

BYLAWS

OF

NORA'S PATH COMMUNITY ASSOCIATION, INC.

ARTICLE I

DEFINITIONS

The following words and terms, as used in the Bylaws of Nora's Path Community Association, Inc., a Tennessee non-profit corporation, shall, unless the context should otherwise require, mean and be defined as follows:

1. "Association" means Nora's Path Community Association, Inc.
2. "Board" means the board of directors of the Association, as it shall be constituted from time to time.
3. "Bylaws" means the Bylaws of the Association, as the same may be amended from time to time.
4. "Common Areas" shall mean all real and personal property, if any, now or hereafter owned by the Association for the common use and enjoyment of the Owners, or other property designated by the Developer for the common use and enjoyment of all Owners and/or any easements held by the Association, including any improvements thereon.
5. "Lot" shall mean and refer to any parcel of land shown upon the Plat or any subsequent recorded, amended subdivision plat of the Property upon which a single-family residence may be constructed and that is subject to the Declaration (as defined below).
6. "Declaration" shall mean and refer to that certain Amended Declaration of Covenants, Conditions and Restrictions for Nora's Path, recorded in the office of the Knox County Register of Deeds as Instrument No. 200509220027301 (the "Declaration"), as it may be amended or superseded from time to time.
7. "Developer" shall mean and refer to (i) Nora's Path, LLC or (ii) any successor-in-title or any successor-in-interest to Nora's Path, LLC to all or any portion of the Property, provided in the instrument of conveyance to any such successor-in-title or interest, such successor-in-title or interest is expressly designated as the "Developer" hereunder by the grantor of such conveyance, which grantor shall be the Developer hereunder at the time of such conveyance.

8. “Owner” shall mean and refer to the recorded owner(s), whether one or more Persons, of the fee simple title to any Lot which is a part of the Property, but excluding those holding any interest in any Lot merely as security for the performance of any obligation.

9. “Person” shall mean and refer to a natural person, corporation, partnership, association, trust or other legal entity, or any combination thereof.

10. “Plat” shall mean and refer to that certain Final Subdivision Plat for Nora’s Path prepared by Tennessee Valley Surveying, Inc. recorded May 18, 2005 as Instrument No. 200505180092772 in the office of the Register of Deeds for Knox County, Tennessee, as amended by subsequently recorded plats, if any.

11. “Property” shall mean and refer to that certain real property of the Developer shown on the Plat, together with such additional real property as may by subsequent amendment be added to and subjected to the Declaration.

ARTICLE II

DECLARATION OF COVENANTS AND RESTRICTIONS

SECTION 1: The covenants and restrictions contained in the Declaration shall be binding upon the Association and its members.

SECTION 2: The Developer and/or Association is authorized to execute and have recorded in the office of the Knox County Register of Deeds, instruments to amend, repeal or supersede the Declaration, in the manner specified in the Declaration.

ARTICLE III

OPERATION - DUES AND ASSESSMENTS

SECTION 1: The Corporation shall commence its operation and business affairs on the date of its initial, organizational meeting. Such date shall be determined by the Developer, and shall be not later than thirty (30) days following the date upon which all Lots in Nora’s Path shall have been sold by Developer. The Developer may, in its sole discretion, hold such organizational meeting prior to such date.

SECTION 2: The Board of Directors shall have the power, from time to time, to fix, assess and collect annual dues to be paid by each Owner in the amount necessary and adequate to provide for the common expenses of the Association. The annual dues levied by the Board shall be used exclusively for the purposes for which the Association has been organized, and the powers incident thereto. Assessment of annual dues by the Board shall commence when that particular Lot is sold by the Developer to a particular Owner. If at such time the organizational meeting of the Association has not been held, such assessments, and all other rights and remedies otherwise granted to the Association under these Bylaws, shall be exercised by the Developer, in

addition to any and all other rights granted to the Developer in the Declaration, until such organizational meeting has been held. Dues for all Lots shall be equally assessed. Annual dues shall be used for maintenance of and insurance for the Common Areas, as well as administrative costs of the Board and the Association.

