BOOK 7619 PAGE 647

56159

RECEIVED FOR REFERENCE

AUG 4 3 25 PM '88

[illegible] WILSON CO.
DAVIDSON COUNTY, TN

DECLARATION OF RESTRICTIVE COVENANTS

FOR

SOMERSET

THIS INSTRUMENT PREPARED BY:
O'Hare, Sherrard & Roe
500 Church Street
Nashville, Tennessee 37219

TABLE OF CONTENTS

		Page
ARTICLE I	DEFINITIONS	3
ARTICLE II	PROPERTIES SUBJECT TO THIS DECLARATION	5
Section 1.	Initial Properties Subject to Declaration	5
Section 2.	Additional Phases	5
ARTICLE III	ARCHITECTURAL, MAINTENANCE, AND USE RESTRICTIONS	5
Section 1.	Single-Family Residential Construction	6
Section 2.	Approval of Plans	6
Section 3.	Structural Compliance	6
Section 4.	Minimum Square Footage within Improvements	6
Section 5.	Improvement and Setback Restrictions	7
Section 6.	Re-subdivision of Lots	7
Section 7.	Walls, Fences and Hedges	7
Section 8.	Roofing Material	7
Section 9.	Swimming Pools	7
Section 10.	Storage Tanks and Refuse Disposal	7
Section 11.	Clothes Lines	7
Section 12.	Signs and Advertisements	7
Section 13.	Use of Temporary Structures	8
Section 14.	Storage of Automobiles, Boats, Trailers and Other Vehicles	8
Section 15.	Outside Lighting	8
Section 16.	Maximum Height of Antennae	8
Section 17.	Window Units	8
Section 18.	Recreational Equipment	8
Section 19.	Oil and Mining Operations	8
Section 20.	Maintenance	8
Section 21.	Damage, Destruction or Maintenance	9
Section 22.	Use of Premises	9
Section 23.	Animals and Pets	9
Section 24.	Nuisances and Unsightly Materials	9
Section 25.	Hobbies and Activities	10
Section 26.	Visual Obstruction at the Intersection of Public Streets	10
Section 27.	Governmental Restrictions	10
Section 28.	Roads	10
Section 29.	Easement for Roads	10
ARTICLE IV	ASSOCIATION MEMBERSHIP AND VOTING RIGHTS	10
Section 1.	Membership	10
Section 2.	Voting and Voting Rights	10
Section 3.	Method of Voting	11
Section 4.	First Meeting of Members	11
Section 5.	Working Capital Fund	11
Section 6.	Acceptance of Development	11
ARTICLE V	COMMON AREA PROPERTY RIGHTS AND MAINTENANCE ASSESSMENTS	11
Section 1.	Common Areas	11
Section 2.	Assessment for Maintenance of Common Areas	12
Section 3.	Creation of Lien and Personal Obligation of Assessments	12
Section 4.	Levy of Assessments	12
Section 5.	Maximum Annual Assessment	13
Section 6.	Rate of Assessment	13
Section 7.	Effect of Non-Payment of Assessments and Remedies of the Association	13
ARTICLE VI	EASEMENTS	13
Section 1.	General	13
Section 2.	Development and Construction	13
Section 3.	Emergency	13
Section 4.	Utilities	13

ARTICLE VII MORTGAGEE RIGHTS AND FEDERAL HOME LOAN MORTGAGE CORPORATION REGULATIONS 14

Section 1. Special Actions Requiring Mortgagee Approval 14
Section 2. Special Rights of Mortgagees 14
Section 3. Conformity with Federal Home Loan Mortgage Corporation Regulations 14
Section 4. Notices of Mortgages 14
Section 5. Copies of Notices to Mortgage Lenders 14
Section 6. Further Right of Mortgagees 14

ARTICLE VIII GENERAL PROVISIONS 15

Section 1. Exercise of Powers 15
Section 2. Duration 15
Section 3. Amendment 15
Section 4. Enforcement 15
Section 5. Headings and Binding Effect 16
Section 6. Unintentional Violation of Restrictions 16
Section 7. Books and Records 16
Section 8. Conflicts 16
Section 9. Binding Effect 16

DECLARATION OF RESTRICTIVE COVENANTS

FOR

SOMERSET

THIS DECLARATION OF RESTRICTIVE COVENANTS (the "Declaration"), made, published, and declared this 4th day of August, 1988, by and between Phillips Builders, Inc. (the "Developer"), and any and all persons, firms, or corporations presently owning or hereafter acquiring any of the within described property;

W I T N E S S E T H:

