes and to temporarily pile dirt and plant material upon the Landscape Easement, provided the area is restored to a neat and attractive condition to the extent practical, as soon as reasonably possible after completion of the activities authorized hereunder. Nothing herein shall obligate the Declarant or the Association to undertake any of the activities that such easement authorizes. These Landscape Easement areas shall not be disturbed by any Owner without prior approval in accordance with Article 9.

11.11 **Lateral Support.** Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal, appurtenant easements over every portion of the Common Area, every Parcel, and any Improvement which contributes to the lateral support of another portion of the Common Area or of another Parcel. Each Parcel shall be burdened with an easement for lateral support, and each shall also have the right to lateral support which shall be appurtenant to and pass with title to such property.

11.12 **Easement for Special Events.** Declarant reserves, creates, establishes, promulgates and declares for itself, any Declarant-Related Entity, their successors, assigns and designees a perpetual, non-exclusive reciprocal, appurtenant easement over the Common Area for the purpose of conducting or allowing its designees to conduct educational, cultural, entertainment, promotional or sporting events, and other activities of general community interest at such locations and times as Declarant, in its sole discretion, deems appropriate. Each Owner, by accepting a deed or other instrument conveying any interest in a Parcel, acknowledges and agrees that the exercise of this easement may result in a temporary increase in traffic, noise, gathering of crowds, and related inconveniences, and each Owner agrees on behalf of itself and the Occupants of its Parcel to take no action, legal or otherwise, which would interfere with the exercise of such easement or to recover damages for or as the result of any such activities.

11.13 **Liability for Use of Easements.** No Owner shall have a claim or cause of action against the Declarant, any Declarant-Related Entity, the Association, or their successors or assigns, arising out of the exercise or non-exercise of any easement reserved hereunder or shown on any subdivision plat for the Properties, except in cases of willful or wanton misconduct.

11.14 **Easements to Government Entities.**

It is the intent of Declarant that easements established by Declarant, or anyone acting on behalf of Declarant in favor of any governmental entity, including but not limited to the City of Oak Ridge, shall not be affected by this "Declaration of Covenants, Conditions, and Restrictions" unless expressly agreed to by the governmental entity in writing and placed of record in the Register of Deeds Office for Roane County.

ARTICLE 12: MORTGAGEE PROVISIONS

12.1 **No Priority.** No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Parcel in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

12.2 **Notice to Association.** Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Parcel.

12.3 **Failure of Mortgagee to Respond.** Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) Days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

ARTICLE 13: DECLARANT'S RIGHTS

13.1 **Transfer or Assignment.** Any or all of the special rights and obligations of the Declarant set forth in the Governing Documents may be transferred or assigned in whole or in part to the Association, to a Declarant-Related Entity, or to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that which the Declarant has under this Declaration or the By-Laws. Upon any such transfer, the Declarant shall be automatically released from any and all liability arising with respect to such transferred rights and obligations. No such transfer or assignment shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Public Records.

13.2 **Development and Sales.** The Declarant, any Declarant-Related Entity and others authorized by Declarant may maintain and carry on the Properties such activities as, in the sole opinion of the Declarant, may be reasonably required, convenient, or incidental to the development of the Properties and/or the construction or sale of Parcels, such as sales activities, tournaments, charitable events, and promotional events, and restrict Members from using the Common Area during such activities. Such activities shall be conducted in a manner to minimize (to the extent reasonably possible) any substantial interference with the Members' use and enjoyment of the Common Area. In the event that any such activity necessitates exclusion of Owners from Common Areas, such activities shall not exceed seven (7) consecutive Days. The Declarant, all Declarant-Related Entities and others authorized by the Declarant shall have easements over the Properties for access, ingress and conducting such activities.

In addition, the Declarant, any Declarant-Related Entity and others authorized by Declarant may establish within the Properties, such facilities as, in the sole opinion of the Declarant, may be reasonably required, convenient, or incidental to the development of the Properties and/or the construction or sale of Parcels, including, but not limited to, business offices, signs, model units, tents, sales offices, sales centers and related parking facilities. During the Development Period, Owners may be excluded from use of all or a portion of such facilities in the Declarant's sole discretion. The Declarant, any Declarant-Related Entity and others authorized by the Declarant shall have easements over the Properties for access, ingress, and egress and use of such facilities.

Declarant may permit the use of any facilities situated on the Common Area by Persons other than Owners without the payment of any use fees.

13.3 **Improvements to Common Areas.** The Declarant and its employees, agents and designees shall also have a right and easement over and upon all of the Common Area for the purpose of making, constructing and installing such Improvements to the Common Area as it deems appropriate in its sole discretion.

13.4 **Additional Covenants.** No Person shall record any declaration of covenants, conditions and restrictions, declaration of condominium, easements, or similar instrument affecting any portion of the Properties without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the Public Records. No such instrument recorded by any Person, other than the Declarant pursuant to Section 7.4, may conflict with the Declaration, By-Laws or Articles.

13.5 **Limitations of Use.** During the Development Period, the Declarant, acting in its sole and absolute discretion, retains the right, but not the obligation, to limit the use of any portion of the Properties, including any one Parcel or group of Parcels, to one or more, but less than all, of the permitted uses under the Zoning Ordinance. By way of example only, the Declarant may limit the use of certain Parcels or Districts to single-family residential use. In the alternative, the use of a Parcel or District may be limited to a nonresidential use permitted under the Master Plan such as, by way of example only, a specific non-food service retail use, or the use of certain Parcels may be restricted against a use already being conducted by an Owner of a Parcel within Rarity Ridge.

The limitations of use imposed by the Declarant may not be changed without the written consent of the Declarant during the Development Period. Thereafter, or at such time as the Declarant assigns it rights in this regard to the Association, any change in the limitations on use shall require the consent of the Board and the Owner(s) of the affected Parcel or Parcels and shall be set forth in a written instrument recorded in the Public Records. Declarant shall have the further right to establish such rules, regulations and procedures for initial and continuing review, approval and enforcement of the use or uses of and for

all Parcels as provided in Article 10. Any change on the limitations on use of a Parcel and the resulting change of the actual use of such Parcel may impact the assessment and voting allocations for the affected Parcel as determined in accordance with the formula set forth in Exhibit "C". The Board may, but shall not be obligated to, revise the Association's budgets to reflect such change and send the revised budgets to the District Assessors or Owners in accordance with Article 8.

13.6 **Right of Declarant to Disapprove Actions.** Declarant shall have the right to disapprove any action, policy or program of the Association, the Board and any committee which, in the sole judgment of the Declarant, would tend to impair rights of the Declarant under the Governing Documents, or interfere with development of or construction on any portion of the Properties, or diminish the level of services being provided by the Association.

(a) The Declarant shall be given written notice of all meetings and proposed actions approved at meetings (or by written consent in lieu of a meeting) of the Association, the Board or any committee. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address the Declarant has registered with the secretary of the Association, which notice complies with the By-Laws and which notice shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth in reasonable particularity the agenda to be followed at such meeting. The Declarant may waive its right to receive notice in the same manner as provided in the By-Laws; and

(b) The Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met.

The Declarant, its representatives or agents may make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee. The Declarant, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within ten (10) Days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within ten (10) Days following receipt of written notice of the proposed action. No action, policy or program shall be effective or implemented if the Declarant exercises its right to disapprove. This right to disapprove may be used to block proposed actions but shall not include a right to require any action or counteraction on behalf of any committee, or the Board or the Association. The Declarant shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

13.7 **Amendments.** Notwithstanding any contrary provision of this Declaration, no amendment to or modification of any use restrictions and rules or Design Guidelines shall be effective without prior notice to and the written consent of the Declarant, during the Development Period. This Article may not be amended without the written consent of the Declarant. The rights contained in this Article shall terminate at such time as neither the Declarant nor any Declarant-Related Entity owns any property which is subject to this Declaration, any Additional Property or any Private Amenity nor has the unilateral right to subject Additional Property to this Declaration pursuant to Section 7.1.

13.8 **Right of Declarant to Assess Management Fees.** Declarant shall have the right to assess the Association, any district association or district within Rarity Ridge, administrative

and/or management fees on a per parcel basis for the management and administration of Association business by Declarant-Related or employees during the development period at a rate comparable to the then current and comparable industry standard as may be amended from time to time.

