

THIS INSTRUMENT PREPARED BY:
FOLEY & WEISS, ATTORNEYS
Suite 500, One Church Street Building
Nashville, Tennessee 37201

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
"SHEFFIELD" ON THE HARPETH**

THIS DECLARATION, made on the date hereinafter set forth by PHILLIPS BUILDERS, a partnership of Edward Randall Phillips, Randall Lee Phillips and Harry Edward Phillips, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, "Declarant" is the owner of certain property in Nashville, County of Davidson, State of Tennessee, which is more particularly described en Exhibit "A" attached.

NOW THEREFORE, "Declarant" hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part there, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to "Sheffield" on the Harpeth Homeowners' Association, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the Common use and enjoyment of the owners.

Each owner shall have an easement in Common with the owners of all other family units to use all of the Common elements located in and serving his or other units.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Phillips Builders, a Partnership.

ARTICLE II
PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- (c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds of each class of members has been recorded.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. 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 any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When 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.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) On January 1, 1991.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) Annual assessments or charges, and (2) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs, and reasonable attorney's fee, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents in the Properties and for the improvement, liability and casualty insurance, and maintenance of the Common Area and recreational facilities thereon.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Three Hundred Sixty and 00/100 Dollars (\$360.00) per Lot. No Lot shall be assessed until dwelling Unit is completed.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 15% above the maximum assessment for the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediate following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 15% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 or 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members of or proxies entitled to cast sixty percent (60%) of all the votes in each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and will be collected on a monthly or yearly basis in advance as established by the Board of Directors.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest at the rate of 10 percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V ARCHITECTURAL CONTROL

Section 1. Improvements. No building, fence, wall, mail boxes, satellite dishes, or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration (including painting or re-painting) therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

Section 2. Vehicle Storage. Recreation vehicles, boats and trailers must be on paved surface that is approved by the Architectural Control Committee, and these vehicles must be screened from sight. Screening must be approved by the Architectural Control Committee.

Section 3. Architectural Control Committee Membership. The Architectural Control Committee shall be of no less than three (3) members appointed by Phillips Builders, a Partnership. A majority of the committee may designate a representative to act for it. In the event of death or resignation of any member of the committee, the remaining members shall have full authority to designate a successor. Neither the members of the committee, nor its designated representative shall be entitled to any compensation for services performed to pursuant to this covenant.

- A. Tenure. The Architectural Control Committee shall serve for ten (10) years from the date of the filing of this Declaration or upon the sale of all of the lots in the subdivision by the "Declarant", whichever shall occur first. At any time after the expiration of ten (10) years or the sale by "Declarant" of all lots within the subdivision, the then record Owners of the majority of the lots within the said subdivision shall have the power through a duly recorded written instrument to change the membership of the Committee, or to withdraw or restore to the Committee any of its powers and duties.
- B. Procedure. The Committee's approval or disapproval as required in this Declaration shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted, or in any event, if no suit to enjoin construction has been commenced prior to completion thereof,

approval will not be required and the related covenants shall be deemed to have been fully complied with.

- C. Standards. For the purpose of assuring the maintenance of the Lots as a neighborhood of high standards, the "Declarant" hereby adopts the following standards for architectural control: The Committee shall have the right to disapprove any plans submitted hereunder because of failure to comply with any restrictions contained herein, failure to include any information required herein, objection to exterior design, or such other matter which would render the proposed structure or use thereof inharmonious with the structures located upon other lots within the neighborhood.

ARTICLE VI ADDITIONAL RESTRICTIONS

Section 1. BUILDING LOCATION: No building shall be located on any lot nearer to the front line or nearer to the side line than the minimum building setback line recited on the recorded plat.

Section 2. TEMPORARY STRUCTURE: No structures of a temporary character, shack, trailer, basement, tent, garage, barn, or other outbuildings shall be used on any lot at any time as a residence either temporarily or permanently.

Section 3. LAND USE AND BUILDING TYPE: No lots shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any lot other than one detached single family dwelling. All dwellings to have attached garages, with a minimum of ninety (90) percent being two-car sized. A minimum of fifty (50) percent of all exterior walls shall have a brick or equal masonry finish.

Section 4. DWELLING QUALITY AND SIZE: It is the intention and purpose of the covenants to assure that all dwellings shall be of quality workmanship and materials substantially the same or better which can be reproduced on the date these covenants are recorded. All dwellings shall not be less than seventeen hundred (1700) square feet, excluding the garage area.

Section 5. NUISANCES: No noxious or offensive activity shall be carried on upon any lot nor shall anything be done thereon which may become an annoyance to the neighborhood.

