

To follow are the covenants compiled February 13, 2006 to consolidate the existing covenants of Parts I, II, III and IV into a single document for neighborhood. These covenants were signed by 85% of homeowners in the neighborhood, exceeding the 75% needed for approval. A copy of the covenants and the required documentation was filed with the Madison County Chancery Clerk's office on December 15, 2006.

Protective Covenants
Trace Vineyard Subdivision
PARTS I, II, III AND IV

WHEREAS, K & R Development Company, a Mississippi general partnership, whose sole partners are Kenneth F. Pritchard and Roger C. Stewart, were the owners of all lots situated in Trace Vineyard Subdivision, Parts I, II, III, and IV, in the City of Madison, Madison County, Mississippi, according to the map or plat thereof on file and of record in the office of the Chancery Clerk of Madison County, Mississippi, in Plat Cabinet B at page 84; and

WHEREAS, the owners proposed certain Protective Covenants upon said subdivision for the protection and benefit of all purchasers, present and future owners.

WHEREAS, the requisite number of lots in Parts I, II, III and IV were sold, and each part is subject to a separate set of covenants;

WHEREAS, the owners of a majority of lots in Parts I, II, III and IV desire to amend the Protective Covenants to Parts I, II, III and IV of Trace Vineyard Community Association to have one set of covenants covering the entire subdivision.

NOW, THEREFORE, in accordance with Paragraph 12 of the Protective Covenants of Trace Vineyard Subdivision, Parts I, II, III and IV, said covenants are hereby amended as follows:

ARTICLE I

DEFINITIONS

The following words, when used in this covenant, or any additional covenants, unless the context shall indicate a conjure intention, shall have the

following meanings:

A. “Association” shall mean and refer to Trace Vineyard Community Association, its assessors and assigns.

B. “The property” shall mean and refer to the property described on the map or plat on file and of record in the office of the Chancery Clerk of Madison County, Mississippi, in Plat Cabinet B at slides 93-94 and Cabinet C at slide 9.

C. “Common area” shall mean all real property owned by the Association for the common use and enjoyment of the owners. The common area shall be deeded to the Association and shall be maintained by the Association and shall include, but not be limited to the lake, dam, Rice Road frontage, and additional property designated on the attached Exhibit “A”.

D. “Site” shall mean and refer to any numbered plat of land being in the recorded subdivision map of the properties. “Sites” are commonly known as lots.

E. “Owner” shall mean and refer to the record owner, whether one or more person or entities of a fee simple title to any site which is part of the property, excluding those having such interest merely as security for performance of an obligation.

F. “Member” shall mean and refer to every person or entity who holds membership in the Association.

G. “Board” shall mean the Board of Directors of the Association.

H. “Lake” shall mean the lake located in Trace Vineyard Subdivision.

ARTICLE II

Purpose, enforcement and by-laws: The owners desire to provide for the preservation of the values and amenities of the community and for the maintenance of the lake, dam and common facilities; to this end, the owners desire to subject the property to these covenants, restrictions, easements, charges, and liens set forth in this Declaration, each and all of which is and are for the benefit of the property and each owner. The owners deem it desirable for the efficient preservation of the values and amenities in the community. The owners direct the Association to administer and enforce these covenants and restrictions, and to do all things necessary to preserve the value and amenities of this community. The

Association is directed to adopt and enforce (through these covenants) by-laws that govern the Association and promote the purpose of these covenants. All items in the covenants are subject to applicable federal, state, and city laws and ordinances and regulation, and where there is any provision in conflict with the requirements of any public entity having regulatory jurisdiction, the stricter regulation will control. Any portion of the covenants may be enforced by the City of Madison, although the City is not required to do so.

ARTICLE III

Property subject to this Declaration: As indicated in the original Protective Covenants filed covering Parts I, II, III and IV of Trace Vineyard Subdivision, all property in Trace Vineyard Subdivision shall be held, transferred, sold and conveyed and occupied subject to this Declaration. These amendments shall supersede and replace the original covenants.