SECTION 3: All Owners shall be personally responsible for the payment of annual dues. If the annual dues are not paid on the date when due, as determined by the Board, then such annual dues shall become delinquent and shall, together with such interest thereon and cost of collection thereof, including reasonable attorney's fees and court costs incurred, thereupon become a continuing lien upon the Lot of such Owner, which lien shall bind said Lot in the hands of the Owner, his heirs, devisees, personal representatives, successors and assigns. The personal obligation of the then Owner to pay such annual dues, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them. If the annual dues are not paid within 10 days after the delinquency date, the payment shall bear interest from the date of delinquency at the maximum rate permitted by law; and the Association, or the Board acting on its behalf, may bring an action at law against the Owner personally obligated to pay the same and/or enforce the lien upon the Lot.

SECTION 4.

(a) For the maintenance and repair of the Common Areas and improvements thereon, members of the Association shall be subject to the payment of annual and special assessments levied by the Board, which obligations shall be imposed upon each Owner of and shall become a lien upon the Lot against which such assessments are made

(b) For additional or new improvements to the Common Areas members of the Association shall be subject to the payment of annual and special assessments levied by the Board, which obligations shall be imposed upon the Owners of and shall become liens upon the Lots against which such assessments are made.

(c) Except as otherwise provided herein, annual and special assessments shall be collected in the same manner as delinquent annual dues, including costs and attorney's fees associated therewith.

ARTICLE IV

ASSOCIATION PURPOSES AND POWERS

SECTION 1: The Association has been organized to promote the health, safety, and general welfare of the residents of Nora's Path, in Knox County, Tennessee and ultimately to own and maintain the Common Areas, including any improvements thereon, and to hold any easements, including any improvements thereon, and otherwise as provided in the Declaration, Charter and Bylaws of Nora's Path Community Association, Inc. In addition, the Association, acting through its Board, shall procure such general liability insurance as the Board deems

necessary to protect against hazards arising in connection with the ownership of the Common Areas.

SECTION 2: The powers and rights of the Association shall be as specified in the Charter and Bylaws of the Association, and the Declaration recorded in the Knox County Register's Office to which the Lots and Common Areas are subject, all as may be amended from time to time. Such provisions are incorporated herein as fully and as completely as if specifically set forth.

ARTICLE V

PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON AREAS

SECTION 1: Each member of the Association shall be entitled to the use and enjoyment of the Common Areas as provided by deed of dedication and/or the Declaration.

SECTION 2: Any member of the Association may delegate his rights of enjoyment in the Common Areas to the members of his family who reside upon the Lot or to any of his tenants who reside thereon. Such member shall notify the secretary of the Association in writing of the names of any such persons and of the relationship of the member to such person. The rights and privileges of such persons are subject to the same rules and regulations regarding their personal conduct and their use of the Common Areas as those of the members.

ARTICLE VI

MEMBERSHIP

SECTION 1: Every person or entity who is the Owner of a Lot or Lots of Nora's Path, as defined in Article I, shall be a member of the Association. Likewise, the Developer shall be an Owner and a member as long as it owns any Lots.

SECTION 2: Voting rights shall be appurtenant to the Lots. Each Owner, and the Developer, shall be entitled to one vote for each Lot owned. If more than one person owns any one Lot, all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

SECTION 3: Members and the families and guests of members shall have a license to use the roads and facilities located in Nora's Path.

SECTION 4: A member may be declared by the Board to be a member not in good standing in the event that such member has failed to pay any assessment or charge due the Association an levied against him or against the Lot, the ownership of which gives rise to his membership, or for violation of the rules and regulations of the Association. The member so

declared to be not in good standing may not be allowed to vote or hold office during such status and may also be limited as to his privileges as a member and shall be denied all services provided to members until satisfactory arrangements are made with the Board for payment of all outstanding obligations.

