

**BYLAWS
OF
THE VILLAS OF BARRINGTON CONDOMINIUM ASSOCIATION, INC.
A CORPORATION NOT FOR PROFIT**

I. GENERAL PURPOSE

The Villas of Barrington Condominium Association, Inc. (the "Condominium Association") has been organized for the purpose of administering the operation and management of condominium facilities for the use and benefit of the unit owners in "The Villas of Barrington," a condominium regime located or to be located in Knox County, Tennessee (herein referred to as "Barrington"), which is more particularly described in a Master Deed creating such condominium recorded or to be recorded in the Register's Office for Knox County, Tennessee (the "Master Deed"). The terms and provisions of these Condominium Bylaws are expressly subject to the terms, provisions, conditions and authorizations contained in the Charter of The Villas of Barrington Condominium Association, Inc. (the "Charter") and the Master Deed. The terms and provisions of such Charter and Master Deed are incorporated herein by reference and shall be controlling wherever the same may be in conflict herewith. For purposes of these Condominium Bylaws, capitalized terms shall have the meaning set forth in the Master Deed unless otherwise defined or the context so requires.

II. MEMBERSHIP AND VOTING RIGHTS

A. Membership. Each person who is a record owner of a fee interest in a Unit, as determined by the deed to such Unit, shall automatically be a member of the Condominium Association (hereinafter referred to as "Member"). Subject to Section H of Article III, the record owner of each Unit is entitled to one (1) vote in the affairs of the Condominium Association. In the event one (1) or more persons own a Unit as co-tenants, such persons, as Members, shall deliver to the Secretary of the Condominium Association a certificate signed by all such Members designating one (1) Member who shall cast the vote related to such Unit. The vote of the Unit shall be cast by the Member named in the certificate, and such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file, the vote of such Members shall not be considered in determining the requirement for a quorum, nor for any other purpose.

B. Change of Membership. Change of membership shall be accomplished by recording in the Knox County Register's Office a deed or other instrument establishing record title to a Unit, and delivery to the Secretary of the Condominium Association a certified copy of such instrument. The membership of the prior Unit Owner in the Condominium Association shall be thereby terminated.

C. Suspension of Rights. The membership and voting rights of any Member may be suspended by the Condominium Board of Directors for any period during which any Assessment against the Unit to which its membership is appurtenant remains unpaid; but upon payment of such Assessments, and any interest accrued thereon, its rights and privileges shall be restored as of the

date of payment. Further, if Condominium Rules and Regulations governing the use of the Property and the conduct of persons thereon have been adopted and published, as authorized in these Condominium Bylaws, the rights and privileges of any person in violation thereof or in violation of the provisions hereof may be suspended at the discretion of the Condominium Board of Directors.

D. Proxies. Proxy ballots shall be permitted with respect to all elections of Directors, and all amendments to the Charter, the Master Deed or these Condominium Bylaws, or any other matter which is to come before a meeting of the membership of the Condominium Association. All proxies shall be in writing, signed by the individual Unit Owner or Owners (or in the case of joint owners by the person named in the certificate described in Section A of this Article II), or by his or her duly authorized representative(s) and delivered to the Secretary of the Condominium Association, or such other person as the President may designate, at least twenty-four (24) hours prior to the commencement of the meeting at which ballots are to be cast.

III. MEETINGS OF MEMBERS

A. Place of Meetings. All meetings of the Members of the Condominium Association shall be held at the Property or at such other place convenient to the Members as may be designated by the Condominium Board of Directors or the President.

B. First Annual Meeting and Regular Annual Meetings. The first annual meeting of the Members shall be held on such date as is fixed by the Board of Directors, which date shall in no event be later than the expiration of the Developer Control Period. Thereafter, annual meetings shall be held on such date as selected by the Board which is within thirty (30) days before or after the first anniversary of the first annual meeting of the Members. At such meeting, the election of Directors shall take place and the Members may transact such other business as may properly come before them.

C. Special Meetings. Special meetings of Members may be called by the President whenever he or she deems such a meeting advisable or shall be called by the secretary when ordered by a majority of the Condominium Board of Directors, or upon the written request of Members of the Condominium Association representing at least twenty percent (20%) of all votes entitled to be cast at such meeting. Such request shall state the purpose of such meeting and the matters proposed to be acted upon.

