

Upon Recording Return to:
Rarity Bay Community Association, Inc.
100 Rarity bay Parkway
Vonore, TN 37885

STATE OF TENNESSEE

COUNTIES OF LOUDON AND MONROE

BY-LAWS OF RARITY BAY COMMUNITY ASSOCIATION, INC.
Amendment #1

THIS AMENDMENT to the By-Laws is made this 20th day of March 2008 by Tellico Lake Properties, L.P., a Tennessee limited partnership (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant prepared and filed of record that certain Master Declaration of Covenants, Conditions, and Restrictions for Rarity Bay recorded in Trust Book 444, Page 248, and noted in Book V, Page 232, in the Register's Office of Loudon County, Tennessee and in Trust Book M112, Page 323 and noted in Book 43, Page 232 in the Register's Office of Monroe County, Tennessee ("Master Declaration"); and

WHEREAS, pursuant to Section 13.10 of the By-Laws the Declarant may unilaterally amend the By-Laws for any purpose during the Development Period; any such amendment shall not adversely affect the title to any Unit unless the Member consents thereto in writing; and

WHEREAS, the Board of Directors has requested that the Declarant amend the term of a director; and

WHEREAS, this amendment does not apply to directors serving as a representative of the Declarant; and

WHEREAS, the Declarant has determined the desire to record the original By-Laws in conjunction with this amendment_

NOW THEREFORE:

ARTICLE I
Board of Directors — Term of Office

Section 8.4 of the By-Laws is hereby rescinded and amended to read: Each director shall serve two (2) terms or until such time as a successor is duly elected. A "term" shall be from one annual meeting of Members to the next.

ARTICLE 2
Recording of By-Laws

To ensure a permanent and public record, the Declarant orders that the By-Laws of the Rarity Bay Community Association, Inc., adopted by the Board of Directors on September 28, 1998 and certified by the Secretary on September 30, 1998 and this amendment, be recorded in the Register's Office of Loudon County, Tennessee and in the Register's Office of Monroe County, Tennessee.

ARTICLE 3
Definitions

The definitions set forth in Article 1 of the Master Declaration and Article 2 of the By-Laws are incorporated herein by reference.

INWITNESS WHEREOF, the undersigned Declarant has executed this Amendment the day and year first above written.

TELLICO LAKE PROPERTIES, L.P.,
A Tennessee limited partnership

By: TELLICO COMMUNITIES, INC.
Its: General partner

By: Michael L. Ross
Michael L. Ross, President

STATE OF TENNESSEE
COUNTY OF BLOUNT

Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared Michael L. Ross, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the President of Tellico Communities, Inc., the General Partner of Tellico Lake Properties, L.P., the within-named Declarant, and that he as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations by himself as such President.

Witness my hand and seal, at office this 11 day of March 200

11 Notary Public data

My commission expires -11

J. Lancaster
Notary Public At Large
State of Tennessee
Monroe County
My Commission Expires
August 24, 2011