

ACTION OF THE BOARD OF DIRECTORS

OF

THE FARM AT WILLOW CREEK HOMEOWNERS ASSOCIATION, INC.

**Taken by Written Consent
In Lieu of a Meeting**

Pursuant to Section 48-58-202 of the Tennessee Nonprofit Corporation Act, the undersigned, being the entire board of directors of The Farm at Willow Creek Homeowners Association, Inc. (the "Corporation"), hereby consent to taking this action without a meeting, hereby adopt the following resolutions as the action of the board of directors of the Corporation in lieu of a meeting, and hereby direct that this written consent be filed with the minutes of the proceedings of the Corporation:

RESOLVED, that the Bylaws attached to this action are hereby approved and adopted as the Bylaws of the Corporation, amending, modifying, repealing, replacing and superseding any existing Bylaws of the Corporation, and that the officers of the Corporation (as elected below) and any one of them are hereby authorized and directed to place the Bylaws attached to this action in the records of the Corporation as the duly adopted Bylaws of the Corporation.

FURTHER RESOLVED, that the following persons are hereby elected as the officers of the Corporation to serve in the capacity indicated next to their name in accordance with the bylaws of the Corporation until their successors are duly elected:

Kent A. Burns	-	President
Karen Schultz	-	Secretary
Bruce Duggins	-	Treasurer

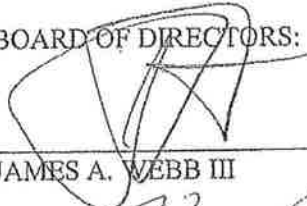
FURTHER RESOLVED, (a) that the Amended and Restated Charter of the Corporation attached to this action is hereby approved and adopted, (b) that such Amended and Restated Charter be submitted to the members of the Corporation for the members' approval with the recommendation by the board of directors that the Amended and Restated Charter be approved by the members, and (c) that upon obtaining the approval of the Amended and Restated Charter by the members, the president and/or other officers of the Corporation be and hereby are authorized and directed to execute the same and to take such actions (including without limitation filing the Amended and Restated Charter with the Secretary of State of Tennessee) as are necessary to reflect adoption of the Amended and Restated Charter by the Corporation in substantially the form attached to this action.

FURTHER RESOLVED, that the president of the Corporation is hereby authorized and directed to call and conduct, in accordance with the Bylaws of the Corporation and applicable law, a special meeting of the members of the Corporation on February 24, 2011 at 6:30 o'clock p.m. local time or at such other date and time determined by the president, at which the Amended and Restated Charter referenced in the foregoing resolution will be submitted to the members of the Corporation for their approval as contemplated by the forgoing resolution. The location of the meeting shall be determined by the president and shall be set forth in the notice to the members.


[signatures on following page]

WITNESS, the consent of the entire board of directors of the Corporation, each of whom by his or her signature (i) waives any and all requirements of taking of this action by meeting, (ii) consents to taking this action without a meeting and (iii) casts his or her affirmative vote for adoption of the resolutions set forth herein, effective the 10th day of FEBRUARY, 2011.

BOARD OF DIRECTORS:



JAMES A. WEBB III



KENT A. BURNS



KAREN SCHULTZ

BRUCE DUGGINS

JASON BURGER

WITNESS, the consent of the entire board of directors of the Corporation, each of whom by his or her signature (i) waives any and all requirements of taking of this action by meeting, (ii) consents to taking this action without a meeting and (iii) casts his or her affirmative vote for adoption of the resolutions set forth herein, effective the ____ day of _____, 2011.

BOARD OF DIRECTORS:

JAMES A. WEBB III

KENT A. BURNS

KAREN SCHULTZ



BRUCE DUGGINS

2/10/11

JASON BURGER

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BOARD OF DIRECTORS:

JAMES A. WEBB III

KENT A. BURNS

KAREN SCHULTZ

BRUCE DUGGINS



JASON BURGER

**BYLAWS
OF
THE FARM AT WILLOW CREEK HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is The Farm at Willow Creek Homeowners Association, Inc. The principal office of the corporation shall be located at 9041 Executive Park Drive, Suite 201, Knoxville, Tennessee 37923.

**ARTICLE II
DEFINITIONS**

Section 1. The word "corporation" where used herein shall mean and refer to The Farm at Willow Creek Homeowners Association, Inc., its successors and assigns.