D. Notice. Notice of all Members' meetings, regular or special, shall be given by the President, Vice-President or Secretary of the Condominium Association, or other officer of the Condominium Association in absence of said officers, to each Member, unless waived in writing, such notice to be written or printed and to state the time and place and purpose for which the meeting is called. Such notice shall be given to each Member not less than ten (10) days nor more than thirty (30) days prior to the date set for such meeting, which notice shall be mailed or presented personally to each Member within said time.

E. Quorum and Adjourned Meetings. A quorum at a Members' meeting shall consist of persons entitled to cast a majority of the votes of the entire membership. In the absence of a quorum, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum shall be present or represented.

F. Action by Written Consent. Whenever Members of the Condominium Association are required or permitted to take any action by vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by the persons entitled to vote thereon.

G. Organization. At each meeting of the Condominium Association, the President, or, in his or her absence, the Vice-President, or in their absence, Members present in person or represented by proxy and entitled to vote thereat, shall act as a chairperson, and the Secretary, or in his or her absence, a person whom the chairperson shall appoint, shall act as Secretary of the meeting.

H. Voting. During the Developer Control Period, the Developer shall have the only vote in the affairs of the Condominium Association. Following the Developer Control Period, the Unit Owner or Owners of each Unit shall collectively have one (1) vote in the affairs of the Condominium Association. Except as otherwise required by the Charter, the Master Deed or any law, the affirmative vote of a majority of the votes represented at any duly called Members' meeting at which a quorum is present shall be binding upon the Members. The election of directors shall be by a secret ballot.

I. Member in Good Standing. A Member shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting if and only if all Assessments appertaining to his or her Unit(s) have been paid, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him or her and to his or her Unit or Units, at least three (3) days prior to the date fixed for such meeting.

J. Order of Business. The order of business at the annual meeting of the Members or at any special meetings insofar as practicable shall be:

- (1) Roll Call (or check-in procedure)
- (2) Proof of notice of said meeting or waiver of notice
- (3) Reading of minutes of preceding meeting
- (4) Establish number and term of memberships of the Condominium Board of Directors (if required and noticed)
- (5) Reports of Committees
- (6) Election of directors (if required and noticed)
- (7) Unfinished Business
- (8) New Business
- (9) Ratification of Budget (if required and noticed)
- (10) Adjournment

IV. CONDOMINIUM BOARD OF DIRECTORS

A. Number and Qualification. The Condominium Board of Directors shall consist of three (3) persons. At least a majority of the Condominium Board of Directors shall be Members of the Condominium Association, or shall be authorized representatives, officers or employees of the Developer. Provided, however, the Developer Control Period as provided in the Master Deed, the Developer shall have the right to designate and select the persons who shall serve as members of the Condominium Board of Directors, who need not be Members. Thereafter, the Condominium Board of Directors shall be elected by a majority of the votes and the Developer shall be entitled to vote for election of directors in proportion to the number of Units it owns in the same manner as other Unit Owners are allowed under these Condominium Bylaws, which is one vote per Unit.

B. Term of Office. During the Developer Control Period, the Directors shall serve such term as the Developer specifies. For the first Condominium Board of Directors elected by the Unit Owners after the expiration of the Developer Control Period, the initial term of office of the two (2) directors receiving the highest number of votes shall be established at two (2) years, and the term of office of the remaining elected director shall be established at one (1) year. After the expiration of the initial term of office of each member of the Condominium Board of Directors elected by the Unit Owners, his or her successors shall be elected to serve a term of two (2) years, which term shall expire at the second annual meeting following their election, or until their successors are duly elected and qualified, or until removed in the manner elsewhere provided or as may be provided by law.

C. Organizational Meeting. The organizational meeting of a newly elected Condominium Board of Directors shall be held within fourteen (14) days of their election at such time and at such place as shall be fixed by the directors at the Condominium Association meeting at which they were elected, and no further notice of the organizational meeting shall be necessary in order to legally constitute such a meeting, providing a quorum of the Condominium Board of Directors shall be present.