ARTICLE 14: GENERAL PROVISIONS

14.1 Duration.

(a) Except as otherwise limited by Tennessee law, this Declaration shall have perpetual duration. If Tennessee law limits the period during which covenants may run with the land, then this Declaration shall automatically be extended at the expiration of such period for successive periods of twenty (20) years each. Notwithstanding the above, if any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

(b) Unless otherwise provided by Tennessee law, in which case such law shall control, this Declaration may not be terminated within thirty (30) years of the date of recording without the consent of all Owners. Thereafter, it may be terminated only by an instrument signed by Owners of at least ninety percent (90%) of the total number of Parcels within the Properties and by the Declarant, during the Development Period, which instrument is recorded in the Public Records. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

14.2 Amendment.

(a) By Declarant. During the Development Period, the Declarant may unilaterally amend this Declaration or any Supplemental Declaration at any time and from time to time:

for the purpose of curing any ambiguity or any inconsistency among the provisions contained herein;

to release any Parcel from any part of the covenants and restrictions contained herein which have been violated if the Declarant, in its sole judgment, determines such violation to be a minor or insubstantial violation;

if such amendment is necessary (a) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) to enable any reputable title insurance company to issue title insurance coverage on the Parcels; (c) to enable any institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, to make, purchase, insure or guarantee Mortgage loans on the Parcels; (d) to enable any reputable private insurance company to insure Mortgage loans on the Parcels; or (e) to satisfy the requirements of any local, state or federal governmental agency; and any other purpose.

The foregoing amendments may be made without the joinder or approval of any Owner, Mortgagee, or the Association.

(b) By the Board. The Board shall be authorized to amend this Declaration without the consent of the Members to correct scrivener's errors and other mistakes of fact, provided that amendments under this provision have no material adverse effect on the rights of the Owners. During the Development Period, any such amendments shall require the written consent of the Declarant.

(c) **B Members.** Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members holding sixty-seven percent (67%) of the total Class "A" votes in the Association, and, during the Development Period, the written consent of the Declarant. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(d) **Validity and Effective Date.** Any amendment to the Declaration shall become effective upon recordation in the Public Records, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration. No amendment may remove, revoke, or modify any right or privilege of the Declarant, any Declarant-Related Entity, or the Class "B" Member without the written consent of the Declarant, the Declarant-Related Entity, the Class "B" Member, or the assignee of such right or privilege.

If an Owner consents to any amendment to this Declaration or the By-Laws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

14.3 **Severability.** Invalidation of any provision of this Declaration, in whole or in part, or any application of a provision of this Declaration by judgment or court order shall in no way affect other provisions or applications.

14.4 **Litigation.** Except as provided below, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of Members holding seventy-five percent (75%) of the Class "A" votes in the Association, and, during the Development Period, the written consent of the Declarant. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of the Governing Documents (including, without limitation, the foreclosure of liens); (b) the imposition and collection of assessments as provided in Article 8; (c) proceedings involving challenges to property taxation; (d) counter-claims brought by the Association in proceedings instituted against it; or (e) actions brought by the Association against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

14.5 **Non-Merger.** Notwithstanding the fact that Declarant is the current owner of the Properties, it is the express intention of Declarant that the easements established in the Declaration for the benefit of the Properties and Owners shall not merge into the fee simple estate of individual lots conveyed by Declarant or its successor, but that the estates of the Declarant and individual lot owners shall remain as separate and distinct estates. Any conveyance of all or a portion of the Properties shall be subject to the terms and provisions of this Declaration, regardless of whether the instrument of conveyance refers to this Declaration.

14.6 **Grants.** The parties hereby declare that this Declaration, and the easements created herein shall be and constitute covenants running with the fee simple estate of the Properties. The grants of easements in this Declaration are independent of any covenants and contractual agreements undertaken by the parties in this Declaration and a breach by either party of any such covenants or contractual agreements shall not cause or result in a forfeiture or reversion of the easements granted in this Declaration.

14.7 **Cumulative Effect; Conflict.** The provisions of this Declaration shall be cumulative with any additional recorded covenants, restrictions, and declarations applicable to any District or Parcel, and the Association may, but shall not be required to, enforce such additional covenants, restrictions, and declarations applicable to any District or Parcel; provided however, in the event of a conflict between or among this Declaration and such covenants or restrictions, and/or the provisions of any articles of incorporation, by-laws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, this Declaration, the By-Laws, Articles, and rules of the Association shall prevail over those of any District or Parcel. The foregoing priorities shall apply, but not be limited to, the lien for assessments created in favor of the Association. Nothing in this Section shall preclude any Supplemental Declaration or other recorded declaration, covenants and restrictions applicable to any portion of the Properties from containing additional covenants or provisions which are more restrictive than the provisions of this Declaration, and the Association shall have the standing and authority to enforce the same.

14.8 **Use of the "Rarity Ridge" Name and Logo.** No Person shall use the words "Rarity Ridge" or the logo in any printed or promotional material without the Declarant's prior written consent. However, Owners may use the words "Rarity Ridge" in printed or promotional matter where such terms are used solely to specify that particular property is located within Rarity Ridge and the Association and any other community association located in Rarity Ridge shall be entitled to use the words "Rarity Ridge" in its name, provided that the name chosen by the Association or any other community association located in Rarity Ridge is permitted to be registered by the Secretary of State of Tennessee or such other controlling entity.

14.9 **Compliance.** Every Owner and Occupant of any Parcel shall comply with the Governing Documents. Failure to comply shall be grounds for an action by the Association or by any aggrieved Owner(s) to recover sums due, for damages or injunctive relief~ or for any other remedy available at law or in equity, in addition to those enforcement powers granted to the Association in Section 4.3.

14.10 **Notice of Sale or Transfer of Title.** Subject and in addition to the requirements and provisions of Article 14, any Owner desiring to sell or otherwise transfer title to its Parcel shall give the Board at least seven (7) Days' prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. After the transfer of title, the transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Parcel, including assessment obligations, until the date upon which such notice is received by the Board, notwithstanding the transfer of title.

14.11 **Exhibits.** Exhibits "A", "B", and "C" attached to this Declaration are incorporated by this reference and amendment of such exhibits shall be governed by the provisions of Section 14.2.

ARTICLE 15. CLUB MEMBERSHIP AND OTHER CLUB MATTERS.

15.1 Mandatory Owner's Club Membership

Every Owner, other than the Declarant, Declarant-Related Entity, or a Builder, shall be an "Owner's Club Member" of the Rarity Ridge Club (the "Club"). but shall have the right to upgrade as set forth in Section 15.4 below. There shall be only one (1) Owner's Club Membership per Unit. If a Unit is owned by more than one (1) Person, all co-Owners shall be subject to the usage rules and requirements established by the Club in the Club's sole discretion from time to time. All Owners will be subject to the by-laws, rules, regulations, and charges of the Club and shall be responsible for payment of Owners Club Membership Dues to the Club. At the closing of a Unit, each Owner shall be required to remit an initiation deposit

applicable to an Owner's Club Membership to the Club. Upon closing and payment of such deposit, the Owner's membership shall become effective and the Owner's Club Membership shall entitle the Owner and his or her family and guests to Membership privileges at the Club in accordance with the Club's membership program. The Owner shall have no right of reimbursement or refund for initiation fees or deposits related to the Owner's Club Membership except in accordance with the Club's membership plan. and the Owner's Club Membership is non-transferable except in connection with the sale of the Unit relating to such Owner's Club Membership.

15.2 Mandatory Owner's Club Membership Dues

Commencing on the date of closing of the Unit the Club shall be entitled to charge and collect dues Commencing on the date of closing of the Unit the Club shall be entitled directly from each Owner on an annual basis ("Owner's Club Membership Dues"). prorated from the date of closing on the purchase of a Unit. The Owner's Club Membership Dues shall be payable by each Owner to the Club without set-off, diminution or abatement for any reason. Each Owner, by accepting a deed or entering into a contract of sale for any portion of the Properties, is deemed to have notice of liability for these Owners Club Membership Dues and to covenant and agree to pay these assessments. All such Owner's Club Membership Dues or other charges, together with interest not to exceed the maximum rate allowable by law, late charges ten percent (10%) per annum or the highest amount allowable by law, whichever is greater, costs of collection, and reasonable attorneys fees shall be the personal obligation of the Owner of such Unit at the time the Owner's Club Membership Dues or other charges arose. Upon a transfer of title to a Unit, the grantee shall be jointly and severally liable for any Owner's Club Membership Dues and other charges due at the time of conveyance. However, no first Mortgagee who obtains title to a Unit by exercising the remedies provided in its Mortgage shall be liable for unpaid Owner's Club Membership Dues or other charges that accrued prior to such acquisition of title. No Owner shall be exempt from liability for Owner's Club Membership Dues by non-use of the Club, abandonment of the Unit, or any other means, except as may be provided in the Club's membership program. The obligation to pay Owner's Club Membership Dues is a separate and independent covenant on the part of each Owner.