Section 2. "Property" shall mean and refer to The Farm at Willow Creek as shown on the plat of the same of record in the records of the Knox County, Tennessee Register's Office as Instrument No. 200604070084075 (the "Plat"), and any additional property or common area duly annexed thereto and for which this corporation may hereafter be designated to provide maintenance services.

Section 3. "Lot" shall mean and refer to the residential lots shown on the Plat, except for any numbered lot on the Plat designated as "open space", "common area" or similar designation which is utilized as such and is not intended to be utilized for residential purposes.. The areas designated as "open space", "common area" or similar designation shall be conveyed by the owner(s) thereof to the Association within thirty (30) days after both the following have occurred: the adoption by the Board of Directors of these Bylaws and the adoption by the members of the Amended and Restated Charter in conjunction with which these Bylaws are adopted.

Section 4. "Restrictions" shall mean and refer to the Declaration of Restrictive Covenants of record as Instrument Number 200604110084945, Register's Office for Knox County, Tennessee, as amended from time to time.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more means persons or entities, of the fee simple title to any Lot, but shall exclude parties having an interest in any Lot merely as security for the performance of an obligation or who owns merely an equitable interest in any Lot under a contract to purchase.

Section 6. The terms "member" or "members" shall mean and refer to each Owner, unless otherwise specifically defined in context (e.g., a member of the Board of Directors).

Section 7. The term "Charter" shall refer to the Charter of the corporation, as the same may be amended and/or restated from time to time.

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meetings. The first regular annual meeting of the members shall be held within one year from the date of the adoption of these Bylaws on a date to be set by the Board of Directors and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter or as otherwise may be set by the Board of Directors by notice to the members, at a time set in the notice described in Article III, Section 3, below. Annual meetings shall be held at a location in Knox County, Tennessee selected by the Board of Directors. If the day for the annual meeting of the members in any year is a Saturday or Sunday or legal holiday, the meeting will be held on the first day thereafter which is not a Saturday or Sunday or legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors of the corporation, or upon written request of the members having at least ten (10%) percent of the votes entitled to be cast on any issue. Special meetings shall be held at a location in Knox County, Tennessee as set forth in the notice for the meeting.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary of the corporation or the person authorized to call the meeting, by hand delivery or mailing a copy of such notice, postage prepaid, at least ten (10) but not more than sixty (60) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the corporation or supplied by such member to the corporation for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, not less than ten percent (10%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Charter, the Restrictions, or these Bylaws. If however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Majority Vote; Withdrawal of Quorum. When a quorum is present at any meeting, the vote of the holders of more than fifty percent (50%) of those votes entitled to be cast of members qualified to vote and present in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Restrictions, the Charter of the corporation or these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question. The

members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the corporation. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

Section 7. Cumulative Voting Denied. Cumulative voting for Directors shall not be permitted.

ARTICLE IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The business affairs of this corporation shall be managed by a Board of Directors consisting of five (5) persons, who are each an Owner or who shall be officers, employees, owners, members, shareholders, or partners of an Owner or who shall be otherwise affiliated with an Owner.

Section 2. Appointment and Term of Office. Freeman Webb Willow Creek, LLC (the "Appointing Member"), so long as it is the Owner of not less than eight (8) Lots, shall have the power and authority to appoint three (3) directors. Each director so appointed shall hold office for a term of one (1) year or until his or her successor is appointed or elected or until his or her earlier death, resignation, or removal. The other directors shall be elected by the members and hold office for a period of one (1) year or until his or her successor is elected or until his or her earlier death, resignation or removal. Such director shall be elected by a plurality of the votes cast in the election. The initial directors James A Webb III, Kent A. Burns and Karen Schultz shall be deemed to be the directors appointed by the Appointing Member.

Section 3. Removal. Any director appointed or deemed appointed by the Appointing Member may be removed from office, with or without cause, only by the Appointing Member, so long as the Appointing Member is the Owner of not less than eight (8) Lots. In the event of such removal, the Appointing Member shall appoint a successor to serve for the unexpired term of such removed director. Other directors may be removed by the members with or without cause. Provided, however, so long as the Appointing Member is the owner of not less than eight (8) lots, the Appointing Member may not vote for the removal of any director (other than a director appointed or deemed appointed by the Appointing Member), but the Appointing Member may vote on any replacement for any such director removed by the members.