D. Regular Meetings. Regular meetings of the Condominium Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least one (1) such meeting shall be held each fiscal year. Notice of regular meetings shall be given by the Secretary or other designated person to each director, personally or by mail, telephone or telefax, at least three (3) days prior to the day named for such meetings, unless notice is waived.

E. Special Meetings. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of any two (2) directors. Not less than three (3) days' notice of a meeting shall be given to each director personally, by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

F. Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by a Condominium Board of Directors member at any meeting of the Board shall be deemed a waiver

of notice by him or her. If all directors are present at any meeting of the Condominium Board of Directors, no notice shall be required and any business may be transacted at such meeting. In the discretion of the Condominium Board of Directors, meetings of the Condominium Board of Directors, or portions thereof, may be open to Members of the Condominium Association for observation or participation in such manner and to the extent the Condominium Board of Directors may deem appropriate.

G. Quorum and Adjourned Meetings. At all meetings of the Condominium Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business and acts of the majority of directors present at a meeting at which a quorum is present shall be acts of the Condominium Board of Directors, unless otherwise provided in the Charter and/or the Master Deed. If any directors' meeting cannot be organized because a quorum has not attended, the directors who are present may adjourn the meeting from time to time until a quorum is present.

H. Removal of Members of the Board of Directors. During the Developer Control Period, a director may be removed at any time by the Developer with or without cause, and a successor may then be appointed by the Developer to fill the vacancy thus created. Following the expiration of the Developer Control Period, any one or more directors may be removed with or without cause at any duly held regular or special meeting of the Condominium Association by a majority of the votes held by the Members of the Condominium Association, and a successor may be then and there elected to fill the vacancy thus created. Each person so elected shall be a director for the remainder of the term of the director whose term he or she is filling and until his or her successor is duly elected and qualified. Any director whose removal has been proposed shall be given at least ten (10) days' notice of the calling of the meeting and an opportunity to be heard at the meeting.

I. Vacancies. Vacancies on the Condominium Board of Directors caused by any reason other than the removal of a director by a vote of the Members of the Condominium Association shall be filled by a vote of a majority of the remaining directors at a special meeting of the Condominium Board of Directors held for that purpose promptly after the occurrence of any such vacancy; provided, however, in the event that the vacancies on the Condominium Board of Directors result in one (1) or fewer directors remaining on the Condominium Board of Directors, a special meeting of the Condominium Association shall be called by the President in order to fill such vacancies. Each person so elected at a special meeting of the Condominium Association shall serve as a director for the remainder of the term of the director whose term he or she is filling and until his or her successor is duly elected and qualified. If the vacancy has been filled by a vote of the remaining directors, each person so elected shall be a director until his or her successor is elected at the next meeting of the Condominium Association.

J. Action without a Meeting. Any action by the Condominium Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the directors consent in writing to such action. Such written consent or consents shall be filed with the minutes of the Condominium Board of Directors.

K. Powers and Duties. The Condominium Board of Directors may act in all instances on behalf of the Condominium Association, except as provided by the Master Deed, these Condominium Bylaws, the Act or other applicable law. The limitations, the powers and duties necessary for the administration of the affairs of the Condominium Association and of Barrington Condominiums, which shall include, but not be limited to, the following:

1. To make, levy and collect Assessments against Members and Members' Units to defray the costs of the operation and maintenance of Common Elements, and to use the proceeds of said Assessments in the exercise of the powers and duties granted unto the Condominium Association;
2. To cause the Common Elements to be maintained according to accepted standards established by the Condominium Association and as set forth in the Master Deed;
3. To make and amend Condominium Rules and Regulations governing the use of the Property, for the use and benefit of the Members, so long as such Condominium Rules and Regulations and limitations which may be placed upon the use of such Property do not conflict with the terms of the Charter and/or the Master Deed;
4. To acquire, operate, lease, manage, and otherwise trade and deal with property, real and personal, as may be necessary or convenient in the operation and management of the Common Elements and in accomplishing the purposes set forth in the Charter;
5. To contract for the management of the Condominium Association, and to delegate to such manager all of the powers and duties of the Condominium Association, subject to the limitations of the Master Deed and the Act, with the cost of employing such manager to be a part of the Common Element Expenses;
6. To comply with and to enforce by legal means all terms and conditions of the Master Deed, the Charter, these Condominium Bylaws and any Condominium Rules and Regulations hereafter promulgated governing the use of Barrington Condominiums.
7. To pay all taxes and assessments which are liens against any part of the Property and to assess the same against any part of the Property and to assess the same against the Members and their respective Units;
8. To carry insurance for the protection of the Members and the Condominium Association as provided in the Master Deed;
9. To employ personnel (including, without limitation, attorneys and accountants) for reasonable compensation to perform the services required for proper administration of the Condominium Association, with such costs to be Common Element Expenses;