ARTICLE VII

EVIDENCE OF MEMBERSHIP AND TRANSFER

SECTION 1: Certificates of membership in the Association may be issued to the members thereof, but are not required. Such certificates shall be in such form as the Board shall from time to time designate and shall be issued over the signature of the president or other designated officers of the Association. Such certificate shall indicate the name of the member and shall indicate the Lot, the ownership of which gives rise to the member's membership. Such certificates shall also clearly state on their face that the Association is a nonprofit corporation. Adequate records shall be maintained at the registered office of the Association showing the names of the members, the date that such person became a member of the Association, and a sufficient description of the Lot or Lots giving rise to such membership.

SECTION 2: Membership in the Association is transferable only upon the transfer of ownership, (i.e., the fee simple title) of the Lot giving rise to such membership. All transfers shall be subject to the payment of all indebtedness to the Association of the member whose membership is transferred. It is the responsibility and obligation of the transferor to make payment of all unpaid fees and assessments on a pro rata basis to date of transfer of the Lot, and to notify the secretary of the Association in writing of the transfer of membership with the necessary information to enable the secretary to provide the new Owner, when in good standing, with copies of Bylaws, restrictions, rules and regulations, membership cards, etc.

ARTICLE VIII

MEETINGS OF MEMBERS

SECTION 1: The annual meeting of the members of the Association shall be held on the first and each subsequent anniversary of the 1st day of the month during which the Developer transfers control pursuant to Article III, Section 2 of the Declaration at the home of the president of the Association, or at such other time and place as designated by the president. The members shall elect directors at their annual meetings; and, further, the members shall consider the slate of officers for the Association, the annual budget, the dues and assessments, and any rules and regulations, and amendments thereto, of the Association suggested and presented by the Board. The members may reject or adopt any or all of the Board's recommendations, each in whole or in part, and may elect such officers, establish such budget, fix such dues and assessments, and effect such rules and regulations, and amendments thereto, of the Association as they may desire. (In the absence of a quorum for such annual meeting of the members, the slate of officers, the budget, the dues and assessments, and rules and regulations, and amendments thereto, for the Association submitted by the Board shall be deemed to have been approved by the members.) In

addition, the members shall consider such other business which may regularly come before the meeting.

SECTION 2: Special meetings of the members of the Association may be called by any two or more members of the Board. A special meeting may also be called upon the written petition of the members representing at least twenty percent of all the votes entitled to be cast at such special meeting. Said petition shall be addressed to the president of the Association, who shall thereupon fix the most commonly convenient place for such meeting and a time not more than thirty days after receipt of the petition. Petitions for such special meetings shall set forth the purpose for which the special meeting has been called; and the notice of any special meeting shall set forth the purpose of said meeting; and no business other than that specified in the notice of said meeting shall be considered at such special meeting.

SECTION 3: Written or printed notice stating the place, date and hour of the meeting and, in cases of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten days nor more than two months before the date of the meeting either personally or by mail to each member entitled to vote in such meetings. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid.

SECTION 4: A majority of the members entitled to vote, present in person or by proxy, shall constitute a quorum for the transaction of business. The meeting may be adjourned despite the absence of a quorum, and the meeting may be held as adjourned without further notice. When a quorum is present at any meeting, a majority of the votes there represented shall decide any question brought before such meeting, unless the question is one upon which, by express provision of the Association's Charter, these Bylaws, the Declaration, or by statute or other applicable law, a larger or different vote is required, in which case such express provision shall govern the decision of such question. Members shall have no right to cumulate their votes on any matter submitted to a vote.

SECTION 5: Every member entitled to vote at a meeting may do so either in person or by written proxy signed by such member or his attorney-in-fact, which proxy shall be filed with the secretary of the meeting before being voted. Such a proxy shall entitle the holder thereof to vote at any adjournment of such meeting, but shall not be valid after final adjournment thereof. No proxy shall be valid after the expiration of eleven months from the date of its execution unless otherwise provided for in the proxy.