15.3 Lien for Owner's Club Membership Dues.

The Club shall have a lien against each Unit to secure payment of all or any portion of the initiation deposit which was not paid at closing and delinquent Owner's Club Membership Dues, as well as interest at a rate to be set by the Club (subject to the maximum interest rate limitations of Tennessee law), costs of collection and reasonable attorneys fees. Such lien shall be superior to all other liens, except (i) the liens of all taxes, bonds, assessments, and other levies which by law would be superior. (ii) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value, and (iii) the lien(s) of the Association pursuant to Section 8.7 of this Declaration, regardless of the date of recording of such lien(s). The Club's lien may be enforced by suit, judgment, and judicial or non-judicial foreclosure as permitted under Tennessee law.

Notwithstanding anything contained herein to the contrary, as a condition precedent to the Club's obtaining lien rights, and/or enforcement rights pursuant to the terms of this Section, the Club must first provide the Association with twenty (20) Days prior written notice of the Club's intent to record a lien against a Unit, and/or proceed with other judicial or non-judicial foreclosure of the lien

The sale or transfer of any Unit shall not affect the Club's assessment lien nor relieve such Unit from the lien for any subsequent Club assessments. A Mortgagee or other purchaser of a Unit who obtains title pursuant to foreclosure of the Mortgage shall not be personally be liable for Owner's Club Membership Dues due prior to such acquisition of title.

15.4 Upgraded Owner's Club Membership.

The Club may offer a variety of memberships with more extensive benefits than those of the mandatory Owner's Club Membership. Owners may upgrade their mandatory Owner's Club Membership pursuant to the membership plan, by-laws, and rules and regulations of the Club, as amended from time to time. Any Owner upgrading his or her Owner's Club Membership shall receive a credit against the required Owner's Club Membership Dues upon the payment of dues related to the upgraded membership category, but shall not be excused from paying Owner's Club Membership Dues. If an Owner terminates such upgraded membership, the Owner's Club Membership and the obligation to pay Owner's Club Membership Dues shall continue and not be terminated.

EXHIBIT "A"

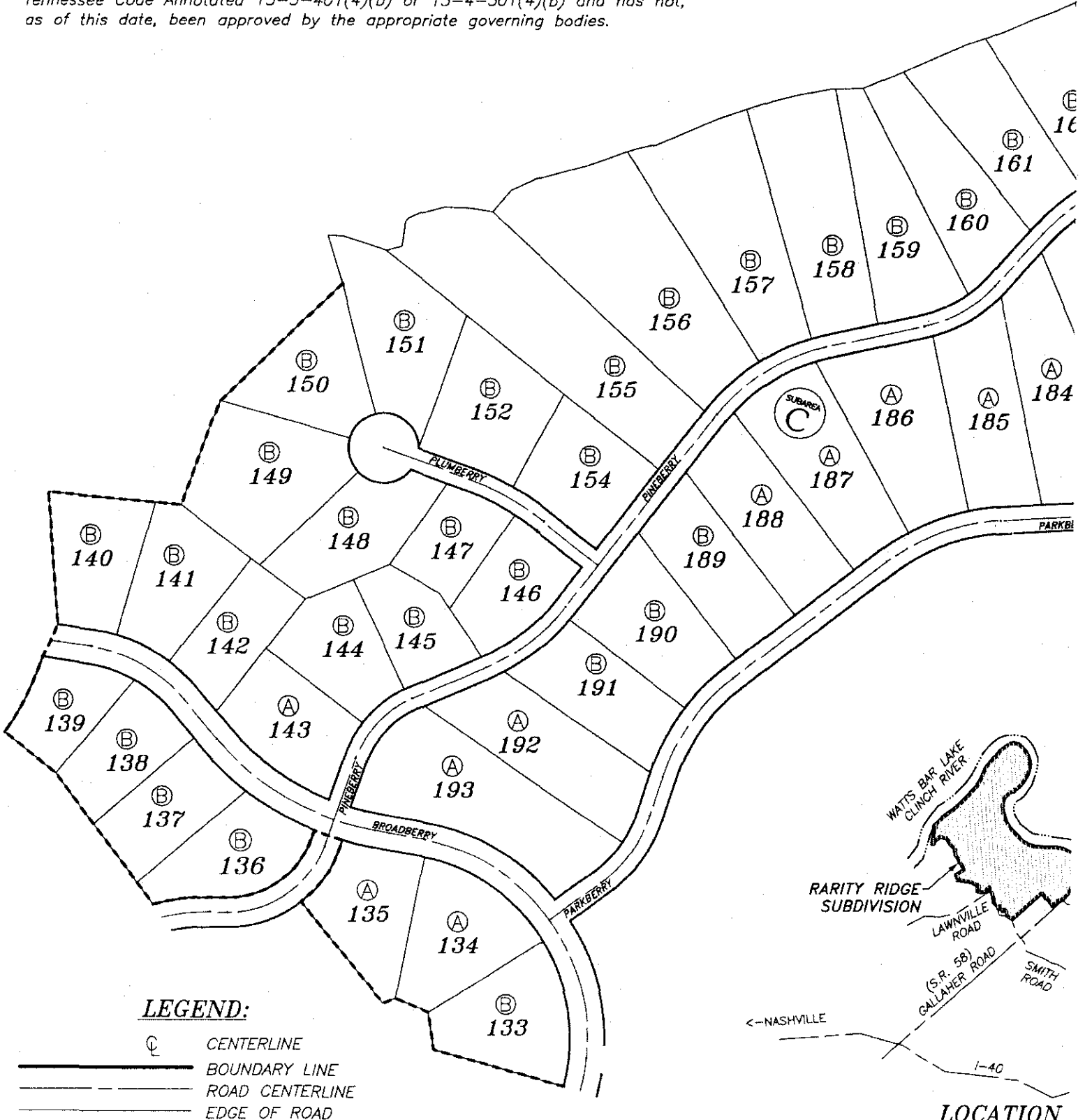
Land Initially Submitted

Exhibit "A"

SURVEYOR'S NOTES:

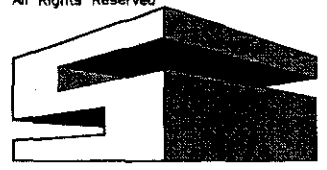
Exhibit "A" - Page 1

1. No Instruments of Record reflecting easements, rights of way, and/or ownership were furnished to the Surveyor, except as shown hereon. The Surveyor has made no attempt to access the public records for any easements. Subject to any easements, regulations or restrictions in effect at the time of this survey. No title opinion is expressed or implied.
2. This drawing is intended to represent a subdivision of land according to Tennessee Code Annotated 13-3-401(4)(b) or 13-4-301(4)(b) and has not, as of this date, been approved by the appropriate governing bodies.



LEGEND:

- CENTERLINE
- BOUNDARY LINE
- ROAD CENTERLINE
- EDGE OF ROAD



SINCE 1979

STERLING
ENGINEERING, INC.

LAND SURVEYING
CIVIL ENGINEERING
ARCHITECTURE
LAND PLANNING

1017 HAMPSHIRE DRIVE
MARYVILLE, TENNESSEE
37801-3525
PHONE: VOL-984-3905
FAX: VOL-981-2815
www.sterling.us.com

EXHIBIT OF PROPOSED STREETS & LOTS

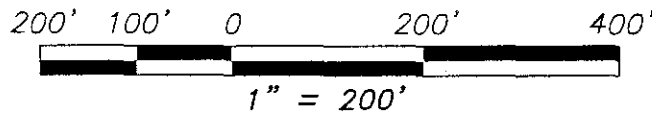
RARITY RIDGE

SUBAREA "C"

ROANE COUNTY, TN.