10. To borrow money for any legitimate purposes which may be necessary for the improvement, maintenance, and well-being of the Property, the repayment of which shall be Common Element Expenses;

11. To cause to be kept a complete record of all its acts and corporate affairs and to present a summary report thereof to the Members at the annual meeting or at any special meeting;

12. To delegate to Members responsibilities concerning the maintenance, repair, and replacement and insurance of portions of the Property;

13. To exercise all powers arising from the Condominium Association's membership in the Barrington Pool Association, Inc. (the "Pool Association"), including, but not by way of limitation, selecting candidates (who shall be Members, directors, or officers of the Condominium Association) for election to the Pool Association's board of directors; and

14. To exercise any other power necessary and proper for the governance of the Condominium Association.

L. Eligibility of Directors. Nothing contained in these Condominium Bylaws shall prohibit a director from being an officer, nor preclude the Condominium Board of Directors from employing a director as an employee of the Condominium Association or contracting with a director for the management of The Villas of Barrington Condominiums Association, Inc. subject, however, to the limitations contained herein and in the Master Deed.

V. OFFICERS

A. Designation. The executive officers of the Condominium Association shall be a President, who shall be a director, a Treasurer and a Secretary, all of whom shall be elected annually by the Condominium Board of Directors at any meeting. The Condominium Board of Directors may also appoint such other officers as in its judgment may be necessary to manage the affairs of the Condominium Association. Any person may hold two or more offices, except that the President shall not also be the Secretary or an Assistant Secretary.

B. Election of Officers. The officers of the Condominium Association shall be elected annually by the Condominium Board of Directors at the first Condominium Board of Directors meeting following each annual meeting of the Members and such officers shall hold office at the pleasure of the Condominium Board of Directors.

C. Removal of Officers. Upon any affirmative vote of a majority of the full number of directors, any officer may be removed, either with or without cause, after opportunity for a hearing, and his or her successor elected at any regular meeting of the Condominium Board of Directors, or at any special meeting of the Condominium Board of Directors called for such purposes.

D. Duties and Responsibilities of Officers.

1. The President shall be the chief executive officer of the Condominium Association. He or she shall preside at all meetings of the Condominium Association and the Condominium Board of Directors. He or she shall have all the powers and duties which are usually vested in the office of the President of an association including but not limited to the power to appoint committees from among the Members from time to time, as he or she may in his or her discretion determine appropriate, to assist in the conduct of the affairs of the Condominium Association.

2. The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. If neither the President nor the Vice-President are able to act, the Condominium Board of Directors shall appoint some other person to do so on an interim basis. He or she shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

3. The Secretary shall keep the minutes of all proceedings of the Condominium Board of Directors and the Members and shall keep the minute book and record all proceedings therein. He or she shall attend to the giving and serving of all notices to the Members and directors, and such other notices required by law. He or she shall keep the books and records of the Condominium Association, except those of the Treasurer, and shall perform all other duties incident of the office of the Secretary of an association and as may be required by the directors or President. The Assistant Secretary, if any, shall perform the duties of Secretary when the Secretary is absent.

4. The Treasurer shall have custody of all of the property of the Condominium Association, including funds, securities and evidences of indebtedness. He or she shall keep the Assessment rolls and accounts of the Members; he or she shall keep the books of the Condominium Association in accordance with good accounting practices; and he or she shall perform all other duties incident to the office of Treasurer.