WHEREAS, Developer is the owner of certain real property in Davidson County, Tennessee, known as Somerset, Phases I and II, which is shown on the Plats of record in Books 6900 and 6900, pages 690-91 and 734, in the Register's Office for Davidson County, Tennessee (the "Plat") and being the first two phases of a 438 Lot Residential Subdivision within Davidson County, Tennessee (hereinafter referred to as the "Subdivision"), a preliminary plan for which is on file in the Office of the Planning Commission for Metropolitan Nashville and Davidson County, Tennessee;

WHEREAS, it is to the benefit, interest, and advantage of Developer and of each and every person or other entity hereafter acquiring any of the within described property that certain covenants, conditions, restrictions, assessments, and liens governing and regulating the use and occupancy of such property be established, fixed, and set forth and declared to be covenants running with the land;

WHEREAS, Developer has previously recorded a Plat of Towne Village of the Country, Section Six, of record in Plat Book 6900, Pages 426 and 427, said Register's Office (the "Prior Plat") that refers to certain Restrictive Covenants with no recording reference, and no restrictive covenants applicable thereto have ever been recorded;

WHEREAS, the Plat amends and supercedes the Prior Plat;

WHEREAS, the Developer, along with all present owners of property subject to the Prior Plat (the "Present Owners") now desire to supercede any restrictions that may presently exist with respect to the property described in the Prior Plat and to establish restrictions applicable to such property in accordance with the terms of this Declaration;

NOW, THEREFORE, in consideration of the premises, Developer, and all Present Owners agree with any and all persons, Developer, and all Present Owners agree with any and all persons, firms, corporations, or other entities hereafter acquiring all or any of the property hereinafter described (the "Property"), that any previous restrictions, recorded or unrecorded shall be of no further force or effect and that the Property shall be hereinafter subjected to the following restrictions, covenants, conditions, assessments, and liens (collectively, the "Restrictions") relating to the use and occupancy thereof and relating to the use, occupancy, and maintenance of such portions of the same as at present or in the future shall be designated as common areas, said Restrictions to be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title, or interest in or to the Property or any part thereof and which shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

The following words, when used in this Declaration or any amendment or supplement hereto, shall, unless the context shall clearly require to the contrary, have the following meanings:

1. "Additional Phases" shall mean the additional acreage that may be added to the development in one or more Phases at the sole discretion of the Developer, containing up to 340 Lots, together with the Common Areas as shown on the Plat amendment(s) to be filed in connection therewith.

2. "Association" shall mean and refer to Somerset Homeowner's Association, a not-for-profit corporation organized and existing under the laws of the State of Tennessee, its successors and assigns.

3. "Common Area" or "Common Areas" shall mean and refer to any and all real property owned by the Association, and such other property to which the Association may hold legal title, whether in fee or for a term of years, for the non-exclusive use, benefit, and enjoyment of the members of the Association, subject to the provisions hereof, and such other property as shall become the responsibility of the Association, through easements or otherwise, including in particular the areas located at the entrance to Somerset Subdivision. Common Areas with respect to the properties made subject to this Declaration, whether at the time of filing of this Declaration or subsequently by Supplementary Declaration(s) shall be shown on the Plat(s) of Somerset and designated thereon as "Common Areas."

4. "Declaration" shall mean and refer to this Declaration of Restrictions applicable to the Properties that is to be recorded in the Office of the Register of Deeds for Davidson County, Tennessee and any Supplementary Declarations upon the creation of Additional Phases.

5. "Detached Homes" shall mean those homes that are free-standing and which shall be constructed in certain areas of the Properties as shown on the Plat(s).

6. "Developer" shall mean and refer to Phillips Builders, Inc., a Tennessee corporation having a principal place of business in Nashville, Tennessee, its successors and assigns.

7. "Lot" shall mean and refer to any plot of land to be used for single-family residential purposes and so designated as a Lot upon the Plat.

8. "Member" shall mean and refer to any person who shall be an Owner and, as such, shall be a member of the Association.

9. "Owner" shall mean and refer to the record owner, whether one (1) or more persons or entities, of the fee interest in any Lot or portion of a Lot, excluding, however, those parties having such interest merely as security for the performance of an obligation.

10. "Occupant" shall mean and refer to any person or persons in possession of a Lot or home other than an Owner.

11. "Person" shall mean and refer to a natural person, as well as a corporation, partnership, firm, association, trust, or other legal entity.

12. "Phase I" shall mean and refer to the initial two construction phases comprising the Properties subject to the Declaration containing 98 Lots, which consists of detached homes as shown on the Plat (the "Detached Homes"), and the Common Areas.

13. "Plat" shall mean and refer to the Plats of record in Books 6900 and _____, pages 690-91 and_____, Register's Office for Davidson County, Tennessee, together with any amendments and supplements thereto recorded upon the creation of Additional Phases.