Section 4. Election by Members. At such time as the Appointing Member ceases to own at least eight (8) Lots, no directors shall be appointed by the Appointing Member, but all directors shall thereafter be elected by the members of the corporation at the annual meetings of such members. All directors shall serve a term of one (1) year and until their successor is elected and qualified or until their earlier death, resignation, or removal. Such directors shall be elected by a plurality of the votes cast in the election.

Section 5. Compensation. No director shall receive compensation for any service he or she may render to the corporation.

Section 6. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by either (i) obtaining approval of the action in writing signed by all the directors, or (ii) by obtaining the consent of all directors to taking such action without a meeting and obtaining the affirmative vote of the number of directors that would be necessary to authorize or take such action at a meeting. All such consents and actions taken without a meeting shall be in writing and recorded in the minutes of the corporation. Any action so taken and recorded shall have the same effect as though taken at a meeting of the directors.

Section 7. Chairman. The Board of Directors shall elect one of the members of the Board of Directors to serve as Chairman and such Chairman shall preside at all meetings of the Board of Directors.

ARTICLE V Meetings of Directors

Section 1. Regular Meeting. Regular meetings of the Board of Directors shall be held annually without notice, immediately following the annual meeting of the members, at the place of such annual meeting of members. Should said meeting fall upon a Saturday or Sunday or legal holiday, then that meeting shall be held at the same time on the next day which is not a Saturday, Sunday, or legal holiday

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the corporation, or by any three directors, after not less than two (2) days' notice to each director, provided such notice may be waived, in writing.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors, except as otherwise specifically provided herein.

ARTICLE VI POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) adopt and publish rules and regulations governing the use of any facilities made available to the members, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

- (b) suspend any member's voting rights and right to use any facilities which may be made available to members during any period in which such member shall be in default in the payment of any assessment levied by the corporation, and, after notice and hearing, to suspend such rights for a period not to exceed sixty (60) days, for each infraction of published rules and regulations;
- (c) exercise for the corporation all powers, duties, and authority vested in or delegated to this corporation and not reserved to the members by other provisions of these Bylaws, the Charter, or the Restrictions;
- (d) employ a manager, independent contractors, employees, and such agents as the Board of Directors deems necessary to carry out the function of the corporation; and
- (e) exercise all of the powers of a director of a corporation under the Tennessee Nonprofit Corporation Act, as amended from time to time.

Section 2.

Duties.

It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs;
- (b) supervise all officers, agents and employees of this corporation, and to see that their duties are properly performed;
- (c) enforce all assessments on all Lots, as more fully provided in the Restrictions;
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned by or under the jurisdiction of the corporation;
- (f) cause all officers of employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause any area or facility under the jurisdiction of the corporation to be adequately maintained;
- (h) elect all members of the Architectural Review Committee (as defined in the Restrictions); and

- (i) prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this corporation shall be a president, a secretary and a treasurer and such other officers as the Board of Directors may from time to time by resolution create, each of whom shall be members or who shall be officers, employees, owners, members, shareholders, or partners of members or who are otherwise affiliated with a member but who shall not be required to be members of the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the regular meeting of the Board of Directors following each annual meeting of the members.

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

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

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

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Any two or more offices may be held by the same person, except those of president and secretary.

Section 8. Duties. The duties of the officers are as follows:

- (a) The President shall be the chief executive officer of the corporation; shall see that orders and resolutions of said Board are carried out; shall sign all contracts, leases, mortgages, promissory notes, deeds and other written instruments and shall sign all checks.

- (b) The Vice President(s), if any, shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.
- (c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and the members; keep the corporate seal of the corporation, if it has one, and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the members; keep appropriate current records showing the members of the corporation, together with their addresses, and shall perform such other duties as required by the Board of Directors.
- (d) The Treasurer, if any, shall receive and deposit in appropriate bank accounts all monies of the corporation and shall disburse such funds as directed by resolution of the Board of Directors.

ARTICLE VIII COMMITTEES

The Board of Directors shall appoint such committees as may be deemed appropriate in carrying out the purpose of the corporation.

ARTICLE IX BOOKS AND RECORDS

The books, records and papers of the corporation shall at all times, during reasonable business hours, be subject to inspection by any member. The Restrictions, the Charter and the Bylaws of the corporation shall be available for inspection by any member at the principal office of the corporation, where copies may be purchased at a reasonable cost.