VI. COMPENSATION, INDEMNIFICATION AND EXCULPABILITY OF OFFICERS, DIRECTORS AND COMMITTEE MEMBERS.

A. Compensation. No compensation shall be paid to the President or any officer or any director or committee member for acting as such officer or director. Nothing herein stated shall prevent any officer or director, or committee member from being reimbursed for out-of-pocket expenses or compensated for services rendered in any other capacity to or for the Condominium Association; provided, however, that any such expenses incurred or services rendered shall have been authorized in advance by the Condominium Board of Directors.

B. Indemnification. Each director, officer or committee member of the Condominium Association shall be indemnified by the Condominium Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him or her in connection

with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason or his or her being or having been a director, committee member or agent of the Condominium Association or in any settlement thereof, whether or not he or she is a director or officer at the time such expenses are incurred, except in such cases wherein he or she is adjudged guilty of willful misfeasance or gross negligence in the performance of his or her duties; provided that in the event of a settlement the indemnification herein shall apply only when the Condominium Board of Directors approves such settlement and reimbursement as being in the best interest of the Condominium Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director, officer or committee member may be entitled.

C. Exculpability. Unless acting in bad faith, neither the Condominium Board of Directors as a body nor any director, officer, committee member or agent of the Condominium Association, shall be personally liable to any Member in any respect for any action or lack of action arising out of the execution of his or her office. Each Member shall be bound by the good faith actions of Condominium Board of Directors, officers, committee members or agents of the Condominium Association, in the execution of the duties of said directors, officers, committee members or agents.

VII. FISCAL MANAGEMENT

A. Annual Assessments.

1. The Condominium Board of Directors shall adopt a budget for each fiscal year of the Condominium Association and such budget shall contain estimates of the amount of monies deemed necessary for the Common Element Expenses, the manner of expenditure thereof and the proposed Assessments against each Unit Owner. Each Unit Owner shall be obligated to pay his or her proportionate share of the Common Element Expenses assessed against him by the Condominium Board of Directors in accordance with the Master Deed. The timing and due dates of such payments shall, subject to the terms of the Master Deed, be established by the Condominium Board of Directors. As provided in the Master Deed, the Developer is not required to pay assessments or dues on unsold Units or Units owned by the Developer.

2. The Condominium Board of Directors shall give notice to each Unit Owner, in writing, of the amount estimated by the Condominium Board of Directors for Common Element Expenses for the management and operation of the Condominium Association for the next ensuing budget period and the proposed annual Assessments, directed to the Unit Owner at his or her last known address by ordinary mail, or by hand delivery. Said notice shall be conclusively presumed to have been delivered five (5) days after deposit in the United States mail.

3. The omission by the Condominium Board of Directors, before the expiration of any year, to fix the Assessment thereunder for that or the next year shall not be deemed a waiver or modification in any respect of the provisions of the Master Deed and Condominium Bylaws or a release of any Unit Owner from the obligation to pay the Assessments, or an installment thereof

for that or any subsequent year, but the Assessment fixed for the preceding year shall continue until a new Assessment is fixed.

B. Special Assessments. In addition to the annual Assessments authorized by Section A of this Article VII, the Condominium Board of Directors may levy, in any Assessment year, a Special Assessment, applicable to that year only, for the purposes of defraying, in whole or in part, any unexpected expenses or for other lawful purposes, provided that any such Special Assessment shall be apportioned in the same manner as a regular Assessment and shall receive the assent of seventy-five percent (75%) of all of the votes eligible to be cast by all of the Members.

C. Reserves. The Condominium Board of Directors shall not be obligated to expend all of the Assessments collected in any accounting period, but must establish and maintain reasonable reserves for the periodic maintenance, repair and replacement of the Common Elements, which reserves will be established and maintained out of the annual Assessments.

D. Working Capital. In order to ensure that the Condominium Association will have funds to meet unforeseen expenditures or to purchase equipment and services during the initial start up operations of the Condominium Association, each Unit Owner, excluding the Developer, shall pay an amount equal to two (2) months' estimated annual Assessments of each Unit to the Condominium Association at the time of the closing of any initial purchase of the Unit from the Developer. Such amounts shall not be considered advance payment of regular annual Assessments which are required to be paid by each Unit Owner under Section A of this Article VII. The Condominium Association shall maintain the amounts collected in a working capital fund for the use and benefit of the Condominium Association.