OWNER:
OAK RIDGE LAND COMPANY, LLC
P.O. BOX 5958
MARYVILLE, TN 37802
865-681-8591
DISTRICT 3, ROANE COUNTY
WDB X21 PG 233
TAX MAP 39 PARCEL 2.01



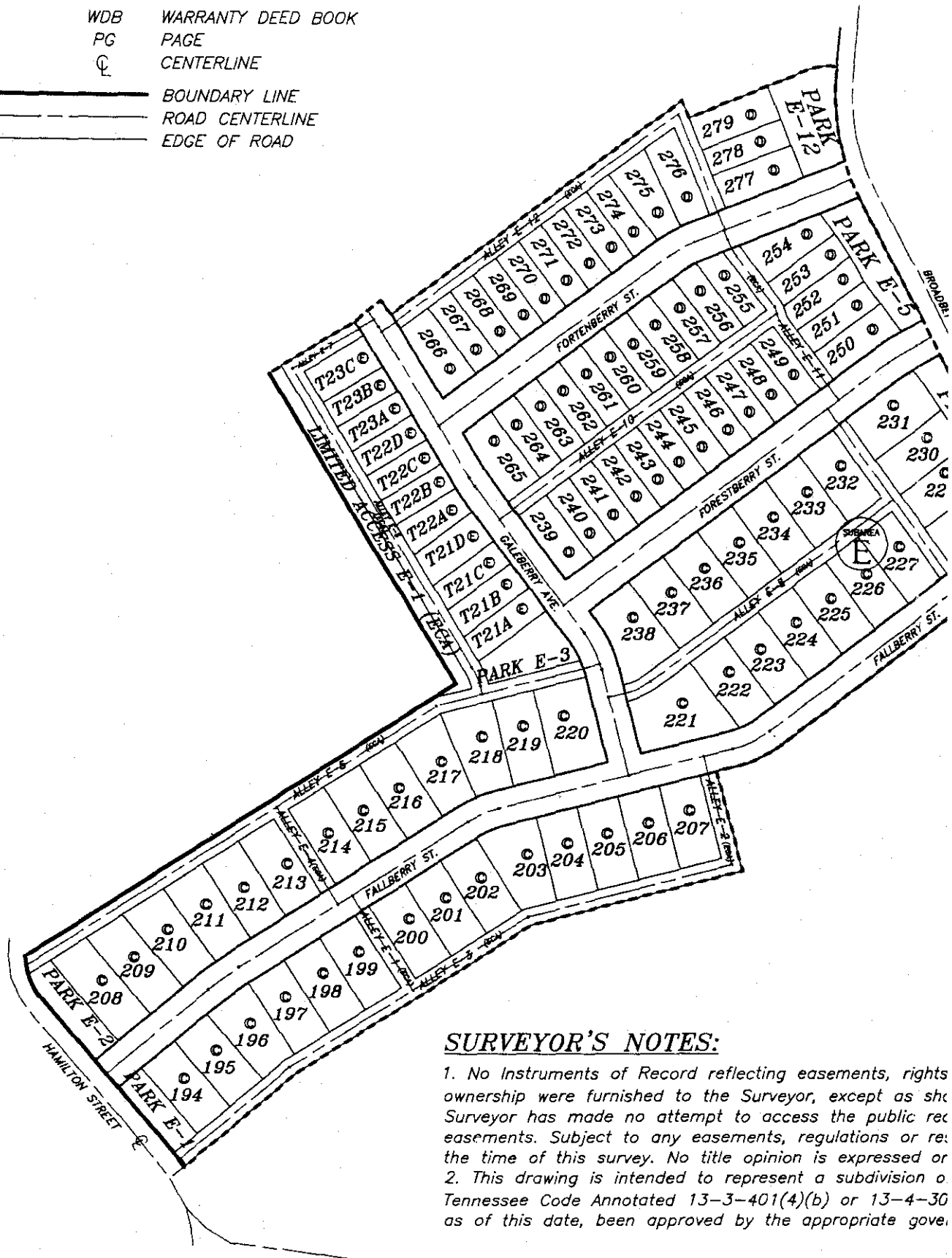
SHEET	EX
DESIGNED:	CHS
DRAWN:	KAS
CHECKED:	CMR
DATE:	8/14/03
SCALE:	1" = 200'
DRAWING:	SubareaC-LotExhibit
PROJECT NO:	SEI#4216.D2

ION MAP
TO SCALE

LEGEND:

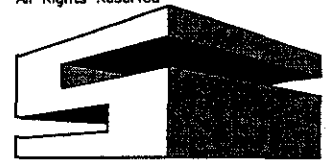
WDB WARRANTY DEED BOOK
 PG PAGE
 Ⓞ CENTERLINE

———— BOUNDARY LINE
 - - - - ROAD CENTERLINE
 = = = = EDGE OF ROAD



SURVEYOR'S NOTES:

1. No Instruments of Record reflecting easements, rights ownership were furnished to the Surveyor, except as the Surveyor has made no attempt to access the public records. Subject to any easements, regulations or restrictions at the time of this survey. No title opinion is expressed or given.
 2. This drawing is intended to represent a subdivision of land as of this date, been approved by the appropriate governing authority.



SINCE 1979

STERLING
ENGINEERING, INC.
LAND SURVEYING
CIVIL ENGINEERING
ARCHITECTURE
LAND PLANNING

1017 HAMPSHIRE DRIVE
MARYVILLE, TENNESSEE
37801-3525
PHONE: VOL-984-3905
FAX: VOL-981-2815
www.sterling.us.com

EXHIBIT OF PROPOSED STREETS & LOTS

RARITY RIDGE

SUBAREA "E" - SECT. 1

ROANE COUNTY, TN.

SHEET **EX**

DESIGNED: **CHS**

DRAWN: **KAS**

CHECKED: **CMR**

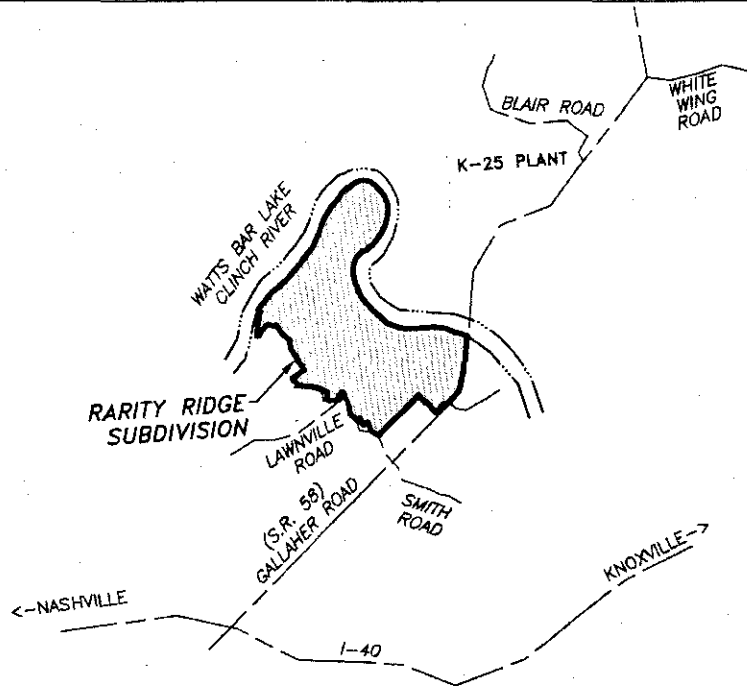
DATE: **8/14/03**

SCALE: **1" = 300'**

DRAWING:

SubareaE-LotExhibit

PROJECT NO.



LOCATION MAP
NOT TO SCALE



OWNER:

OAK RIDGE LAND COMPANY, LLC
P.O. BOX 5958
MARYVILLE, TN 37802
865-681-8591
DISTRICT 3, ROANE COUNTY
WDB X21 PG 233
TAX MAP 39 PARCEL 2.01



1" = 200'

...ts of way, and/or
...own hereon. The
...records for any
...restrictions in effect at
...or implied.
...of land according to
...301(4)(b) and has not,
...verning bodies.

EXHIBIT "B"

Additional Property

Any real property located within five (5) miles of the perimeter boundary of the real property described on Exhibit "A" attached hereto.

Exhibit "B"

EXHIBIT "C"

Allocation Formula for Assessments and Voting Rights

Each Parcel shall have the obligation to pay assessments based upon following formula:

a. Assigning a Land Classification to Each Parcel. A Parcel is defined in Article 1 of this Declaration as a portion of the Properties which may be independently owned and separately conveyed, such as a single family home, a townhouse, an estate lot, an office or a residential condominium unit, an apartment building, an office building, or a retail center. The Declarant during the Development Period and the Board of Directors thereafter, shall determine in its sole discretion the Land Classification for each Parcel. The following Land Classifications are initially proposed for purposes of determining each Parcel's assessment obligation based upon each Parcel's use. The Declarant during the Development Period and the Board of Directors thereafter shall have the right to create new Land Classifications and to modify the definitions of existing Land Classifications. The initial Land Classifications will include the following: (a) Town Center Retail and Office Parcels used for commercial or civic purposes, such as restaurants, specialty retail shops, office condominium units, civic buildings, and office buildings; (b) Multi-Family Residential Parcels that contain one or more residential dwellings that may not be separately conveyed, such as a building containing apartments; (c) Single-Family Residential Parcels that contain a single residential dwelling which may be separately conveyed, such as an attached or detached single family home, a townhome unit, a cottage, and a residential condominium unit.

