

**CHARTER
OF
CASCADE FALLS SUBDIVISION HOMEOWNERS ASSOCIATION**

The undersigned natural person, having the capacity to contract and acting as the incorporator of a corporation under the Tennessee Nonprofit Corporation Act, adopts the following Charter for such corporation:

ARTICLE I

The name of the corporation is **CASCADE FALLS SUBDIVISION HOMEOWNERS ASSOCIATION.**

ARTICLE II

The Corporation is a public benefit corporation and is organized exclusively for the purpose of exercising all of the powers and privileges and performing all of the duties of the Association as set forth in that certain Declaration of Covenants and Restrictions of record in the Office of the Register of Deeds of Knox County, Tennessee, and as the same may be amended from time to time as therein provided, for the Cascade Falls Subdivision, together with those powers, privileges, and duties set forth in Article X below.

ARTICLE III

The street address, county, and zip code of the corporation's initial registered office is:

**1940 Cascade Falls
Knoxville, Knox County, Tennessee 37932**

ARTICLE IV

The name of the corporation's initial registered agent located at the corporation's initial registered office is:

**Terry O. Patton
1940 Cascade Falls
Knoxville, Tennessee 37932**

ARTICLE V

The name, address, and zip code of the incorporator is:

**Terry O. Patton
1940 Cascade Falls
Knoxville, Knox County, Tennessee 37932**

ARTICLE VI

The street address and zip code of the principal office of the corporation is:

**1940 Cascade Falls
Knoxville, Knox County, Tennessee 37932**

ARTICLE VII

The corporation is a not-for-profit corporation and shall have no seal.

ARTICLE VIII

The corporation shall have members.

ARTICLE IX

No part of the income of the corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof.

ARTICLE X

The corporation shall, in addition to the powers, privileges, and duties set forth in Article II above:

- Section 1. Fix, levy, collect, and enforce payment by any lawful means, all charges and/or assessments pursuant to the terms of the Declaration, pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes, and/or governmental charges levied or imposed against the property of the Association;
- Section 2. Acquire, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real and/or personal property in connection with the affairs of the Association;
- Section 3. Borrow money, and with the assent of seventy-five percent (75%) of the members, mortgage, pledge, deed in trust, or hypothecate any or all of its real and/or personal property as security for money borrowed or debts incurred;
- Section 4. Participate in mergers and consolidations with other non-profit, mutual benefit corporations organized for the same purposes or annex additional residential property, provided that any such merger, consolidation, or annexation shall have the assent of seventy-five percent (75%) of the members;
- Section 5. Dedicate, sell, transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members; such dedication or transfer shall not be effective unless an instrument has been signed by seventy-five percent (75%) of the members, agreeing to such dedication, sale or transfer;
- Section 6. Have and exercise any and all powers rights, and privileges, which a not-for-profit, mutual-benefit corporation organized under the Tennessee Nonprofit Corporation Act by law may now or hereafter have or exercise.

ARTICLE XI

Upon the dissolution of the corporation, the directors shall, after paying or making provision for payment of all of the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 and its Regulations as they now exist or as they may hereafter be amended (or corresponding provisions of any future United States internal revenue law and its regulations), as the directors shall determine. Any such assets not so disposed of shall be disposed of by a court of appropriate jurisdiction of the county in which the principal office of the corporation is then located exclusively for such purposes or to such an organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XII

The directors of the corporation shall not be liable to the corporation or its members for monetary damages for breach of their fiduciary duty as directors, except, as otherwise provided under the provisions of Section 48-52-102(b)(3) of the Tennessee Code Annotated.

ARTICLE XIII

Amendment of these articles shall require the assent of seventy-five percent (75%) of the membership.

DATED: June 27, 2006.

Terry O. Patton, Incorporator