E. Depository. The depository of the Condominium Association shall be such bank or banks and/or federal savings and loan associations as shall be designated from time to time by the directors and in which the monies of the Condominium Association shall be deposited. Withdrawal of monies from such accounts shall be by such persons as are authorized by the directors.

F. Tax Returns. The annual federal income tax return of the Association (plus such other federal, state or local tax returns or filing which the Association is required to file or submit) shall be prepared by a certified public accountant selected and designated by the Board of Directors. In addition, the Board of Directors by resolution may require for each and/or any year a compilation, review or audit of the books, records and accounts of the Association duly performed by a certified public accountant. The cost of the compilation, review or audit, as the case may be, shall be an expense of the Association to be paid from member dues and assessments. If such compilation, review or audit shall be conducted, a copy of any report(s) generated as a result thereof shall be provided to each Member upon written request.

G. Examination of Books and Records. The Condominium Board of Directors shall keep a book with a detailed account, in chronological order, of the receipts and expenditures affecting Barrington Condominiums and its administration and specifying the maintenance and repair

expense of the Common Elements and any other expenses incurred. Such book, the vouchers accrediting the entries made thereon, copies of the Master Deed, these Condominium Bylaws, the Condominium Rules and Regulations and other books, records and financial statements of the Condominium Association shall be maintained at the principal office of the Condominium Association and shall be available for inspection by Members or by holders, insurers and guarantors of Mortgages that are secured by Units in Barrington Condominiums during normal business hours or under any other reasonable circumstances.

H. Management Contracts. The Condominium Association may enter into professional management contracts or other agreements; provided, however, that each such contract or other agreement shall contain a right of termination with or without cause that the Condominium Association can exercise at any time after the end of the Developer Control Period; such right to be exercised without penalty on advance notice of more than ninety (90) days.

I. Fidelity Bonds. The Condominium Association shall, subject to the provisions of the Master Deed, maintain blanket fidelity bonds for all persons who either handle or are responsible for funds held or administered by the Condominium Association, whether or not they receive compensation for such services. Any management agent that handles funds for the Condominium Association shall also be covered by a fidelity bond.

J. Interest and Attorneys' Fees. The Condominium Board of Directors shall have the option, in connection with the collection of any charge or Assessment from a Unit Owner, to impose a late fee, or an interest charge at a rate of eighteen percent (18%) per annum or the highest legal rate then chargeable, whichever is less, from the date the charge or Assessment was due until paid. In the event attorneys' fees are incurred by the Condominium Board of Directors in the collection of such charges, the Unit Owner shall be responsible for payment of all reasonable attorneys' fees, in addition to such costs allowable by law.

VIII. OBLIGATIONS AND RESTRICTIONS OF UNIT OWNERS

A. Nuisances. No nuisance shall be allowed upon the Property, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents. All parts of the Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate, or any fire hazard allowed to exist. No Unit Owner shall permit any use of his Unit or of the Common Elements which will increase the rate of insurance upon the Property.

B. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Property. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the Property shall be the same as the responsibility for the maintenance and repair of the Property concerned.

C. Rules and Regulations. Reasonable Condominium Rules and Regulations concerning the use of Barrington Condominiums may be made and amended from time to time by the Condominium Board of Directors. Copies of such Condominium Rules and Regulations and amendments thereto shall be furnished by the Condominium Association to all Unit Owners and residents of Barrington Condominiums, and such Condominium Rules and Regulations shall be of the same force and effect as the provisions of these Condominium Bylaws.

D. Commercial Business. All Units shall be utilized for residential purposes only and no commercial business shall be permitted within the Property. Unit rentals by the Developer in accordance with the terms of the Master Deed shall not be considered a commercial use.

E. Obstruction of Common Elements. There shall be no obstruction of the Common Elements.

F. Signs. No sign of any kind shall be displayed for the public view on any portion of the Common Elements, except signs used by Developer to advertise the Property during the construction and sales period, without the prior approval of the Condominium Board of Directors.