To clarify, one building may contain multiple Parcels with different Land Classifications (such as a building with retail condominium units on the first floor and several residential condominium units on the second floor). Also, one Parcel may contain multiple uses (such as a building, which is not a condominium, with for rent retail space on the first floor and rental apartments on the second floor). However, no Parcel shall be assigned multiple Land Classifications. In any instance where a Parcel may fit into two Land Classifications, then the Land Classification containing the *higher* Benefit Factor as described in Paragraph (c) below shall apply to such Parcel.

b. Establishing Building Points for each Parcel. Each Parcel shall be assigned points ("Building Points") as follows:

(1) Building Points for Parcels classified as "Single-Family Residential": Any Parcel classified as "Single-Family Residential", as provided in Paragraph (a) above, shall be allocated one (1) Building Point per Parcel regardless of the number of square feet of the Improvements on the Parcel. With respect to any unimproved Parcel which is classified as "Single-Family Residential", the Parcel shall be deemed to be allocated one (1) Building Point.

(2) Building Points for Parcels classified as "Town Center Retail and Office" or "Multi-Family Residential": Any Parcel classified as either "Town Center Retail and Office" or "Multi-Family Residential", as provided in Paragraph (a) above, shall be allocated one (1) Building Point for every 1,000 square feet, or fraction thereof, of gross floor area within the Parcel's "Structure(s)". Structures shall be deemed to include enclosed retail, office, or living spaces for which an initial certificate of occupancy has been issued or which are substantially complete, as determined by a licensed engineer or architect. Exterior areas such as parking garages, roadways, unenclosed balconies, outdoor terraces, breezeways, sidewalks (canopy-covered or otherwise) or driveways shall not be part of the square foot measurement of a Structure. Interior spaces such as vestibules, lofts, utility rooms, enclosed patios, and storage closets, shall be included as part of the square foot measurement of a Structure. The Declarant during the Development Period and the Board of Directors thereafter shall determine the final square foot measurement of the gross floor area of a Structure in its sole discretion. With respect to any unimproved Parcel (i.e., a Parcel containing no Structures), the Parcel shall be deemed to include the

number of square feet of gross floor area of a Structure intended to be constructed on such Parcel in accordance with the Master Plan, as determined in the sole discretion of the Declarant.

c. Assigning a Benefit Factor to each Parcel based upon its Land Classification.

Each Parcel shall be assigned a Benefit Factor which is established based upon the Land Classification assigned to the Parcel as follows:

<u>Land Classification</u>	<u>Benefit Factor</u>
Town Center Retail and Office	1.5
Multi-Family Residential	1.0
Single-Family Residential	2.0

d. Computation of Assessment Points. The total number of Building Points assigned to each Parcel as determined in Paragraph (b) above shall be multiplied by the Benefit Factor assigned to the Parcel as determined in Paragraph (c) above to calculate the total Assessment Points applicable to the Parcel.

e. Assessments. The decimal share of the total assessment to be levied on a particular Parcel shall be computed by dividing the Assessment Points assigned to that Parcel by the total Assessment Points for all Parcels subject to the particular assessment. The Board of Directors shall establish an annual cut-off date for computing point totals for all Parcels. The decimal share of the total assessment for the Parcel (including a summary of the computations) shall be sent to each Owner and District Assessor with the annual notice of assessment.

f. Votes. The weight of the vote allocated to each Parcel shall be computed using the same formula set forth above for assessments.

g. Re-evaluation of Land Classification, Building Points, and Benefit Factor. Parcels are subject to re-evaluation and re-classification at the sole option of the Declarant or Board, as applicable, upon the occurrence of either (a) a change in ownership of the Parcel or (b) a change in use of the Parcel approved pursuant to Article 13. Such reclassification shall be made and become effective immediately upon such change or in conjunction with the preparation of the budget as set forth in Section 8.2 of the Declaration, as determined in the sole discretion of the Declarant during the Development Period or the Board thereafter.

h. Examples (for Illustrative Purposes ONLY) of Calculating a Parcel's Assessment Points.

1. A 3,250 square foot unimproved Parcel (i.e. raw land) intended to be improved with a commercial retail building with 2,215 square feet of enclosed space and a 1,035 outdoor patio and breezeway area is assigned three (3) Building Points as shown in the first calculation below. Based upon a Land Classification of "Town Center Retail and Office" and a corresponding Benefit Factor of 1.5, this Parcel would be assigned four and one-half (4.5) Assessment Points, as follows:

2,215 square feet ÷ 1,000 = 2.15 = 3 Building Points (each fraction of a Building Point shall constitute one full Building Point).

(3 Building Points) x 1.5 [Benefit Factor for Town Center Retail and Office Space] 4.5 Assessment Points.

2. A 1,500 square foot Parcel improved with a two-story townhome having a total of 2,700 square feet is assigned one (1) Building Point because its Land Classification is Single-Family Residential. Applying the Benefit Factor for the Single-Family Residential Classification of 2.0, this Parcel would be assigned two (2) Assessment Points, as follows:

One (1) Building Point per Parcel classified as "Single-Family Residential"

(1 Building Point) x 2.0 [Benefit Factor for Single-Family Residential] = 2 Assessment Points

3. A 50,000 square foot Parcel of land contains five (5) buildings, each of which contain four (4) 1000 square foot for-rent apartments, resulting in 20,000 square feet of Structures on the Parcel. The Parcel is assigned twenty (20) Building Points (one Building Point for every 1,000 square feet of Structures). Based on a Land Classification of Multi-Family Residential and a Benefit Factor of 1.0, this Parcel would be allocated twenty (20) Assessment Points as follows:

20,000 square feet ÷ 1,000 = 20 Building Points

(20 Building Points) x 1.0 [Benefit Factor for Multi-Family] 20 Assessment Points

4. A tract of land is improved with a building that contains 2 stories with 1,000 square feet of Structures on each story (2,000 square feet total). The Owner is an accountant who maintains his professional offices on the lower level and resides in the upper level apartment. Neither floor of the building is capable of being separately conveyed, and therefore, the entire building on this tract of land constitutes a single Parcel despite its multiple uses. Because of these multiple uses, this Parcel may fit into multiple Land Classifications. Because the upstairs residential apartment cannot be separately conveyed, this Parcel cannot be classified as "Single-Family Residential". Instead, this Parcel may be classified as either "Multi-Family Residential" based upon the apartment on the second floor or "Town Center Retail and Office" based upon the office use of the lower level. Because the "Town Center Retail and Office" classification has the higher Benefit Factor of the two possible Land Classifications, the Parcel shall be classified as "Town Center Retail and Office" and would be allocated three (3) Assessment Points, as follows:

2,000 square feet ÷ 1,000 = 2 Building Points

(2 Building Points) x 1.5 [Benefit Factor for Town Center Retail and Office] = 3 Assessment Points

5. The Owner of the building described in Example 4 above, converts the building to a condominium so that the building contains a 1,000 square foot office condominium unit on the first floor and a 1,000 square foot residential condominium unit on the second floor. In this scenario, each condominium unit is now a separate Parcel because each such Unit may be separately conveyed. The Assessment Points for each Parcel are calculated as follows:

For the First Floor Office Condominium Unit classified as “Town Center Retail and Office”:

1,000 square feet ÷ 1,000 - 1 Building Point

(1 Building Point) x 1.5 [Benefit Factor for Town Center Retail and Office] - 1.5
Assessment Points

For the Second Floor Residential Condominium Unit classified as “Single-Family Residential”:

One (1) Building Point per Parcel classified as “Single-Family
Residential”

(1 Building Point) x 2.0 [Benefit Factor for Single-Family Residential] - 2
Assessment Points

EXHIBIT "D"

MAINTENANCE AGREEMENT WITH CITY OF OAK RIDGE

Exhibit "D"

OAK RIDGE

TENNESSEE

CITY OF OAK RIDGE
MUNICIPAL BUILDING
POST OFFICE BOX 1 37831-0001
TELEPHONE: (865) 425-3550
FAX: (865) 425-3420

July 18, 2003

Mr. Gary F. Consorto
Vice President of Construction Operations
Rarity Communities, Inc.
116 Heron Court
Vonore, Tennessee 37885

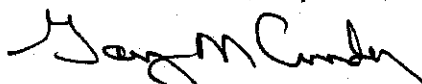
Dear Mr. Consorto:

Re: Rarity Ridge Maintenance Agreement/Declaration of Covenants, Conditions and Restrictions

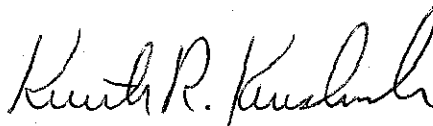
We are pleased to forward to you an executed original of the Maintenance Agreement for the Rarity Ridge development as well as the approved Declaration of Covenants, Conditions and Restrictions (CCR). Upon our receipt of verification of your recording of the CCR, you may submit your final plat for signature and recording along with the associated letters of credit. With the recording of the final plat by the City, you will have satisfied requirements of the City of Oak Ridge to apply for building permits on the ten units identified on the approved final plat.

