

**BY-LAWS OF
THE COVE AT TURKEY CREEK HOMEOWNERS' ASSOCIATION, INC.**

ARTICLE I

NAME AND LOCATION

The name of the corporation is The Cove at Turkey Creek Homeowners' Association, Inc., hereinafter referred to as the "Association." The principle office of the corporation shall be at the home of the President of the Association, and the mailing address shall be:

The Cove at Turkey Creek Homeowners' Association, P.O. Box _____, Farragut, TN 37934. Meetings of members and directors may be held at such places within the state of Tennessee, Knox County, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to The Cove at Turkey Creek Homeowners' Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants and Restrictions and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any numbered plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area and designated streets.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Living Unit" shall mean and refer to any portion of a building situated upon the Property designated for use and occupancy as a residence by a single family.

Section 7. "Declarant" shall mean and refer to Cove Properties, a Tennessee Corporation, its successors and assigns if such successors or assigns should acquire the entire interest of Cove Properties, LLC, in the Property for the purpose of development.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions applicable to the Properties recorded in the office of the Knox County Tennessee Register of Deeds as Instrument number 200606060102821 and amended as Instrument number 200703160075169.

Section 9. "Member" shall mean and refer to those persons entitled to membership with voting rights as provided in the Declaration.

Section 10. "Subdivision" shall mean the residential community known as the Cove at Turkey Creek, as described in the Declaration.

ARTICLE III

MEMBERSHIP AND PROPERTY RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessments shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot subject to assessment. The voting rights of the Members shall be as provided by the Declaration. There is a Class A membership and a Class B membership, as described in the Declaration.

Section 2. Property Rights. Each Member shall be entitled to the use and enjoyment of the Common Areas as provided by the Declaration. Any Member may delegate his rights of enjoyment of the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property. Such Member shall notify the Secretary of the Association in writing of the name of the delegate. The rights and privileges of such delegates are subject to suspension to the same extent as those of the Member.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held on July 15, 2014 for the purpose of electing a Board of Directors and approving Bylaws for the Association. Thereafter, the annual meeting shall be held on the first Monday of April at a time to be designated by the Board of Directors. Should that date fall on a holiday, the meeting will be the following Monday. Quorum for the annual meeting shall be 51% of the members entitled to vote, and any action taken must have the approval of 51% of the members entitled to vote. The agenda for the annual meeting shall include: the election of new Board members; approval of the budget for the next fiscal year; review of the financial state of the Association; approval of any proposed changes in the assessments; approval of any proposed amendments to the Bylaws; and approval of any proposals for new services or new capital investments to be funded from the common charges.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of one-fourth (1/4) of the members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing or emailing a copy of such notice at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at an Annual or Special meeting of members entitled to cast, or of proxies entitled to cast, fifty-one percent (51%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and presented to the secretary before the meeting begins and shall become invalid at the close of the meeting.

ARTICLE V

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. Affairs of this Association shall be managed by a Board of not fewer than five (5) Directors. Regular meetings of the Board of Directors shall be held no less than once a quarter.

Section 2. Term of Office. At the first annual meeting the members shall elect five Directors, three of whom will serve for two years, and two to serve for one year. Thereafter, at each annual meeting members shall elect Directors to fill the positions of those Directors whose terms have expired for a term of office that will be for two years.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve until the next annual meeting.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. In exigent circumstances, the Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Candidates for election to the Board of Directors shall be self-nominated from among the members, or nominated by another member. A call for nominations will occur at least 30 days before the election. Nominations should be communicated to the Secretary in writing.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VII

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held not less often than quarterly, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Members of the Association may attend all regular meetings of the Board. The Board must give five days notice to all members before a meeting, provide members with an agenda for the meeting, and provide any specifics as to reasons for actions/decisions being addressed and information or proposal addressing these proposed actions or decisions. Members will have the right to address the board on every action/decision.

Section 2. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than five (5) days notice to each Director. Members of the Association may attend all special meetings of the Board. The Board must give five days notice to all members before a meeting, provide members with an agenda for the meeting, and provide any specifics as to reasons for actions/decisions being addressed and information or proposal addressing these proposed actions or decisions. Members will have the right to address the board on every action/decision.