G. Insurance. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Common Elements without the prior written consent of the Condominium Association. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements which will result in the cancellation of insurance on any Unit or any part of the Common Elements, or which would be in violation of any law.

H. Waste. No waste will be committed of the Common Elements.

I. Exterior Work. There shall be no exterior painting of Units or patio or yard walls by or on behalf of the Unit Owners thereof, or any person holding thereunder, or repair or replacing of original roofs or utility laterals by such persons, without the prior approval of the Condominium Board of Directors; it being the intention hereunder that such items be regulated by the Condominium Association in conjunction with the Condominium Association's maintenance of Common Elements in order to preserve the external harmony and overall appearance of the Property.

J. Repair of Vehicles. No vehicles of any type shall be permanently or semi-permanently parked on the Property or in the vicinity of any Unit or in the Common Elements for purposes of accomplishing repairs thereto, or the reconstruction thereof except as permitted by the Condominium Rules and Regulations adopted by the Condominium Association.

K. Recreational Vehicles and Boats. Parking of boats and all recreational vehicles shall be allowed on the Common Elements only in accordance with the Condominium Rules and Regulations of the Condominium Association.

L. Leasing. Subject to the rights of the Developer under the provisions of the Master Deed, no Unit may be leased, and the Units shall only be occupied by a family, its servants, and guests, as a residence and for no other purpose.

M. Rules of Conduct. In order to assure the peaceful and orderly use and enjoyment of the Units and the Common Elements of the Condominium Association, the Unit Owners may, from time to time, adopt, modify and revoke in whole or in part, subject to the provisions of the Master Deed, by a vote of the Members present in person or represented by proxy whose aggregate interest in the Common Elements constitutes two-thirds ($\frac{2}{3}$) of the total interest, at any meeting duly called for the purpose, such reasonable rules and regulations, to be called Condominium Rules of Conduct, governing the conduct of said persons on the Property as the Condominium Association may deem necessary. Such Condominium Rules of Conduct, upon adoption, and every amendment, modification and revocation thereof, shall be delivered promptly to each Unit Owner, and shall be binding upon all Unit Owners and occupants of Units in the Condominium. The following shall constitute the initial Condominium Rules of Conduct:

1. Residents shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, televisions or amplifiers that may disturb the other residents.

2. No resident of the Property shall:

(a) Post any advertisements or solicitations of any kind in or on the Property except (i) signs of usual and customary size, design and construction advertising the Owner's Unit for sale or lease or (ii) as authorized by the Condominium Board of Directors;

(b) Hang garments, towels, rugs or similar objects from the windows or balconies or from any of the facades of the Property;

(c) Hang dust mops, rugs or similar objects from the windows or balconies, or clean rugs or similar objects by beating on the exterior part of the Property; or

(d) Act so as to interfere unreasonably with the peace and enjoyment of the residents of the other Units of the Property.

3. No animals, livestock, poultry or fowl of any kind shall be raised, kept or bred by any resident, except household pets such as dogs and cats may be kept, provided they are not kept, bred or maintained for any commercial purpose, and provided no household may have more than two (2) animals of any species. No Unit Owner nor resident may maintain any pet(s) which cause distress to the other Unit Owners or residents through barking, biting, scratching or damaging of property. In addition, each Unit Owner and resident shall promptly and properly clean-up any excreta expelled from a permitted pet(s).

4. No Unit Owner or resident shall install wiring or electrical or telephone installations, television antennae, machines or air conditioning units, solar panels, satellite dishes or similar object outside his or her Unit which protrude through the walls or roof of his or her Unit except as authorized by the Condominium Board of Directors.

IX. INSURANCE

A. By the Condominium Board of Directors. The Condominium Board of Directors shall be required to obtain and maintain such insurance as is provided for and required in the Master Deed to be carried by the Condominium Association.