We appreciate your interest in helping our community grow and wish you much success.

Very truly yours,



Gary M. Cinder
Interim City Manager



Kenneth R. Krushenski
City Attorney

Enclosure(s)

MAINTENANCE AGREEMENT

THIS MAINTENANCE AGREEMENT (this "Agreement") is made and entered into to be effective as of the 17th day of July, 2003, by and between the **Rarity Ridge Owner's Association, Inc.**, a Tennessee nonprofit mutual benefit corporation (the "Association") (hereinafter referred to as "Association" and the **City of Oak Ridge, Tennessee**, (the "City"), a Tennessee municipal corporation. Association and City are sometimes referred to collectively as the "Parties" and individually as a "Party."

Association, pursuant to the Declaration of Covenants, Conditions and Restrictions for Rarity Ridge, to be recorded in the land records of Roane County, Tennessee, is responsible for maintenance of certain areas of common responsibility within the mixed-use planned community within the jurisdictional limits of the City and known as Rarity Ridge (the "Development").

The City, pursuant to this Agreement, will be responsible for maintenance of certain areas of the Development, in accordance with this Agreement.

Association and City each desire that certain maintenance standards be maintained within the public rights-of-way within the Development and have reached certain agreements with respect to the Development, and are each entering this Agreement to confirm and memorialize such agreements and the respective rights and obligations of the Parties relating to the agreements.

STATEMENT OF AGREEMENT

The Association and the City acknowledge and agree that Sub Areas L and J of the Master Plan which are approved to encompass the commercial, residential and mixed-use parcels within the development will require further evaluation and explanation of the repair maintenance responsibilities of the Parties. The City and the Association further agree that a Maintenance Agreement for Sub Areas L and J would be established and executed in accordance with the City of Oak Ridge Zoning Ordinance No. 2 for the TND (Traditional Neighborhood Development) District. Preliminary drafts of a Maintenance Agreement will be expected with formal submission of either a preliminary plat or a sub-area plan within the designated sub-areas of L or J (the Towne Center). Final drafts of the Maintenance Agreement for sub-area L and J must be approved by City staff and in place prior to recording a final plat for either sub-area L or J in the Register of Deeds Office.

NOW, THEREFORE, for and in consideration of the foregoing recitals which are incorporated herein by reference, the sum of Ten and No/100ths Dollars (\$10.00) each to the other paid in hand, the covenants, conditions, and agreements hereinafter set forth, and other valuable consideration, the receipt and sufficiency of each of which are hereby acknowledged, Association and City, each being duly authorized and empowered, hereby covenant and agree, as follows:

1. Easement Area: Landscape Area and Sidewalk Area. The City and the Association acknowledge and agree that within the City's dedicated public right-of-way within the Development will be a landscaping strip (the "Landscape Area") that shall be approximately seven feet (7') in width and shall be generally located behind the curb of the public road on both sides of the road; except in conditions where sidewalks are not required. Immediately adjacent to each Landscape Area may be a sidewalk ("Sidewalk Area"), of approximately five feet (5') in width. The Sidewalk Area and/or the Landscape Area shall, be collectively referred

to as the "Easement Area." A copy of the site plan depicting the location of the Landscape Area and Sidewalk Area is attached hereto.

2. Maintenance and Repair of Easement Area. The City shall be responsible, at City's cost and expense, for all maintenance, repair and replacement activities of City-owned utility systems (including, without limitation, sewer, water, electrical, storm drainage, and any others) that are installed within the Easement Area that have been formally accepted by City of Oak Ridge for perpetual maintenance purposes. The Parties acknowledge and agree that in the event of any damage occurring to the Easement Area because of such maintenance, repair and replacement by the City of the components of the City-accepted Facilities, the City shall be responsible, at City's cost and expense, for re-establishing finish grade and for seeding the grass areas of the Landscape Area with grass of a quality of at least 31 Fescue. The City shall also be responsible, at City's cost and expense, for promptly repairing or replacing any paved surfaces within the Sidewalk Area or Landscape Area that are damaged because of such maintenance and repair of City-accepted utilities. City shall not be responsible for replacing landscaping, trees, or retaining walls placed in the public right-of-way.
3. Mowing of the Landscape Area. The Parties acknowledge and agree that the City, at City's cost and expense, will mow the grassed areas within the Landscape Area at such intervals as are typical for the City in mowing public right-of-ways. The Association shall have the right, at its discretion, to direct more frequent mowing of such grassed areas either by the Association or by owners adjacent to the Landscape Area.
4. Repairs to the Landscape Area by The Association and/or Owners: The Association and/or Private Owners shall be responsible at Association's and/or Owner's cost and expense as defined in the Conditions, Covenants and Restrictions for the Rarity Ridge Owner's Association, Inc., for repair activities including, but limited to the repair and replacement of the private irrigation system and, of trees, landscaping and other exterior amenities as required by the Supplemental Declaration and Regulating Plan recorded for that District within the Development that are within the Easement Area that are necessitated by such maintenance and repair by the City.
5. Obligation of the Association for Landscape Area Maintenance in the Public Right-of-Way Easement. The Association shall be responsible, at Association's cost and expense, for the trimming, weeding, mulching and on-going landscape maintenance within the Landscape Area, where it exists, until such time that the parcel is transferred to a private owner. Commencing at the time of transfer of title to private property ownership, said owner will be responsible at owner's cost and expense for increased mowing of the grassed areas, trimming, weeding, mulching and on-going landscape maintenance and irrigation maintenance where irrigation exists, of the Landscape Area within the public right-of-ways, in addition to replacing any landscaping, plantings or irrigation as required by a Supplemental Declaration and Regulating Plan recorded for that District, which is located in public right-of-ways resulting from necessary repair by the city, to its original level of landscape and exterior amenities.
6. Street Lights. The City shall be responsible, at City's cost and expense, for maintaining, repairing and replacing all street lights within the Development that have been supplied and installed by the City. The City shall additionally be responsible, at City's cost and expense, to supply the power source for such street lights, to replace bulbs in the street lights that do not

illuminate to the typical level illumination and to replace or repair damaged or destroyed light poles, standards or fixtures.

7. Default. A default of this Agreement shall occur upon the failure by either Party to perform or observe any of the obligations, covenants and agreements to be performed or observed under this Agreement. Upon an event of default either Party may pursue, at its option, without waiver of prejudice to any other rights and remedies provided for by this agreement or by law, any right or remedy conferred upon or reserved to either Party under law, in equity and/or under this Agreement. The Parties acknowledge and agree that they are bound by the provisions of the City of Oak Ridge Zoning Ordinance, including but not limited to the TND sections and to the approved Master Plan, as amended.
8. Binding Effect. This Agreement shall bind and inure to the benefit of the Parties, their successors and assigns.
9. Assignment. The Parties shall not assign (partially or in the entirety) any rights under this Agreement without prior written consent of the other Party, such consent to not be unreasonably withheld.
10. Notice. The Parties agree that any notices or other communications required or desired to be given by one Party to the other by this Agreement shall be given in writing addressed to the Party to be notified at the address set forth below for such Party by: (a) delivering the same in person by courier obtaining written evidence of delivery, (b) depositing the same in the United States mail, certified or registered, return receipt requested, postage prepaid, addressed to the Party to be notified, or (c) depositing the same with a nationally recognized courier service for "next day delivery," addressed to the Party to be notified, or (d) sending the same by facsimile with confirming copy sent by one of the methods set forth in (a), (b), or (c) above. Notice shall be effective only if and when received by the Party to be notified. For the purposes of notice, the addresses of the Parties, until changed as provided below, shall be as follows:

City: City of Oak Ridge, Tennessee
200 S. Tulane Avenue
P. O. Box 1
Oak Ridge, Tennessee 37831
Attention: City Manager
Facsimile Number: 865/425-3420

with copy to: City Attorney
City of Oak Ridge
200 S. Tulane Avenue
P. O. Box 1
Oak Ridge, Tennessee 37831
Facsimile Number: 865/425-3420

Association: Rarity Ridge Owner's Association, Inc.
121 Heron court
Vonore, Tennessee 37885
Facsimile Number:

with a copy to:

Epstein Becker & Green, P.C.
Resurgens Plaza
945 East Paces Ferry Road
Atlanta, Georgia 30326-1380
Attention: M. Maxine Hicks, Esq.
Facsimile Number:

The Parties may, from time to time, change their respective addresses, and each has the right to specify as its address any other address within the United States of America by giving at least five (5) days written notice to the other Party.