SECTION 6: There shall be a record of the proceedings of all meetings of the members, which record shall be verified by the signatures of the president and secretary of the Association.

SECTION 7: Meetings of members of the Association shall be conducted in accordance with Roberts Rules of Order. Voting shall be by secret ballot if requested by at least twenty-five percent of those present in person and entitled to vote, or at the discretion of the presiding officer.

SECTION 8: Any meeting of the members of the Association shall be called to order by the president of the Association, and such president shall preside over the meeting throughout its proceedings.

ARTICLE IX

BOARD OF DIRECTORS

SECTION 1: The business affairs and the property of the Association shall be managed by its Board, subject to the restrictions set forth in these Bylaws.

SECTION 2: Directors shall be members of the Association (or a duly authorized representative of a member that is an entity) and shall serve without salary. The number of directors shall be fixed by the members of the Association, but shall never be less than the number required by law. Prior to the transfer of control by the Developer pursuant to Article III, Section 2 of the Declaration, the Board of Directors shall consist of not less than one (1) and not more than four (4) individuals. Thereafter, the number of directors shall be three. Directors shall serve for terms of three years each; except that at the initial meeting of the members of the Association after the transfer of control pursuant to Article III, Section 2 of the Declaration, one director shall be elected for a one-year term, one director shall be elected for a two-year term and one director shall be elected for a three-year term. Directors shall be elected by a plurality of the votes cast at the annual meeting of the members. Each director shall hold office until the expiration of the term for which such director was elected and thereafter until his or her successor has been elected and qualified. Directors may be elected for successive terms.

SECTION 3: Vacancies in the Board shall be filled by majority vote of the remaining directors; and such director shall hold office until the next meeting of the Association wherein a successor director is elected and qualified to fill such term.

SECTION 4: The annual meeting of the Board shall be held at the home of the president of the Association immediately preceding the annual meeting of the members of the Association. Regular meetings of the Board shall be held at the home of the president of the Association on a quarterly basis on the 1st days of March, June, September, and December of each year, unless a different time or place is designated by the president; and provided, further, that the Board may, by resolution, change the times and places of its regular meetings. Special meetings may be called at any time by any director or by the president of the Association. Members may attend any meeting of the Board.

SECTION 5: The annual and all regular Board meetings may be held without notice. If the day for the annual or any regular meeting of the Board shall fall upon a holiday, the meeting shall be held on the first day following which is not a holiday, and notice thereof need not be given. Special meetings shall be held upon notice sent by any usual means of communication not less than two days before the meeting unless said notice is waived by the directors, or action is taken by consent as provided in Article XIV herein.

SECTION 6: The presence of a majority of the directors then in office shall constitute a quorum for the transaction of business. The meeting may be adjourned despite the absence of a quorum, and notice of an adjourned meeting need not be given if the time and place to which the meeting is adjourned are fixed at the meeting in which the adjournment is taken, and if the period of adjournment does not exceed one month. The vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board, unless the vote of a greater number is required by the Charter, the Declaration, the Bylaws, or by statute or other applicable law.

SECTION 7: The Board, by a resolution adopted by a majority of the directors, may create one or more committees, consisting of one or more directors, and may delegate to such committee or committees any and all such authority as is permitted by law.

SECTION 8: There shall be a record of the proceedings of all meetings of the Board, which shall be verified by the signatures of the attending directors.

ARTICLE X

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1: In addition to all those powers normally incident to a board of directors of a Tennessee non-profit corporation, and those powers incident to the authority of the Board otherwise provided for in these Bylaws, the Board shall have power:

(a) To elect a slate of officers of the Association, to be submitted for approval to the members at their annual meetings.

(b) To call special meetings of the members whenever it deems necessary.

(c) To appoint and remove at its discretion all agents and employees of the Association, prescribe their duties, fix their compensation and require of them such security or fidelity bond as it may deem necessary, and to remove at its discretion all officers of the Association. Nothing contained in these Bylaws shall be construed to prohibit the employment of any member, officer or director of the Association in any capacity whatsoever.