B. By Unit Owners. Unit Owners should carry insurance for their own benefit insuring their Units and the Limited Common Elements serving their Unit, provided, that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Condominium Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

X. ENFORCEMENT

A. Enforcement. The Condominium Board of Directors shall have the power, at its sole option, to enforce the terms of this instrument or any rule or regulation promulgated pursuant thereto, by any or all of the following: lawful self-help; sending notice to the offending party to cause certain things to be done or undone, restoring the Condominium Association to its original position and charging the breaching party with the entire cost or any part thereof; complaint to the duly constituted authorities; or by taking any other action before any court, summary or otherwise, as may be provided by law.

B. Fines. The Board shall also have the power to levy fines against any Unit Owner(s) for violation(s) of any Condominium Rule or Regulation or for any covenants or restrictions contained in the Master Deed or Condominium Bylaws in accordance with applicable law. Any such fine shall be considered and shall be an additional Assessment against the applicable Unit Owner(s) and Unit(s).

C. Waiver. No restrictions, condition, obligation or covenant contained in these Condominium Bylaws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

XI. AMENDMENTS

Until the expiration of the Developer Control Period, these Bylaws may be altered and/or amended only by the Developer. From and after the date of the first annual meeting of the Members, subject to the provisions contained in the Master Deed and in the Act, these Condominium Bylaws may be altered or repealed, or new Condominium Bylaws may be made, at any meeting of the

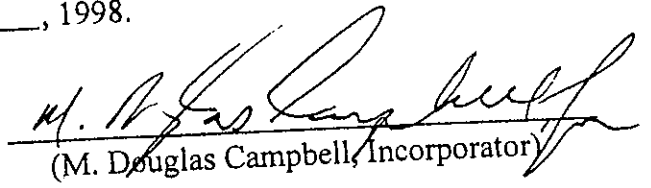
Members of the Condominium Association duly held for such purpose, previous to which written notice shall have been sent, a quorum being present, by an affirmative vote of seventy-five percent (75%) of all the votes of the Condominium Association. Directors and Members not present at the meetings considering the amendment may express their approval in writing. Any amendment which would necessitate the approval of such amendment to the Master Deed by a mortgagee pursuant to provisions of the Master Deed, must be approved and consented to by mortgagees holding first Mortgages with respect to Units representing at least fifty-one percent (51%) of such Units. An amendment when adopted shall become effective only after being recorded in the Register's Office of Knox County, Tennessee, as an amendment to the Master Deed.

XII. CONFLICT; INVALIDITY

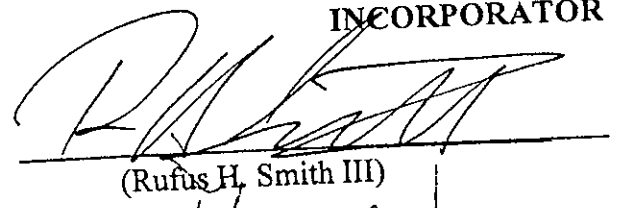
A. Conflict. Anything to the contrary herein notwithstanding, if any provision of these Condominium Bylaws is in conflict with or contradiction of the Master Deed or the Charter, or with the requirements of any law or regulation, then the requirements of said Master Deed, Charter, law or regulation shall be deemed controlling.

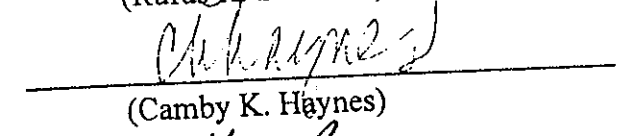
B. Severability. The invalidity of any part of these Condominium Bylaws shall not impair or affect in any manner the enforceability or affect the remaining provisions of the Condominium Bylaws.

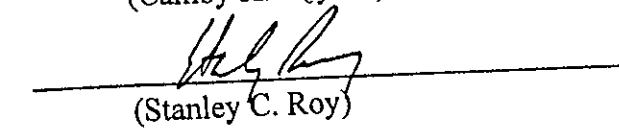
ADOPTED AND APPROVED for and on behalf of The Villas of Barrington Condominium Association, Inc., this 13th day of November, 1998.


(M. Douglas Campbell, Incorporator)

INCORPORATOR


(Rufus H. Smith III)


(Camby K. Haynes)


(Stanley C. Roy)

INITIAL DIRECTORS