ARTICLE IV

Trace Vineyard Community Association: Every person or entity who is the owner of any site shall be a member of the Trace Vineyard Community Association and shall abide by the Articles of Incorporation, By-laws, rules and decisions of that Association. Membership shall be appurtenant to and may not be separated from the ownership of any site. The Trace Vineyard Community Association shall be governed by its Articles of Incorporation and its By-laws.

ARTICLE V

Property Rights in Common Properties:

Easements of enjoyment. Every member shall have the right and easement of enjoyment in and to the common properties of the lake, dam and such other properties designated as common properties and deeded to the Association. This easement shall be appurtenant to and shall pass with the title to every site subject to the restrictions imposed by these covenants in the Articles of Incorporation and By-laws of the Association.

ARTICLE VI

Covenant for maintenance assessments:

Section 1. Creation of a lien and personal obligation of assessments and

special assessments. Each site located within the properties shall be deemed, to covenant and agree, and each owner of any site by acceptance of a deed, whether or not it shall be so expressed, by any deed or any other conveyance, shall be deemed to covenant and agreed to pay the Association's annual assessments, dues or charges and special assessments, fees and penalties, together with such interest thereon and cost of collection, including, but not limited to attorney's fees, with these amounts being a charge on the land and a continuing lien upon the property against which such assessment or special assessment is made. Each such assessment or special assessment, fee or penalty together with any such interest and cost of collection including but not limited to reasonable attorney's fees and expenses, shall also be the personal obligation of the person who is the owner of such property at the time when the assessment, special assessment, fee or penalty fell due and the personal obligation of any person who owns or has owned the property subsequent to the time when the assessment, special assessment, fee or penalty fell due prior to the date of it being paid. No lot owner, however, shall be liable for the payment of any part of an assessment, special assessment, fee or penalty assessed against his lot subsequent to the date of that sale, transfer or conveyance by him being duly recorded in the records of the office of the Chancery Clerk of Madison County, Canton, Mississippi.

Section 2. The Subordination of Lien. The lien of assessments and special assessments and other assessments set forth in this document shall be subject to and subordinate to the lien of any first mortgage, or Deed of Trust.

Section 3. Fixings of Assessments. Assessments shall be fixed by the Association in accordance with the Articles of Incorporation and Bylaws of the Association.

Section 4. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the properties, for the improvement and maintenance of the lake, dam and other common area, for the landscaping, improvement and maintaining properties in the public right-of-way of the streets or roads in or adjoining the subdivision, and to carry out the purpose of the Association, including, but not limited to the powers, duties and activities set forth in this Declaration, the Articles of Incorporation, Bylaws and authorized activities of the Association.

ARTICLE VII

Membership and Voting Rights:

Section 1. Membership. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of the lot, which is subject to assessment, subject to the Articles of Incorporation and Bylaws of the Association.

Section 2. Voting Rights. Owners shall be entitled to one (1) vote for each lot owned. If more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot. All voting rights are subject to restrictions of the Articles of Incorporation and Bylaws of the Association.

ARTICLE VIII

General Restrictions and Common Scheme Restrictions: The following restrictions are imposed as general and common scheme restrictions upon the site and common areas for the benefit of each other site and common area and may be enforced by any owner of a site or by the Association. The Board for the benefit and wellness of the association may impose additional restrictions.

Section 1. Garbage, Refuse or Waste. No lot shall be used or maintained as a dumping or collection ground for any items of garbage waste, refuse, trash or items of a similar nature, except as such items may be present on a given lot for a temporary period of time as may be necessary to secure the removal thereof from such lot, and in that circumstance, the same shall be maintained and kept in a sanitary condition. No garbage, refuse, rubbish, tree limbs, pine straw, leaves, cuttings or trash shall be deposited on any street, road, dam or common area, nor on any site unless placed in a container or in a manner suitable for garbage pick up as regulated by the City of Madison. No such materials shall be placed in the lake unless authorized by the Association.

Section 2. Building Materials. No building materials of any kind or character shall be placed upon any site, except in connection with construction. As soon as the building materials are placed on any site in such connection, construction shall be promptly commenced and diligently pursued until completion.

Section 3. Lake Structures. No building, pier, dock, gazebo, bathes or structure of any kind shall be located by any owner, except the Association, on or within ten feet of the property line of any lot on the lake.

