

EXHIBIT "A"

AMENDMENT TO BY-LAWS FOR CONTINENTAL
CONDOMINIUM ASSOCIATION, INC.

THIS AMENDMENT TO BY-LAWS is made and executed this 27
day of June, 1996, by CONTINENTAL CONDOMINIUM ASSOCIATION,
INC., a Tennessee nonprofit corporation (the "Association").

W I T N E S S E T H:

WHEREAS, the Master Deed for Continental Condominium, a horizontal property regime developed pursuant to the Tennessee Horizontal Property Act, was recorded in Book 2844, Page 122 in the Register's Office of Hamilton County, Tennessee (the "Master Deed"); and

WHEREAS, the Master Deed was amended by Amendment of Master Deed for Continental Condominium, recorded in Book 3133, Page 818 in said Register's Office; and

WHEREAS, the Bylaws of the Association are attached to and made a part of the Master Deed as Exhibit "E" thereto (the "Bylaws"); and

WHEREAS, Paragraph 23(a) of the Master Deed provides in part that ". . . the provisions of this Master Deed may be amended, modified or rescinded by an instrument in writing setting forth such change, amendment, modification or rescision and duly adopted by the affirmative vote of Unit Owners owning not less than eighty percent (80%) of the total ownership of the Common Elements, and duly acknowledged before a notary public provided however, that all holders of a Recorded Mortgage or deed of trust encumbering any one or more Units in the Building shall be notified by certified mail of any such change, amendment, modification or rescision and an affidavit by the Secretary of the Association certifying to such mailing is made a part of such instrument effecting such amendment, modification or rescision."; and

WHEREAS, Article VII of the Bylaws provides: "Subject to the requirements of Article IV, Section 7 and Article V, Section 4, hereof requiring the consent of certain lien holders under certain circumstances, these By-laws may be amended, modified or rescinded, from time to time, by means of an amendment of the Master Deed, of which these By-laws constitute a part"; and

WHEREAS, a special meeting of the Owners of Units in the Association was held (after proper notice thereof was given) in the Party Room of the Association's Building at 1414 Continental Drive, Chattanooga, Tennessee 37405, on the 27th day of June, 1996, at 7:00 p.m.; and

WHEREAS, at the aforesaid special meeting, the Amendment to the By-laws hereinafter more specifically set forth was duly

approved and adopted by the affirmative vote of Unit Owners owning not less than eighty percent (80%) of the total ownership of the Common Elements; and

WHEREAS, all holders of a Recorded Mortgage or deed of trust encumbering any one or more Units in the Building have been notified by certified mail of such Amendment, as will appear by Affidavit to that effect made by the Secretary of the Association, and attached hereto and made a part hereof as Exhibit "B" hereto;

NOW, THEREFORE, in consideration of the premises herein contained, and of other good and valuable consideration, the receipt and legal sufficiency of all of which are hereby acknowledged, the Association does hereby amend the By-laws as follows:

1. Article I, Section 3 of the By-laws is restated as set forth below with the amended language being highlighted by underlining:

REGULAR MEETINGS. The Unit Owners shall hold a regular annual meeting, one of the purposes of which shall be to elect members of the Board. The first regular annual meeting of Unit Owners (the "First Meeting") may be held, subject to the terms hereof, on any date, at the option of the Board after the Developer has sold and delivered its deed to purchasers of Units having a total Common Element percentage in excess of 51% of the total Common Element percentage provided, however, that said First Meeting shall be held not later than sixty (60) days after the Developer has sold and delivered its deed for 75% of the Units or three (3) years after the date the Master Deed is Recorded, whichever is earlier ("Turnover Date"). For purposes of this provision, 75% of the Units shall mean Units which correspond in the aggregate to 75% of the undivided ownership of the Common Elements, as set forth in Exhibit C to the Master Deed. Subsequent to the First Meeting, there shall be a regular annual meeting of Unit Owners held each year in the month of June. All such meetings of Unit Owners shall be held at such place in Hamilton County, Tennessee, and at such time as specified in the written notice of such meeting, which shall be delivered to all Unit Owners at least ten (10) days and not more than thirty (30) days prior to the date of such meeting. Such notice shall also state the purpose of such meeting.

2. Article I, Section 8 of the By-laws is replaced in its entirety with the following:

RULES OF THE MEETING. The rules contained in the current edition of "Robert's Rules of Order Newly Revised" shall govern the Association in all cases to which they may be applicable and in which they are not inconsistent with applicable law, the Master Deed, these By-laws, or any special rules adopted by the Association or the Board.

3. Article II, Section 1 of the By-laws is restated as set forth below with the amended language being highlighted by underlining:

NUMBER, ELECTION AND TERM OF OFFICE. The Board of Directors of the Association shall constitute the "board of administrators" provided for in the Horizontal Property Act of the State of Tennessee, as amended, and all rights, titles, powers, privileges and obligations vested in or imposed upon the "board of administrators" in said Act or in the Master Deed may be held or performed by the Association or by the duly elected members of the Board and their successors in office. Except as hereafter provided, the Board shall consist of six (6) Directors. Directors shall be elected by majority vote at the regular annual meeting of Association members by the vote of Unit Owners, except the Directors of the First Board shall be appointed by the Developer. Those candidates for election as Director receiving the majority of votes cast either in person or by proxy at the meeting shall be elected. Every Director, except for the members of the First Board shall hold office for the term of three years. A Director may not serve a second consecutive term; provided, however, that should a Director be elected by the Board to serve the unexpired portion of a term, such service shall not affect that Director's eligibility to serve the ensuing term. At the completion of eligibility, a Director may not serve again in a Director's capacity for at least one calendar year. Two (2) members of the First Board shall hold office until the first regular annual meeting of Association members, two (2) other members of the First Board shall hold office until the second regular annual meeting of Association members, and two (2) other members of the First Board shall hold office until the third regular meeting of the Association members.

4. Article II, Section 4 of the By-laws is deleted and replaced in its entirety with the following:

MEETINGS. (a) Four regular meetings of the Board shall be held annually in June, September, December, and March. These meetings shall be open to all Unit Owners. There shall be a meeting of the Board within ten (10) days after the annual meeting of Unit Owners for the purpose of electing officers and such other business as may be required. All members of the previous Board shall continue in office until the newly elected Board members are qualified and seated on the Board.

(b) Special meetings of the Board shall be held upon a call by the President or by a majority of the Board on not less than forty-eight (48) hours notice to each Director. A Director's attendance at a meeting shall constitute his or her waiver of notice of said meeting.

(c) Each Unit Owner shall receive at least thirty (30) days prior notice of any meeting of the Board concerning the adoption of the proposed annual budget or any increase thereof, or concerning the establishment of an assessment. Any meeting of these types shall be open to all Unit Owners, and any Unit Owner wishing to be heard will be recognized.

5. Article II, Subsection 8(n) of the By-laws is restated as set forth below with the amended language being highlighted by underlining:

Provided that it receives the prior written approval of the Unit Owners owning at least seventy-five percent (75%) of the total ownership of the Common Elements, excluding the Developer as a Unit Owner, to enter into agreements or arrangements to lease one or more Units or other residential quarters for Building personnel upon such terms as the Board may approve, and to purchase, for and on behalf of the Association, one or more Units or other residential quarters for Building personnel, pursuant to the Master Deed;

6. Any and all provisions of the By-laws authorizing the Developer to take any action affecting the Development or to act for or on behalf of the Unit Owners shall be of no force or effect and shall be considered null, void and invalid.