14. "Properties" shall mean and refer to any and all of that certain real property now or which may hereafter be brought within that certain residential subdivision being developed by Developer in Davidson County, Tennessee, which subdivision is and shall be commonly known as Somerset.

15. "Somerset" shall mean and refer to that certain residential community known as Somerset, which is being developed on real property now owned by Developer in Davidson County, Tennessee, together with such additions thereto as may from time to time be designated by Developer whether or not such additions are contiguous with or adjoining the boundary lines of Somerset, Phase I, as shown on the Plat.

16. "Successor Developer" shall mean and refer to any person (including any affiliate of the original owners) who shall acquire the right to construct Additional Phases on all or any portion of Tract II (as defined herein) adjacent to Somerset and able to be included in the general development plan of Somerset.

17. "Supplementary Declaration(s)" shall mean the one or more supplementary declarations that may be recorded from time to time to create Additional Phases or to or to amend this Declaration as expressly permitted hereunder.

ARTICLE II

PROPERTIES SUBJECT TO THIS DECLARATION

Section 1. Initial Properties Subject to Declaration. The property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Davidson County, Tennessee, and is more particularly described and shown on Exhibit "A" attached hereto and made a part hereof by this reference. Somerset is to be built in two or more Phases. Construction of Phase I consisting of 80 Lots is anticipated to be completed as of July 1, 1989. All of the real property shown on Exhibit "A" and designated as Tract I shall be submitted to these Restrictions.

Section 2. Additional Phases. Without further assent or permit, Developer and any Successor Developer hereby reserves the right, exercisable from time to time but not later than twenty (20) years after the date hereof, to subject all or part of other, contiguous real property described as Tract II on Exhibit "B" to the restrictions set forth herein, in one or more Additional Phases, in order to extend the scheme of this Declaration to such property to be developed as part of Somerset and thereby to bring such additional contiguous Properties within the jurisdiction of the Association. In no event shall the number of Lots created on Tract II exceed 340 lots nor shall any property other than Tract II or some severable portion thereof be submitted to this Declaration as a part of Somerset.

Section 3. Supplementary Declarations. The additions herein authorized shall be made by filing of record one or more Supplementary Declarations in respect to the creation of Additional Phases or the addition of other Properties to be then subject to this Declaration and which shall extend the jurisdiction of the Association to such property and thereby subject such addition to assessment for its just share of the Association's expenses and shall also require the filing of such additional plats as are required for such sections in the Register's Office for Davidson County, Tennessee. Each supplementary Declaration must subject the added property or additional Lots to the covenants, conditions and restrictions contained herein.

Section 4. Consent to Rezoning. Every Owner shall be deemed to have consented to any rezoning of Tract II that may be necessary to the development of such property as part of Somerset. Owners of any Lots in the additional property shall succeed to all of the rights and obligations of membership in the Association.

Section 5. Extension of Development Rights to Adjacent Property. The Developer and any Successor Developer shall have the rights described in this Paragraph 2 of Article II, exercisable without approval of the Association or any other person or entity. The Developer or such Successor Developer shall have the voting rights as specified hereinafter with respect to any added Lots, subject to the original limitations as to duration of weighted voting.

Section 6. Compatibility of Construction. Developer or any Successor Developer warrants that any additional Lots to be constructed on Tract II together with any Common Areas to be added hereunder shall be compatible in style and quality of construction with the remainder of Somerset.

Section 7. Association Rights. The Association may not assert as a reason to object to the new development plan the fact that existing Association facilities will be additionally burdened by the property to be added by the new development.

ARTICLE III

ARCHITECTURAL, MAINTENANCE, AND USE RESTRICTIONS

Section 1. Single-Family Residential Construction. No building shall be erected, altered or permitted to remain on any Lot other than one (1) single-family residential dwelling not to exceed two and one-half (2 1/2) stories in height, which may have an attached private garage for not more than two (2) cars which structures shall not exceed the main dwelling in height.

Section 2. Approval of Plans.

(a) No construction, reconstruction, remodeling, alteration, or addition of or to any structure, building, fence, wall, drive, or improvement of any nature shall be constructed without obtaining prior written approval of Developer as to the location, plans, and specifications therefor. As a prerequisite to consideration for approval, and prior to the commencement of the contemplated work, two (2) complete sets of building plans and specifications shall be submitted. Developer shall be the sole arbiter of such plans and may withhold its approval for any reasons, including purely aesthetic reasons. Upon giving approval, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans.

(b) At such time as Developer divests itself of all Lots within the development, the right of approval of plans for further construction, reconstruction, remodeling, alterations, and additions shall thereafter vest exclusively in the Association and in its Board of Directors, or such committees of the Association as shall he appointed by its Board of Directors.