Section 4. Miscellaneous Structures and Appurtenances. Clotheslines, woodpiles, satellite dishes over 24 inches in diameter, receivers or similar devices, and storage areas shall be located as to minimize their visibility from any street, road or common area. The Board must approve any exception.

Section 5. Exterior Lighting. Any exterior lighting installed on the site shall be either indirect or of such controlled focus and intensity as not to disturb the residents of adjacent property.

Section 6. Animals and Household Pets. No animals shall be kept on any site or common area except ordinary household pets belonging to the household. Household pets shall be kept on a leash in accordance with the leash law of the City of Madison or in a fenced area when outside a dwelling. Household pets may not be kept, bred, or maintained for commercial purposes. No kennels shall be placed on any lot for commercial purposes.

Section 7. Signs. No signs of any kind may be placed on the public right of way or the common areas. Political signs, signs for sale or rental of property, church functions, school spirit, lost animals, garage sales may be posted on your property and should be removed immediately following the event being advertised.

Section 8. Temporary Structures. No temporary house structure, house trailer or non-permanent out building shall be placed, erected or allowed to remain on any site or common property. This includes metal, fabric, or aluminum carports, or sheds.

Section 9. Vehicles. Except as herein provided, no junk vehicle or vehicles that do not have a current tag and inspection decals, commercial vehicle, recreational vehicle, boat or other machinery or equipment of any kind or character shall be kept upon the property. Excepted from this restriction is:

- a) Equipment and/or machinery as may be reasonable, customary, and usual in the connection with the use and maintenance of any dwelling or other improvements located upon the property required in connection with the maintenance, improvement and operation of common areas of the Association or required in connection with construction of any dwelling with such construction improvements to be diligently pursued and such equipment to be immediately removed upon completion of its use during the construction.
- b) Bona fide emergencies in which the repair or extraordinary

maintenance of automobiles or other vehicles shall be immediately carried out and completed; and

- c) Any vehicle, trailers, boats, machinery, equipment or the like stored and kept within an enclosed storage room or garage.

Section 10. Lot Use. None of the lots may be improved, used, or occupied for any purpose other than private single-family residential purposes except for the lake, dam, or other common properties of Trace Vineyard Community Association. which shall be used subject to the restrictions and rules of the Association solely for recreational and similar (but not commercial or industrial) purposes.

Section 11. Setback Restrictions. All buildings built on any site shall comply with all set back restrictions as required by the City of Madison and to any further and more restrictive setback regulations, which may be imposed in the deed to each purchaser of a site. Such set back restrictions shall be covenants running with the land. The City of Madison requires a building permit for any fence, storage building or renovation to an existing home. Part of that requirement is a letter of approval from the Board approving the construction of any fence, storage building, or renovation of an existing home.

Section 12. Division of Lots. No lot, as originally planned, may be subdivided into two (2) or more lots in order to build more than one residential dwelling on such lot. This covenant shall not be construed, however, to prohibit the owner of two or more contiguous lots from erecting one residence on the lots as if the lots were a single lot. This covenant shall not be construed, however, to prohibit the association from designating any part of the lot as a common area of the Association.

Section 13. Fences. No fence shall be constructed in the front yard of any lot any further than the actual front set back line of the house. No fence in the subdivision shall be cyclone, chicken wire, barbwire or chain link. No fence shall be higher than 6 feet above the ground. Any fence constructed and placed on any lot prior to its sale, including but not limited to the fence around the boundary of the property, shall be constructed of redwood, cedar, wrought iron, or similar material, and maintained in the same condition by the owner and shall be replaced and repaired in the same or similar condition as needed. The Association may construct and/or erect any fence of any type in any landscape easement, common area or other property.

Section 14. Minimum Square Footage of Residences. All residences shall be built to contain at least 2000 square foot of livable heated and cooled space. Such square footage requirements of livable heating and cooling space shall be covenants running with the land. Each site shall have a garage or carport. No carport shall face any street and all garages facing any street shall have operable garage doors. Any dwelling destroyed by fire or any natural disaster, if rebuilt, must be rebuilt to the same standards and architecture of Trace Vineyard subdivision.