11. Severability. If any term, condition or provision of this Agreement, or the application thereof to any person or circumstance, shall ever be held to be invalid or unenforceable pursuant to applicable law, then in each such event the remainder of this Agreement or the application of such term, condition or provision to any other person or any other circumstance (other than those as to which it shall be invalid or unenforceable) shall not be thereby affected, and each term, covenant, condition and provision hereof shall remain valid and enforceable to the fullest extent permitted by applicable law.
12. No Waiver. Any failure by a Party hereto to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof or of any other provision hereof, and such Party shall have the right at any time thereafter to insist upon strict performance of any and all of the provision of this Agreement.
13. Exhibits. All exhibits and other documents attached to or referred to in this Agreement are incorporated herein by reference for the purposes set forth in this Agreement.
14. Authority. City hereby certifies, represents and warrants that the execution of this Agreement is duly authorized and adopted in conformity with all applicable laws. Association hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the organizational documents of such entity.
15. Applicable Law and Venue. This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Tennessee. Venue shall be in Roane County, Tennessee.
16. Review by Counsel. Each Party has thoroughly reviewed and revised this Agreement and has had the advice of counsel prior to execution hereof, and the Parties agree that neither Party shall be deemed to be the drafter thereof.
17. Number and Gender. Any defined term used in the plural shall refer to all members of the relevant class, and any defined term used in the singular shall refer to any number of members of the relevant class. Any reference to this agreement or any exhibits hereto and any other instruments, documents and agreements shall include this Agreement, exhibits and other instruments, documents and agreements as originally executed or existed and as the same may from time to time be supplemented, modified or amended.

18. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, but taken together shall constitute only one document. The Parties agree to circulate for execution all executed such counterparts in order that each Party may obtain a counterpart executed by all Parties.
19. Miscellaneous Provisions. This Agreement, together with the exhibits hereto and the documents referenced herein, constitute the entire agreement of the Parties hereto with respect to the subject matter hereof and supersedes all prior written and oral agreements and understandings with respect to such subject matter. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified orally, but only by an instrument in writing signed by the Party against which the enforcement of the termination, amendment, supplement, waiver or modification shall be sought.

THEREFORE, IN WITNESS WHEREOF, City and Association have executed this Agreement this 17th day of July, 2003.

APPROVED AS TO FORM AND LEGALITY: CITY OF OAK RIDGE, TENNESSEE

By: Keith R. Kuschli
City Attorney

By: Sam M. Corder
Interim City Manager

RARITY RIDGE OWNER'S ASSOCIATION,
INC.

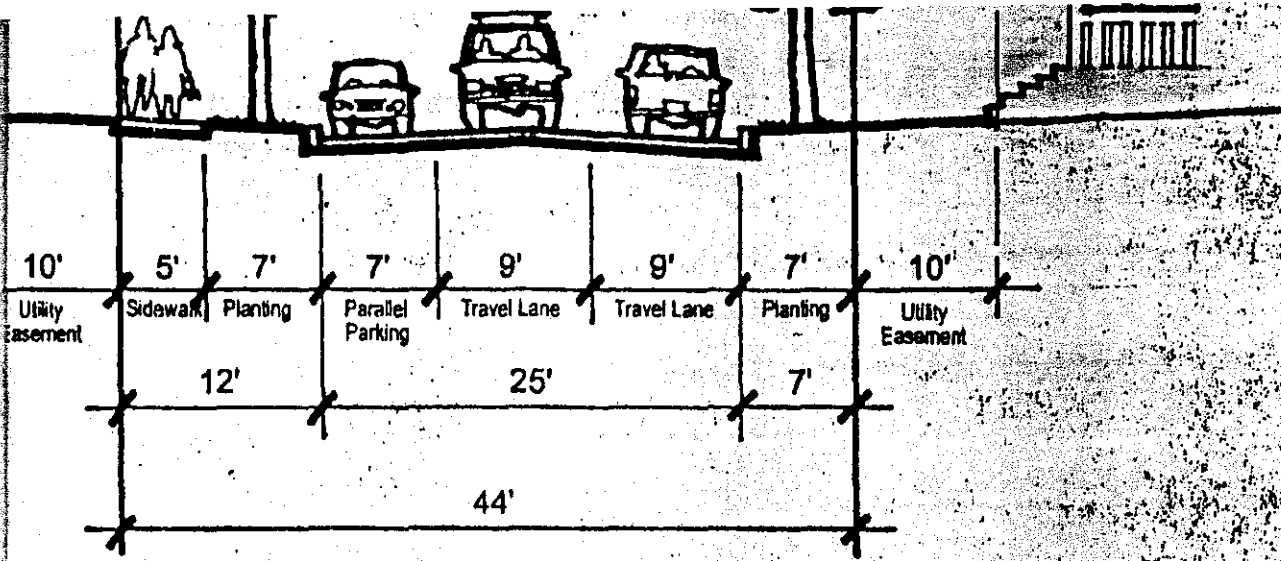
By: [Signature] [SEAL]

Its: President

By: _____

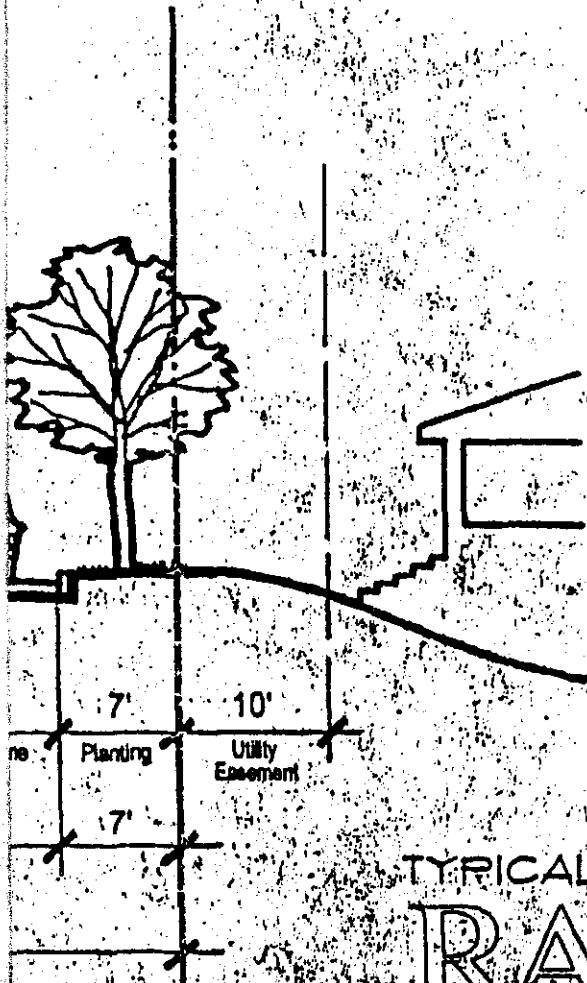
Its: _____

Depiction of Landscape Area and Sidewalk Area



ST-44-25

RESIDENTIAL



TYPICAL STREET SECTIONS

RARITY RIDGE

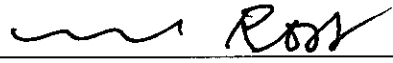
for Rarity Communities, Inc.
by Tunnell-Spangler & Associates

March 25, 2002

Not to Scale

IN WITNESS THEREOF, the undersigned Declarant has executed this Declaration this 21st day of August, 2003.