(d) To suggest for approval by the Association, such rules and regulations relating to the use of the Lots and Common Areas and the conduct of any person thereon as the Board may deem reasonably necessary for the best interests of the Association and its members. The Board may also, in order to better enforce said rules and regulations, suggest, for approval by the Association, reasonable sanctions for non-compliance therewith.

(e) To enforce, concurrently with the members, the rules and regulations of the Association as approved by the members.

(f) To establish, levy, assess and collect all dues and assessment charges as the Board shall deem reasonable and necessary for the best interests of the Association and the purposes for which it was formed, subject, however, to the proviso that the members shall have the right of approval of the establishment, fixing and increasing of such dues and assessments, as provided in Article III hereof.

(g) To adopt a budget at its annual meeting for each year, based upon the report of the treasurer of the Association, which budget shall be presented to the members for consideration at their annual meeting.

(h) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, except as restricted herein or reserved to others in the Declaration, as the same may from time to time be amended.

(i) In the event that any director shall be absent from three consecutive regular meetings of the Board, to declare by action taken at the meeting during which said third absence occurs, the office of said absent director to be vacant, without the necessity of prior notice of such removal as otherwise required in the Bylaws.

SECTION 2: In addition to all those duties normally incident to a board of directors of a Tennessee non-profit corporation, and those duties incident to the authority of the Board as otherwise provided for in these Bylaws, it shall be the duty of the Board:

(a) To cause to be kept a complete record of all its tax and corporate affairs, to present a statement thereof to the members at the annual meeting or the members or at any special meeting which such is requested in accordance with the Bylaws.

(b) To supervise all officers, agents and employees of the Association, and to see that their duties are properly performed.

(c) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive of any assessment therein stated to have been paid.

(d) To present to the members at their annual meetings a slate of officers to serve for the next year, budget for the coming year, suggested dues and assessments for the coming year, and any rules and regulations, and amendments thereto, of the Association to be implemented.

ARTICLE XI

OFFICERS

SECTION 1: The Association shall have a president, vice president, secretary and treasurer and such other officers as the Board shall deem necessary. Any two or more offices

may be held by the same person, except the offices of president and secretary. All officers shall be members of the Association.

SECTION 2: A slate of officers shall be elected by majority vote of the Board, and that slate presented for consideration of the members of the Association at their annual meeting. Each officer shall serve for a term of one year or until such officer's resignation or removal.

SECTION 3: All officers shall have such authority and perform such duties in the management of the Association as are normally incident to their offices and as the Board may provide. In addition:

(a) The president shall preside at all meetings of the Board and of the members, shall see that orders and resolutions of the Board and the members are carried out and shall sign all notes, checks, leases, mortgages, deeds and all other written instruments.

(b) The vice president shall perform all the duties of the president in his absence.

(c) The secretary shall record the votes and keep the minutes of all proceedings in a book to be kept for that purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record in a book kept for that purpose, the names of all members of the Association together with their addresses as registered by such members. He 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, provided, however, that a resolution of the Board shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board.

(d) The treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the president or the vice president. The treasurer shall keep proper books of account and cause an annual audit of the Association books to be made at the completion of each fiscal year by a committee of three persons to be appointed by the president. (One person on such committee must be a member of the Board but may not be the treasurer.) He shall prepare an annual budget and balance sheet statement, and the budget and balance sheet statement shall be presented to the Board prior to the annual meeting of the members of the Association.

ARTICLE XII

RESIGNATIONS, REMOVALS AND VACANCIES

SECTION 1: Any officer or director of the Association may resign at any time by giving written notice to the Board or to the president or the secretary of the Association. Any such resignation shall take effect at the time specified therein, or, if no time is specified, then upon its acceptance by the Board.

SECTION 2: Any officer or agent of the Association may be removed by the Board at any time with or without cause, or by majority vote of the members of the Association at a meeting called for that purpose.