Section 15. Vehicle Parking. All owners' vehicles shall be parked off the public streets and roadways. Parking on the street should be temporary and for the use of guest or visitors to an owners home. Temporary for this purpose is defined as a short period of time and not on a continuous basis. All vehicles must be parked on the paved surface.

Section 16. Utilities. All utilities in Trace Vineyard Subdivision shall be underground.

Section 17. Restrictions on Commercial Ventures or Businesses. No commercial venture, business, trade or activity shall be carried on in Trace Vineyard Subdivision. Excluded are businesses run from the home that comply with the zoning and permit regulations of the City of Madison and are not open to the general public.

Section 18. Firearms Prohibited. No firearms shall be operated or used on any property in Trace Vineyard Subdivision.

Section 19. Noise Restrictions. No exterior speaker, horn, whistle, bell or other sound device, except security devices used exclusively for security purposes, shall operated in a manner which causes a disturbance in Trace Vineyard Subdivision.

Section 20. Use of Common Open Space. The lake, dam and common areas of Trace Vineyard Community Association shall be used only by the owners of the lots in Trace Vineyard Subdivision and their immediate family or guests. Any guests using the common areas must be accompanied by the owner. No owner may invite or allow more than twenty (20) guests to use the common area any one time without prior written approval of the Association. Each owner using the lake, dam and common area shall keep them clean and leave them in a good appearance and condition. Any person utilizing the lake, dam, or other common area shall do so *at their sole risk and peril and shall assume all risk instant to their use of such area or their operation of any vehicle on such area or activities conducted by them.* Use of the lake, dam or other common areas shall be subject to the

restrictions, rules and regulations adopted by the Association. No motorized vehicles of any type are allowed on any common area.

Section 21. Operation of Boats, Motors or Recreational Equipment on the Lake. No boat, motor or recreational equipment shall be allowed on the lake except for use by the Association.

Section 22. Swimming in Lake Prohibited. No swimming shall be allowed in the lake.

Section 23. Nuisances. No activity, which may become an annoyance or nuisance to the neighborhood, shall be conducted in Trace Vineyard Subdivision.

ARTICLE IX

General Provisions:

Section 1. Duration. The covenants and restrictions of this declaration shall run with and bind the land, shall inure to the benefit of and be enforceable by the Association, or the owner of any land subject to this declaration, their respective legal representatives, heirs, successors and assigns, for a period thirty (30) years from the date this declaration is recorded, after which time the covenants shall be automatically extended for three successive periods of ten years unless an instrument terminating these covenants and restrictions signed by the then owners of 75% of the lots has been recorded prior to the commencement of any ten-year period.

Section 2. Amendments. These covenants and restrictions may be amended by any instrument signed by not less than 60% of the owners. Any amendment must be recorded in the office of the Chancery Clerk of Madison County, in Canton, Mississippi.

Section 3. Severability. Invalidation of any one of these common Covenants and Restrictions by judgment or court order shall in no way effect any other provisions which shall remain in full force and effect.

Section 4. Enforcement. Enforcement of these covenants and restrictions shall be by the Association or any owner of a lot. Enforcement may be sought by any proceedings at law or equity against any person or persons violating or attempting to violate any covenant or restriction of this document or any provision of the

Articles of Incorporation, Bylaws, rules, regulations, or other action of the Association. Enforcement may restrain violation, recover damages, force any lien created by these covenants or seek other relief. I (We) recognize that disputes or differences may arise between homeowners and the Board or other homeowners. I (We) agree to submit any and all disputes that cannot be resolved to final and binding arbitration.

Arbitration shall be before one arbitrator and in accordance with The National Rules for the resolution of disputes, published by the American Arbitration Association. The Board and I further consent to the jurisdiction of the United States District Court in the district in Mississippi where we are located and where the arbitration will take place, or, if jurisdiction is not appropriate in that court, then in the Mississippi Court having jurisdiction for the enforcement of any judgment resulting from this arbitration.

The failure of the Association or any owner to enforce any covenant restriction thereon shall in no event be deemed a waiver of the right to thereafter enforce the same or other covenants.

Section 5. Annexation. Additional residential property or common area may be annexed to the properties with the consent of two-thirds of the Association members.