

RESTRICTIVE COVENANTS

The above-described Property shall be affected by, and this conveyance is made subject to, the restrictive covenants, easements, reservations and other land use restrictions (hereafter collectively referred to as the "Covenants") set forth below, said Covenants applying to Grantee, and Grantee's heirs, successors and assigns, and to all future transferees of real property deriving from the parent acreage conveyed in this instrument. These Covenants, as originally enacted by the Grantor, David Laxton and Ava Laxton, are hereby established as follows:

1. Each residential dwelling erected on a lot shall require a minimum of three (3) contiguous acres of ground area (excluding barns, utility buildings and other non-residential buildings authorized under these Covenants). These residential dwellings, as well as all subsequent improvements of said dwelling, shall have an exterior covering comprised only of stone, logs or log veneers. No more than one-third (33.3%) of trees and natural forestation shall be cut or removed from a lot, and all construction and excavation arising out of the installation of these log residential dwellings and authorized outbuildings, as well as all subsequent improvements of said log residential dwelling, and including all landscaping of lots, shall be performed or caused to be performed with minimal, necessary disturbance to ground topography and with minimal, necessary environmental impact to the natural surroundings.
2. Each lot shall be used only for residential purposes and no residence shall be erected, constructed, maintained, used or permitted to remain on a lot other than single family residential dwellings of log or log veneer exterior, not to exceed two and one half (2-1/2) stories in height and containing not less than 700 square feet in minimum habitable living space and ground floor area, exclusive of porches, basement and garage. If a residence is more than one level or story, it shall have not less than 700 square feet in minimum habitable living space and ground-floor area, exclusive of porches, basement or garage. Any private garage erected on a lot must be attached to and made a part of the residential dwelling and contain a log or log veneer exterior. All exterior construction of the log residential dwellings or improvements of said dwellings, much be completed and "dried in" within one (1) year after the commencement of construction.
3. No more than one (1) barn, and one (1) utility building shall be installed or erected per three (3) acres of contiguous ground area on a lot, and must accompany a log residential dwelling in construction or existence; provided, however, said barns and utility buildings must have a log or wood exterior covering of a neat and rustic appearance and design, and which is aesthetically compatible with the log residential dwelling, and shall not be erected or installed unless the same owner(s) are erecting to completion, or have previously erected, an accompanying log residential dwelling. No other buildings of any kind shall be allowed on a lot, except for the log residential building, barn and utility building authorized by these Covenants. All fences shall be three (3) or four (4) rail and no wire fence will be allowed on any lot.
4. There shall be no trailers, mobile homes, modular homes, double-wide mobile homes, metal homes, or any derivation of the foregoing, allowed or located on a lot at any time or for any reason, either temporarily or permanently. Buses, tents, recreational vehicles (RV's), habitable boats or other vehicles and travel campers, although permitted on a resort lot on a temporary basis as a travel or transportation designated stop, shall not, at any time, be used as living quarters or resided in while located on a lot.
5. No business, business facility or operation, or any other public, commercial, industrial or professional business or commercial enterprise, retail, wholesale or manufacturing, including without limitation the prohibition of businesses or enterprises involving equestrian activities, biking, hunting, fishing, photography, canoeing, rafting, boating, guide services, sporting or equipment sales, food or grocery stores or lodging, shall any time, be maintained, established, advertised from, conducted, operated or permitted on a lot.
6. No residential, barn or utility building, or any part thereof, shall be erected on a lot nearer than seventy-five (75) feet to any established roadway or easement, nor nearer than seventy-five (75) feet to a boundary lot line.
7. No residential dwelling shall be erected or located on a lot unless there is constructed with it a septic system for the disposal of sewage which has been approved by the Tennessee Department of Health. No outdoor or outside toilet or restrooms, nor any other facility activity, of any kind, which gives off offensive or noxious odors, shall be permitted on a lot.
8. Each lot owner shall keep their lot or lots in a neat, orderly and sanitary condition. Each lot owner shall promptly remove, or otherwise properly dispose of any accumulation of trash, garbage or rubbish located on a lot. No junked, abandoned, inoperative or unlicensed vehicles, nor any scrap metal, inoperative or junked equipment or machinery, nor parts or derivatives of any of the foregoing shall be stored or located on a lot.
9. No advertising signs or billboards of any nature shall be erected, placed or maintained on a lot, with the exception of approved realty signs, address identification signs and temporary builder job-location or construction signs, none of which shall exceed a total of four (4) square feet in size. Grantee, Galloway Construction, LLC, and H. J. Moser, III, in the elective course of sub-dividing the Property to future transferees, shall be vested with the absolute right to construct

