

This instrument prepared by:

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DECLARATION OF ANNEXATION OF UNIT III TO CASCADE FALLS SUBDIVISION

This Declaration of Annexation of Unit III to Cascade Falls Subdivision is made as of the 20th day of June, 2005, by Cascade Falls, LLC, Terry Patton, managing member, hereinafter referred to as the "Developer".

WITNESSETH:

WHEREAS, the undersigned, Cascade Falls, LLC, Terry Patton, managing member (hereinafter referred to as "Developer") is the owner and developer of a tract of land in the Sixth District of Knox County, Tennessee and without the corporate limits of the City of Knoxville, Tennessee, and being known and designated as Cascade Falls Subdivision, UNIT 1 as shown on the map of same of record in the Register's Office for Knox County, Tennessee as Instrument No. 200407270008314 ("Subdivision"); and

WHEREAS, the Developer caused to be prepared a Declaration of Covenants and Restrictions for the Subdivision governing the development and continued existence of the Subdivision and recorded the same as Instrument No. 200407900009299 together with Amendment No. 1 thereto bearing Instrument No. 200503030069119 in the Register of Deeds Office for Knox County, Tennessee ("Declaration of Covenants and Restrictions"); and

WHEREAS, Article VII of the Declaration of Covenants and Restrictions ("Declaration") authorizes the Developer of the Subdivision to amend the Declaration and the Declaration contemplates additional Units to be added and subject to the Declaration; and

WHEREAS, the Developer of the Subdivision desires to annex additional land to the Subdivision described as Cascade Falls Subdivision, Unit III, as shown on the map of the same of record in the Register's Office for Knox County, Tennessee as Instrument No. 200506140101026 ("Subdivision") to be binding on the present owner and all subsequent owners of any lot or lots in Unit III of the Subdivision; and

WHEREAS, the Developer of the Subdivision further desires to amend Article III, Section 1.1, Section 1.2, and Section 1.76 of the Declaration for Unit III of the Subdivision as to Lot Nos. 46 through 59, 61, 87, 88, and 89.

NOW, THEREFORE, the Developer does hereby state and declare that the property described in Exhibit "A" attached hereto, being Unit III of Cascade Falls Subdivision, is hereby annexed by the Developer and made subject to all the terms and conditions of the Declaration of Covenants and Restrictions, Cascade Falls Subdivision, of record as Instrument No. 200407900009299 and Amendment No. 1 thereto bearing Instrument No. 200503030069119 in the Register's Office for Knox County, Tennessee. The property described in Exhibit "A" attached hereto is Unit III of Cascade Falls Subdivision and is annexed pursuant to Article VII of the aforereferenced Declaration.

Further, the Developer does hereby state and declare that the Declaration for Unit III of Cascade Falls Subdivision is amended as to Lot Nos. 46 through 59, 61, 87, 88, and 89 as follows:

1. Article III, Section 1.1 is amended by deleting the language:

"Houses with one and one-half stories up to two stories shall contain at least 2,400 square feet of living space total, excluding garages, porches, decks and terraces."

and substituting in lieu thereof the following language:

"Houses with one and one-half stories up to two stories shall contain at least 3,000 square feet of living space total, excluding garages, porches, decks and terraces."

2. Article III, Section 1.2 is amended by deleting the language:

"Houses with one floor or one floor and a basement shall contain a minimum of 2,000 square feet on the uppermost level, excluding garages, porches, decks and terraces."

and substituting in lieu thereof the following language:

"Houses with one floor or one floor and a basement shall contain a minimum of 2,500 square feet on the uppermost level, excluding garages, porches, decks and terraces, but including bonus room above the garage area."

3. Article III, Section 1.7 is amended by deleting the language:

"All front elevations must be brick, stone, or EIFS synthetic stucco. The exterior of all foundation walls must be brick, stone, or EIFS synthetic stucco. Concrete covered cinderblock foundations will not be permitted. All other above ground exterior walls (sides and rear), may have vinyl siding or hardboard unless otherwise approved in writing by Developer."

and substituting in lieu thereof the following language:

“All exterior walls, including foundation walls, above ground must be brick, stone, or EIFS synthetic stucco. Concrete covered cinderblock foundations will not be permitted.”

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed this 20th day of June, 2005.

CASCADE FALLS, LLC

BY: _____
Terry Patton, Managing Member

STATE OF TENNESSEE)
)
COUNTY OF KNOX)

Before me, the undersigned Notary Public, of the State and County aforesaid, personally appeared TERRY PATTON, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, who, upon oath, acknowledged himself to be the Managing Member of the within named bargainor, CASCADE FALLS, LLC, a Tennessee Limited Liability Company, and that he as such Managing Member, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing his name as Managing Member.

Sworn to and subscribed before me this the 20th day of June, 2005.

NOTARY PUBLIC

My Commission Expires: _____