SECTION 3: Any or all of the directors of the Association may be removed either with or without cause by a majority vote of the members of the Association at a meeting called for the purpose of removing such director or directors. Any or all of the directors of the Association may be removed with cause by a majority vote of the entire Board at a meeting called for the purpose of removing such director or directors. The Board may remove a director without cause who has been elected by the Board, by the affirmative vote of two-thirds of the directors then office, at a meeting called for that purpose.

SECTION 4: Newly created directorships resulting from an increase in the number of directors, and vacancies occurring in any office or directorship for any reason, including removal of an officer or director, may be filled by the vote of a majority of the directors then in office, even if less than a quorum exists; and that director shall serve until his successor is elected and qualified at a meeting of the members held for such purpose.

ARTICLE XIII

WAIVER OF NOTICE

Members and directors of the Association may waive any notice required to be given by the Bylaws or the Tennessee Nonprofit Corporation Act, either before or after the date and time stated in the notice, by written waiver of notice signed by the member or director, as the case may be, who was entitled to the notice, delivered to the Association and filed with the minutes or records of the Association. The attendance at or participation in a meeting by a director waives any required notice of the meeting unless the director, at the beginning of the meeting or promptly upon his arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. A member's attendance at a meeting waives objection to lack of notice or defective notice of the meeting unless the member, at the beginning of the meeting or promptly upon his arrival, objects to holding the meeting or transacting business at the meeting; and such attendance waives objection to consideration of a particular matter at the meeting that is not within the purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

ARTICLE XIV

ACTION BY CONSENT

Whenever the members or Board are required or permitted to take any action by vote, such action may be taken without a meeting upon written consent, setting forth the action so taken, signed by all the persons or entities entitled to vote thereon. The affirmative vote of the number of members or directors that would be necessary to take such action at a meeting shall be the act of the members or Board, as the case may be.

ARTICLE XV

INDEMNIFICATION

The Association shall indemnify its officers and directors in the manner and to the extent as provided in the Tennessee Nonprofit Corporation Act, as the same may be amended from time to time.

ARTICLE XVI

AMENDMENTS

SECTION 1: Consistent with the Tennessee Nonprofit Corporation Act, and except as otherwise provided in the Bylaws or the Declaration, these Bylaws may be amended, added to, or repealed in either of the following manners:

1. At any duly constituted meeting of the members of the Association, by two-thirds of the votes cast or a majority of the total voting power of the membership, whichever is less; provided, however, any amendment to the Bylaws which relates solely to the dues required for membership and establishes or changes a specific amount for dues shall be approved by a majority of the members present and voting; and provided, further, that an amendment of a by-law that changes a voting requirement for members must be adopted by the same voting requirement then in effect or proposed to be adopted, whichever is greater.

2. A majority vote of the entire Board. Any change in the Bylaws made by the Board, however, may be amended or repealed by the members.

SECTION 2: Any matter stated in the Bylaws to be or which is in fact governed by the Declaration applicable to the Lots, and Common Areas may not be amended except as provided in such Declaration.

ARTICLE XVII

BOOKS AND PAPERS

The books, records and papers of the Association shall be subject to the inspection of any member of the Association at all reasonable times.

ARTICLE XVIII


CONSTRUCTION OF PROVISIONS

SECTION 1. If any provisions of these Bylaws shall be found to be contrary to or in conflict with any provision of the Tennessee Nonprofit Corporation Act or contrary to or in

conflict with any other proper and applicable law, rule, regulation or ordinance, federal, state or local, then and in that event, any such provision hereof shall be so construed as being in compliance with such provision of the said Tennessee Nonprofit Corporation Act or with such other law, rule, regulation or ordinance, adhering as closely as possible to the intent of said provision as originally herein set forth.

SECTION 2: In the case of any conflict between the Charter and these Bylaws, the Charter shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Approved and adopted by the Incorporator this 6th day of July, 2006.



Danny P. Dyer, Incorporator