Section 3. Executive Session Meetings. Executive Session meetings of the Board may be called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director. These meetings are limited to discussions and decisions on matters related to litigation, contracts with non-owners, the formation of contracts with third parties, owner discipline, personnel matters, or to meet with an owner regarding the payment of assessments. Members may attend upon invitation by the Board.

Section 4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the enjoyment of rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of rules and regulations reasonably adopted by the Board and shall have the power to adopt rules and regulations implementing these powers;
- (c) exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws or the Declaration.
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ independent contractors, or such other employees as they deem necessary, and to prescribe their duties.
- (f) employ attorneys to represent the Association when deemed necessary.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration to:
 - (1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, and also to determine the need for any special assessments required for capital improvements.
 - (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
- d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability insurance covering the Association, its directors, officers, agents and employees and to procure and maintain adequate hazard insurance on the Common Area and such other real and personal property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- (g) cause the Common Area to be maintained.

Section 3. Professional Management. In performing the foregoing duties outlined in Section 2, the Board of Directors may obtain the services of a qualified professional management company experienced in the field of management of planned communities, if such exist, after obtaining approval of the members at an annual or special meeting of the members.

ARTICLE IX

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President, a Secretary, and a Treasurer, who shall at all times be members of the Board of Directors and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members. At the first meeting of the Board it will further determine which two of the five Directors will enjoy a term of only one year. The Board may also reassign the duties of the officers to other members of the Board on a temporary basis, as circumstances may require.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require; each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment of the Board. The officer appointed to such vacancy shall serve until the next annual meeting.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. DUTIES.

The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, promissory notes, deeds (consistent with the terms of the Declaration Article III 3.3 d) and other written instruments and shall have the authority to sign checks. The President shall review on a regular basis the financial state of the Association, including all payments made on behalf of the Association and all income to the Association.

Secretary

(b) The Secretary shall record the votes and keep minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate

current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(c) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; the Treasurer, or the President, must sign all checks and authorize any electronic payments; promissory notes must be signed by the Treasurer in addition to the President; the Treasurer must keep proper books of account, and shall cause an annual review of the Association books to be made by an audit committee of the homeowners at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the members. If directed by the Board, the Treasurer will cause an annual audit of the Association books to be made by a public accountant at the completion of the fiscal year.

ARTICLE X

COMMITTEES

The Board of Directors shall create specialized committees as deemed appropriate in carrying out its purposes.

ARTICLE XI

BOOKS AND RECORDS.

The books, records and papers of the Association shall at all times during reasonable business hours, be subject to inspection by any member. Copies of the Declaration and the By-Laws of the Association shall be provided to each member at his request and for a reasonable cost. The Board shall provide for a Disaster Recovery system.

ARTICLE XII

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual, lawn maintenance, and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action of law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XIII

CORPORATE SEAL.

The Association shall not have a seal.

ARTICLE XIV

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of 51% of members entitled to vote present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XV

FISCAL YEAR.

The fiscal year of the Association shall begin on the first day of June and end on the 31st day of May every year. The Board of Directors may change the fiscal year of the Association as it deems appropriate.

ARTICLE XVI

GRIEVANCE PROCEDURE.

Section 1. Any grievance or complaint which an Owner or Owners shall have against any other Owner or Owners for violation of the provisions of the Declaration, these Bylaws, other Rules and Regulations of the Association, or for any other reason shall be submitted to the Board of Directors of the Association for arbitration.

Section 2. All such grievances shall be submitted in writing to the Board outlining the Owner or Owners complaining, the Owner or Owners complained against, the nature of the violations, the date of all relevant facts, and the specific violations, if any, which are relied upon the complaining party or parties. A hearing shall be held by the Board following submission of all complaints within (30) days. If the Board decides adversely to the complaining party, or fails to act within thirty (30) days of submission of the complaint, then the complaining party shall have the right to resort to any other legal remedies which may be available to them.

Section 3. The grievance procedure set out herein shall be the exclusive remedy for all grievances and complaints, and no Owner shall have the right to resort to other legal remedies until the remedies provided herein have been fully exhausted.

CERTIFICATION

The undersigned _____, does hereby certify that he/she is the duly elected Secretary of the Cove at Turkey Creek Homeowners' Association, Inc, a Tennessee Corporation, and the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Members thereof, held on July 15, 2014.

In witness whereof, I have hereunto subscribed by name as of July 15, 2014.