Section 6. FENCES: On corner lots, no fences shall be constructed or maintained on either building or setback line and either street or in front of building setback line on either adjoining lot; and on all other lots, no fence shall be constructed or maintained between the front building or setback line and the street; provided, however, the planting of hedges, shrubbery or evergreens in lieu of a fence and extending to the front or sides of any lot is permitted, provided such planting shall not be maintained at a height in excess of 42 inches.

Section 7. RESUBDIVISION: No lot or lots as shown hereon shall again be subdivided, resubdivided, altered or changed so as to produce less area than hereby established.

Section 8. DEBRIS: No debris, old lumber or other unsightly objects shall be moved onto any lot in said subdivision. Construction or improvements thereon shall be completed within ten (10) months but nothing shall preclude the construction of additions to dwellings or garages.

Section 9. DRIVEWAYS: It shall be obligatory upon all owners of the lots in this subdivision to consult with the Chief Engineer of the Highway Department of Davidson County, Tennessee, before any driveways, culverts, other structures or grading are constructed within the limits of any dedicated roadway and such placement or construction shall be done in accordance with the requirements of the County Highway Commission applying to county roads in order that the roads or streets within the subdivision which would be affected by such placement or construction may not be disqualified for acceptance by the County into the public road system.

Section 10. ENFORCEMENT: Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenants either to restrain violations or to recover damages.

Section 11. SEVERABILITY: Invalidation of any one of these covenants by judgment of Court Order shall in no wise affect any of the other provisions which shall remain in full force and effect.

Section 12. RESERVATION OF RIGHTS: The right is expressly reserved to the developers and owners of this subdivision, their representatives, heirs, successors and assigns to construct all streets, roads, alleys or other public ways as now or hereafter may be shown on this plan of subdivision at such grades or elevation as they in their sole discretion may deem proper; and for the purpose of constructing such streets, roads, alleys or public ways, they additionally shall have an easement not exceeding ten (10) feet in width upon and along each adjoining lot for the construction of proper bank slopes in accordance with the specifications of the government body or agency having jurisdiction over the construction of public roads; and no owner of any lot in this subdivision shall have any right of action or claim for damages against anyone on account of the grade of elevation at which such road, street, alley or public way may hereafter be construction or on account of the bank slopes constructed within the limits of the said ten (10) foot easement.

ARTICLE VII GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners, and thereafter by an instrument signed by not less than sixty-seven percent (67%) of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Additional land within the area described in Book 6815, Page 827, of the land records of Davidson County may be annexed by the Declarant without the consent of members provided that the FHA and/or the Veterans Administration determines that the annexation is in accord with the general plan heretofore approved by them.

Section 5. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 6. Common Open Space. Any Common Open Space established by an adopted final master development plan for Planned Unit Development shall be subject to the following:

- (a) The Metropolitan Planning Commission and the Metropolitan County Council may require that the landowner provide for and establish an organization for the ownership and maintenance of any Common Open Space, and such organization shall not be dissolved nor shall it dispose of any Common Open Space, by sale or otherwise (except to an organization

conceived and established to own and maintain the Common Open Space), without first offering to dedicate the same to the Metropolitan government of Nashville and Davidson County and the said dedication be approved by the Metropolitan Planning Commission. However, the conditions of any transfer shall conform to the adopted final master development plan.

- (b) In the event that the organization established to own and maintain Common Open Space, or any successor organization, shall at any time after the establishment of the Planned Unit Development fail to maintain the Common Open Space in reasonable order and condition in accordance with the adopted master development plan, the zoning administrator may serve written notice upon such organization and/or the owners or residents of the Planned Unit Development and hold a public hearing. After thirty (30) days when deficiencies of maintenance are not corrected, the zoning administrator shall call upon any public or private agency to maintain the Common Open Space for a period of one (1) year. When the zoning administrator determines that the organization is not prepared for the maintenance for the Common Open Space such agency shall continue maintenance for yearly periods.

Section 7. Development Phasing. The Covenants, Conditions and Restrictions of this Declaration are intended to encompass the tract or parcel of land described on Exhibit "B" attached; however, the Developer may at a future date desire to develop additional Phases on the tract or parcel of land owned by the Developer and described on Exhibit "A" attached. Each such Phase shall be subject to and incorporated in the terms and obligations of this Declaration; however, each development Phase shall be treated for mortgage lending purposes as a separate mortgage lending entity.

Section 8. Previous Restrictions Vacated and Replaced. The Covenants, Conditions and Restrictions of this Declaration are intended to vacate and replace those Covenants, Conditions and Restrictions encompassing the subject premises as of record in Book 6804, Page 536, and Book 6925, Page 900, Register's Office for Davidson County, Tennessee, and shall be effective with the recording of the herein Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 24th day of February, 1987.