OAK RIDGE LAND COMPANY, LLC.

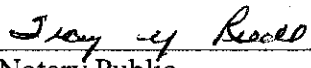
By: 
Michael L. Ross
Chief Manager

STATE OF TENNESSEE

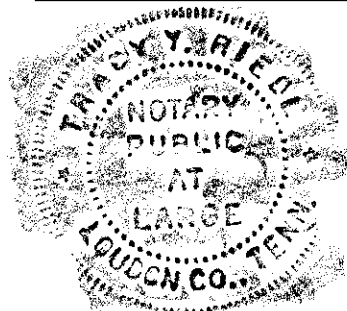
COUNTY OF Monroe

Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared Michael L. Ross, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the Chief Manager of Oak Ridge Land Compant, LLC, the within named Declarant, and that he is as such officer, 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 Chief Manager.

Witness my hand and seal, at office, this 21st day of August, 2003.


Notary Public

My Commission Expires 4-5-06



PREPARED AND RETURN TO:

Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C.
265 Brookview Centre Way, Suite 600
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**AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
RARITY RIDGE**

This **AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RARITY RIDGE**, dated as of May ___, 2012 (this "*Amendment*"), is executed by the RL REGI-TN Oak, LLC, the judicially-declared Declarant ("*Declarant*") of the development originally known as Rarity Ridge, as set forth below.

PRELIMINARY STATEMENTS:

WHEREAS, that certain Declaration of Covenants, Conditions and Restrictions for Rarity Ridge, dated as of August 21, 2003, was executed by Oak Ridge Land Company, LLC, a Tennessee limited liability company (the "*Original Declarant*"), and filed on August 22, 2003 in the Roane County Register's Office in Book 1016, Page 670-746 (the "*Declaration*"); and

WHEREAS, pursuant to the terms of the Article 14, Section 14.2 of the Declaration, the Declaration may be amended unilaterally by the Declarant at any time during the Development Period

WHEREAS, pursuant to the Preliminary Injunction issued by the Circuit Court for Roane County, Tennessee dated February 7, 2012, and recorded in Book 1418, Page 617 in the Roane County Register of Deed's Office, the Original Declarant has been replaced by the undersigned Declarant;

NOW THEREFORE, the undersigned Declarant hereby amends the Declaration as follows:

1. Definitions. Except as otherwise defined herein, the capitalized terms used in this Amendment shall have the meanings ascribed to them in the Declaration.
2. Amendments to Declaration.

a. The title of the Declaration is hereby deleted and the following title is hereby inserted in lieu thereof:

Declaration of Covenants, Conditions and Restrictions for The Preserve at Clinch River.

b. The first paragraph of the recitals of the Declaration is hereby deleted and replaced with the following:

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE PRESERVE AT CLINCH RIVER ("*Declaration*") is made as of the date set forth on the signature page hereby, and amended on May ___, 2012 by RL REGI-TN Oak, LLC, a Tennessee limited liability company (referred to herein as the "*Declarant*").

c. The third sentence of the second paragraph of the Declaration is hereby deleted and replaced with the following:

In furtherance of such plan, this Declaration provides for the creation of The Preserve at Clinch River Owners Association, Inc. to own, operate and maintain Common Areas and to administer and enforce the provisions of this Declaration and the By-Laws (capitalized terms are defined in Article I below).

d. Section 1.3 is hereby deleted and the following text is hereby inserted in lieu thereof:

“Article of Incorporation” or “Charter”: The Amended and Restated Charter of The Preserve at Clinch River Owners Association, Inc. as filed with the Secretary of State of Tennessee, May __, 2012.

e. Section 1.4 is hereby deleted and the following text is hereby inserted in lieu thereof:

“Association”: The Preserve at Clinch River Owners Association, Inc., a Tennessee nonprofit mutual benefit corporation, its successors or assigns.

f. Section 1.6 is hereby deleted and the following text is hereby inserted in lieu thereof:

“By-Laws”: The Amended and Restated Bylaws of The Preserve at Clinch River Owners Association, Inc., as they may be further amended.

g. Section 1.12 is hereby deleted and the following text is hereby inserted in lieu thereof:

“Declarant”: RL REGI-TN Oak, LLC, a Tennessee limited liability company, or any successor, successor-in-title, or assign who takes title to any portion of the property described on Exhibits “A” or “B” for the purpose of development and/or sale and who is designated as the Declarant in a recorded instrument executed by the immediately preceding Declarant; provided, however, there shall be only one (1) “Declarant” hereunder at any one time.

h. Section 1.41 is hereby deleted and the following text is hereby inserted in lieu thereof:

“The Preserve at Clinch River”: That certain mixed use residential and commercial community located on the property described on Exhibits “A” and “B” in the City of Oak Ridge, Roane County, Tennessee developed by the Declarant and commonly known and referred to as The Preserve at Clinch River.

i. Section 14.8 is hereby deleted and the following text is hereby inserted in lieu thereof:

Use of “The Preserve at Clinch River” Name and Logo. No Person shall use the words “The Preserve at Clinch River” or the logo in any printed or promotional material without the Declarant’s prior written consent. However, Owners may use the words “The Preserve at Clinch River” in printed or promotional matter where such terms are used solely to specify that particular property is located within The Preserve at Clinch River and the Association and any other community association located in The Preserve at Clinch River shall be entitled to use the words “The Preserve at Clinch River” in its name, provided that the name chosen by the Association or any other community association located in The Preserve at Clinch

River is permitted to be registered by the Secretary of State of Tennessee or such other controlling entity.

- j. Section 15.1 is hereby deleted and the following text is hereby inserted in lieu thereof:

Mandatory Owner's Club Membership Every Owner, other than the Declarant, Declarant-Related Entity, or a Builder, shall be an "Owner's Club Member" of The Preserve at Clinch River Club (the "*Club*"), but shall have the right to upgrade as set forth in Section 15.4 below. There shall be only one (1) Owner's Club Membership per Unit. If a Unit is owned by more than one (1) Person, all co-Owners shall be subject to the usage rules and requirements established by the Club in the Club's sole discretion from time to time. All Owners will be subject to the by-laws, rules, regulations, and charges of the Club and shall be responsible for payment of Owners Club Membership Dues to the Club. At the closing of a Unit, each Owner shall be required to remit an initial membership fee applicable to an Owner's club membership to the Club. Upon closing and payment of the initial membership fee, the Owner's membership shall become effective and the Owner's Club Membership shall entitle the Owner and his or her family and guests to Membership privileges at the Club in accordance with the Club's membership program. The Owner shall have no right of reimbursement or refund for initial membership fee related to the Owner's Club Membership. The Owner's Club Membership is non-transferable except in connection with the sale of the Unit relating to such Owner's Club Membership.

k. All references to the development name of "Rarity Ridge" throughout the entire Declaration, are hereby deleted and replaced with the following name: The Preserve at Clinch River.

l. All references to Oak Ridge Land Company, LLC throughout the entire Declaration are hereby deleted and replaced with RL REGI-TN Oak, LLC. All references to Declarant in the Declaration shall hereinafter refer to RL REGI-TN Oak, LLC.

m. All references to the Club in the Declaration shall hereinafter refer to The Preserve at Clinch River Club, operated by The Preserve at Clinch River Club, LLC, a Tennessee limited liability company.

3. Confirmation of Declaration. Except as specifically amended herein, all of the terms and conditions of the Declaration shall remain in full force and effect.
4. Effective Date. This Amendment shall be effective as of the date set forth above.
5. Governing Law. This Amendment shall be construed in accordance with the laws of the State of Tennessee.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has caused this Amendment to be duly executed and delivered by a duly authorized officer as of the date first above written.

DECLARANT:

RL REGI-TN OAK, LLC

By: RL REGI Financial, LLC,
a Florida limited liability company
Its: Sole Member

By: Rialto Capital Advisors, LLC,
a Delaware limited liability company
Its: Attorney-in-Fact

By: _____

Name: Todd Terwilliger

Title: Authorized Signatory

STATE OF _____

COUNTY OF: _____

Before me, a Notary Public for the State and County aforementioned, personally appeared, Todd Terwilliger, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath acknowledged such person to be an authorized signatory of **RL REGI-TN OAK, LLC**, the within named bargainer, a limited liability company, and that such person, as such authorized signatory, executed the foregoing instrument for the purpose therein contained, by personally signing the name of the corporation.

Witness my hand and seal, this _____ day of May, 2012.

Notary Public

My commission expires: _____