ARTICLE X ASSESSMENTS

Subject to the terms hereof, it shall be the duty of every member to pay all assessments, as more fully provided in the Restrictions, and as assessed in the manner therein provided. The amount of the assessment levied by the corporation shall be paid to the corporation in the manner designated by the Board of Directors on or before the date or dates fixed by the Board. If any member shall fail or refuse to make any such payment of assessments when due, such delinquent payment shall be subject to a late charge in an amount established by the Board of Directors, and such delinquent payment shall also bear interest at the maximum rate of interest allowed by law, but not in excess of twelve (12%) percent per annum. Such delinquent payment, together with

penalty and interest, shall constitute a lien, as provided in the Restrictions, enforceable by the Board, on the interest of such member in the Property.

The corporation, or its successors and assigns, acting through the Board of Directors or its agents, shall have the right to maintain a suit to foreclose any such lien, and there shall be added to the amount due the costs of said suit and other fees and expenses, together with legal interest and reasonable attorney's fees to be fixed by the court. The corporation, acting through its Board of Directors, shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Restrictions or these Bylaws, or as are otherwise available at law or in equity, for the collection of all unpaid assessments. The rights and remedies as set forth in this Article shall be in addition to the Board's right to suspend a member's voting rights and privileges as set forth in Article VI, Section 1(b).

Notwithstanding anything to the contrary contained in these Bylaws, (i) any special assessment for capital improvements or any other purpose must be approved by not less than four (4) Directors and (ii) any increase in the annual assessment of more than two percent (2%) over the current annual assessment in the amount of \$850 per year, which assessments shall be due and payable quarterly by the 15th day of the first month of each such quarter must be approved by not less than four (4) Directors.

ARTICLE XI CORPORATE SEAL

The corporation shall not have a seal.

ARTICLE XII AMENDMENTS

These Bylaws may be altered, amended or repealed, and any new Bylaws may be adopted, by the members by the affirmative vote of two-thirds (2/3) of the votes cast on such amendment or by a majority of the voting power of the members, whichever is less. These Bylaws may also be altered, amended, or repealed, and any new Bylaws may be adopted, by a majority of the Directors present at any regular meeting of the Board or at any special meeting of the Board called for such purpose. Provided, however, that any amendment or other modification by the Board of Directors to Article X or Article XII of these Bylaws must be approved by not less than four (4) Directors. So long as the Appointing Member owns not less than eight (8) Lots, any amendment to the Bylaws or the Charter of the corporation requires the consent of the Appointing Member.

ARTICLE XIII INDEMNIFICATION

The corporation shall indemnify any director, officer, employee, or former director, officer, or employee of the corporation, against expenses actually and necessarily incurred by him, and any

amount paid in satisfaction of judgments, in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a director, officer, or employee (whether or not a director, officer or employee at the time such costs or expenses are incurred or imposed upon him) except in relation to matters as to which a judgment or other final adjudication adverse to him establishes his liability (a) for breach of the duty of loyalty to the corporation or its members, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (c) for unlawful distributions under the Tennessee Nonprofit Corporation Act. The corporation may also reimburse to any director, officer, or employee the reasonable costs of settlement of any such action, suit or proceedings, if it shall be found by a majority of a committee of the directors not involved in the matter or controversy, whether or not a quorum, that it is in the best interests of the corporation that such settlement be made and there is no judgment or other final adjudication adverse to such director, officer, or employee that establishes his liability (a) for breach of the duty of loyalty to the corporation or its members, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (c) for unlawful distributions under the Tennessee Nonprofit Corporation Act. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such director, officer, or employee may be entitled by law or under bylaw, agreement, vote of members or otherwise.

ARTICLE XIV MISCELLANEOUS

Section 1. The fiscal year of the corporation shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year or part thereof shall begin on the date of the incorporation.

Section 2. The corporation shall not issue shares of stock. The directors may, however, vote to issue certificates evidencing membership in the corporation.

Section 3. These Bylaws are intended to be in conformity with the requirements of the Tennessee Nonprofit Corporation Act, as amended. If the Tennessee Nonprofit Corporation Act, as amended, does not allow certain of these Bylaws to control in any given situation, then the applicable provisions of said act shall prevail.