"DECLARANT"
PHILLIPS BUILDERS, A Partnership

BY: RANDALL LEE PHILLIPS, Partner

STATE OF TENNESSEE

Davidson County

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared RANDALL LEE PHILLIPS, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be a Partner of the PHILLIPS BUILDERS, a Partnership, and that he as such Partner, executed the foregoing instrument for the purpose therein contained, by signing the name of the Partnership by himself as Partner.

Witness my hand and official seal at Nashville Tennessee, this 24th day of February, 1987.
Commission Expires: 2/19/88

EXHIBIT A

LAND in the 2nd Civil District of Davidson County, Tennessee, formerly the 9th Civil District of Davidson County, Tennessee, property of Cecil D. Branstetter, et al, described as follows:

BEGINNING at a point on the westerly right-of-way of an 18 foot public road, said public road being bounded on the East by Rolling River Estates, Section One, of record in Book 4860, Page 27, Register's Office for Davidson County, Tennessee; thence, with the westerly right-of-way of said Road, South 2 degrees 50' 56" East, 754.05 feet to a point; thence, leaving said Road and with an existing fence, being the northerly property line of James D. Abernathy and wife, Erin C. Abernathy, North 89 degrees 28' 18" West, 32.06 feet to a concrete monument; thence. North 84 degrees 33' 56" West, 234.70 feet to a point; thence, North 84 degrees 50' 52" West, 504.41 feet to a point; thence. North 85 degrees 23' 22" West, 649.16 feet to a 42 inch Hackberry; thence, with the northerly line of property of Noah Liff and being an existing fence. South 76 degrees 06' 28" West, 211.91 feet to a point; thence South 75 degrees 44' 56" West, 414.75 feet to a point; thence South 77 degrees 10' 40" West, 237.95 feet to a point; thence South 77 degrees 59' 58" West, 175.00 feet to a point; thence, leaving said fence with a line between subject tract and the remaining property of Cecil D. Branstetter, North 22 degrees 30' 00" West, 640.00 feet to a point; thence, North 3 degrees 00' 00" East, 640.00 feet to a point; thence. North 60 degrees 25' 00" East 950.00 feet to a point; thence North 86 degrees 55' 00" East, 697.00 feet to a point; thence. North 11 degrees 21' 26" West, 242.21 feet to a point; thence North 43 degrees 10' 36" East, 274.68 feet to a point in the center of the Harpeth River; thence, with said centerline, South 59 degrees 11' 14" East, 770.32 feet to a point; thence. South 68 degrees 07' 58" East, 233.47 feet to a point; thence, South 80 degrees 42' 44" East, 369.58 feet to a point; thence, leaving the center of the Harpeth River and partially with an existing fence. South 1 degrees 09' 52" East, 757.32 feet to a fence post; thence, with the northerly right-of-way of an 18 foot public Road, South 89 degrees 48' 48" West, 320.83 feet to the point of beginning, containing 99.54 acres, more or less.

EXHIBIT B

TRACT NO. I:

LAND in the 2nd Civil District of Davidson County, Tennessee, and being Lots Nos. 1, through and including Lot No. 66 and the Natural Open Spaces on the Plan of Phase I, "Sheffield" on the Harpeth, of record in Book 6900, Pages 9 and 10, and revised in Book 6900, Page 182, Register's Office for Davidson County, Tennessee, to which said plan reference is hereby made for a more complete legal description.

TRACT NO. II:

LAND in Davidson County, Tennessee, described according to a survey made by R. L. Spears & Co., dated December 8, 1986, as follows:

BEGINNING at an iron rod, said point being the southeasterly corner of the subject tract, and being on the northerly line of property of Randall Phillips Builders, Inc., Deed Book 6815, Page 827, said Register's Office; thence, South 86° 55' 00" West, 697.00 feet to a point; thence North 67° 01' 01" East, 704.19 feet to an iron rod; thence. South 11° 21' 26" East, 242.21 feet to the point of beginning, containing 1.92 acres, more or less.

BEING the same property conveyed to Randall Phillips Builders, Inc., by Deed from Cecil D. Branstetter, by Deed of record in Book 7079, Page 939, Register's Office for Davidson County, Tennessee.

SHEFFIELD ON THE HARPETH
Clarification of Fence Location:

Re: Article VI, Section 6

No fence may be placed or constructed any closer to the street than the front of the house next door or the front of the "requesting house".

In the case of corner lots, the fence can be no closer to the street than the front of the house next door to the "requesting house". The fence can be no closer to the street than the front of the house behind the "requesting house".

In no situation can the fence be any closer to the street than "requesting house".

Respectfully submitted,

Tim Ferguson, Chairman,
Architectural Committee