and erect entrance, advertising and directional signs and structures in the common access areas and along established roadways and easements.

10. No livestock, sheep, swine or poultry shall be kept or maintained on a lot. Household or domesticated pets, such as dogs and cats, are permitted so long as they are not kept or maintained for breeding or commercial purposes. No domestic pet shall be permitted to run at large outside the boundaries of an owner's lot so as to become a disturbance or nuisance to the other lot owners, or permitted to chase, threaten or endanger existing natural wildlife. One (1) horse or pony shall be permitted per each acre of land comprising the owner's lot.

11. No form of activity shall be conducted, or allowed to be conducted on a lot, that shall constitute an unreasonable annoyance or disturbance, or private or public nuisance to other lot owners, or otherwise adversely affect the peaceful and quiet enjoyment of other lot owners.

12. No lot shall have telephone, electrical or other utility poles, lines or above-the-ground utility support structures located thereon; all electrical, telephone, gas, water and other utility lines and services that access the lot and its buildings to the main utility lines and services located outside of the owner's lot boundaries, shall be installed only under the ground.

13. In the event Grantee makes future conveyances of tracts deriving off of the parent Property described in this instrument ("Future Transferees"), Grantee shall have the absolute and unrestricted right to grant to such Future Transferees the non-exclusive right to install, erect, maintain, repair and replace all electric, gas, drainage and other utility lines, and the absolute and unrestricted right to grant easements for all such utility purposes, in addition to the right of reasonable access and ingress/egress for the purpose of installing, erecting, maintaining, repairing and replacing such easements, utility lines and structures.

14. The Covenants set forth above shall be binding on all heirs, successors, assigns and future transferees of tracts deriving from the parent Property described herein, and shall run with the land for a period of twenty-five (25) years from the date of January 1, 2010, and during that 25-year period, these Covenants shall not be modified, changed or deleted without the unanimous written consent of Grantor, Grantee and all future transferees (must be title owners of record) of tracts deriving from the parent Property described in this instrument, said writing to be under acknowledged signatures and recorded in the Office of the Register for Scott County, Tennessee. After the expiration of the 25-year period, these covenants shall continue to be automatically renewed and extended for successive and consecutive incremental terms of ten (10) years, unless a writing, executed under acknowledged signatures by at least 90% of all title owners of record for all of the Property and tracts derived therefrom (being all Property and its derivative tracts affected by these Covenants), have otherwise modified these Covenants, either in whole or in part, said writing to be recorded in the Office of the Register for Scott County, Tennessee. Grantor, Grantee and/or any derivative owner (and a future transferee of tracts deriving from the parent Property described in this instrument), shall be vested with and have legal standing, and the legal right and remedy, by law or equity, to enforce any of these Covenants in any court of competent jurisdiction, including the right to claim and recover actual, compensatory, consequential and incidental damages, and also specific performance, along with all other forms of damages and remedies available at law or equity, and additionally, if and upon ultimately prevailing in Court, the right to recover reasonable attorney's fees, litigation expenses and court costs incurred in successful enforcement of these Covenants. The invalidation of one or more of these Covenants, either in whole or part, by a court of competent jurisdiction, shall not invalidate or otherwise affect the validity of the remaining Covenants, which shall, thereafter, remain in full legal force and effect, as established herein. The failure to enforce any of these Covenants at the time of a violation thereof shall not be deemed a waiver of the right of further or future enforcement of such Covenant or any other Covenant.