(c) Developer, the Association and the individual members thereof shall not be liable for any act or omission in performing or purporting to perform the functions delegated hereunder. In the event that Developer or the Association fails to indicate its approval or disapproval within thirty (30) days after the receipt of the required documents, approval will not be required and the related covenants set out herein shall be deemed to have been fully satisfied. Approval or disapproval by Developer or the Association shall not be deemed to constitute any warranty or representation by it including, without limitation, any warranty or representation as to fitness, design or adequacy of the proposed construction or compliance with applicable statutes, codes and regulations. Anything contained in this Article III, Section 3, or elsewhere in this Declaration to the contrary notwithstanding, Developer and the Association are hereby authorized and empowered, at their sole and absolute discretion, to make and permit reasonable modifications or deviations from any of the requirements of this Declaration relating to the type, kind, quantity or quality of the building materials to be used in the construction of any building or improvement on any Lot and of the size and location of any such building or improvement when, in their sole and final judgment, such modifications and deviations in such improvements will he in harmony with existing structures and will not materially detract from the aesthetic appearance of the Properties and the improvements as a whole; provided, however, such modifications and deviations must remain within all applicable ordinances and regulations established by the Metropolitan Government of Nashville and Davidson County, Tennessee.

Developer or the Association, as the case may be, may require the submission to it of such documents and items, including as examples, but without limitation, written requests for and description of the variances requested, plans, specifications, plot plans and samples of material(s), as either of them shall deem appropriate, in connection with its consideration of a request for a variance. If Developer or the Association shall approve such request for a variance, it shall evidence such approval, and grant its permission for such variance, only by written instrument, addressed to the Owner of the Lot(s) relative to which such variance has been requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing its decision to permit the variance, describing (when applicable) the conditions on which the variance has been approved (including as examples, but without limitation, the type of alternate materials to be permitted, and alternate fence height approved or specifying the location, plans and specifications applicable to an approved outbuilding), and signed by Developer or the Association, as the case may be. Any request for a variance shall be deemed to have been disapproved for the purposes hereof in the event of either (i) written notice of disapproval from Developer or the Association or (ii) failure by Developer or the Association to respond to the request for variance. In the event Developer or the Association or any successor to the authority thereof shall not then be functioning, no variances from

the covenants herein contained shall be permitted, it being the intention of Developer that no variances be available except at its discretion or that of the Association. Neither Developer nor the Association shall have the authority to approve any variance except as expressly provided in this Declaration.

Section 3. Structural Compliance. All structures shall be built in substantial compliance with the plans and specifications therefor, approved by Developer or the Association as provided in Section 3 above.

Section 4. Minimum Square Footage within Improvements. The living area on the ground floor of the main residential structure (exclusive of porches, and garages) shall not be less than eight hundred (800) square feet for one-story dwellings, nor less than seven hundred (700) square feet for multi-story dwellings, nor less than eight hundred (800) square feet for split foyer type dwellings. The total living area for a multistory and split foyer type dwellings shall not be less than one thousand (1000) square feet. Basements shall not be counted as stories.

Section 5. Improvement and Setback Restrictions.

(a) No building or structure, or any part thereof, shall be located on any Lot nearer to the front line, the rear line, or any side line than the minimum building setback lines required by the Metropolitan Government of Nashville and Davidson County, and as may he shown on the recorded plans. For purposes of determining compliance with this requirement, porches, wing walls, eaves, and steps extending beyond the outside wall of a structure shall be considered as a part thereof. No encroachment upon any utility easements reserved on the Plat shall be authorized or permitted.

(b) To provide for uniformity and proper utilization of the building area within the Detached Homes Lots, dwellings or appurtenant structures on a Lot shall not be less than ten (10) feet from the Lot line between and contiguous Lot(s).

(c) The side wall of the dwelling or appurtenant structure built on a zero setback line shall be constructed using permanent low-maintenance material, the appearance and materials of which shall be approved by the Association; and such walls shall satisfy all local building codes and regulations as to fire resistance. The Owner of any adjacent Lot shall not attach anything to a side wall or fence located upon the zero setback line; nor shall the Owner of any adjacent Lot alter in any manner, i.e., structure, color, material or otherwise, a side wall or fence located upon the zero setback line without the prior written approval of both the Owner of such structure and of the Association.

Section 6. Re-subdivision of Lots. No Lot shall be re-subdivided, nor shall any building be erected or placed on any such re-subdivided Lot, unless such re-subdivision is approved by the Association, as well as any governmental authority having jurisdiction. Developer, however, shall have the right, but not the obligation, to re-subdivide into Lots, by recorded plat or in any other lawful manner, all or any part of the Properties contained within the outer boundaries of the Plat, and such Lots, as replatted, shall he subject to this Declaration as if such Lots were originally included herein. Any such replat must comply with pertinent replatting ordinances, statutes, regulations and requirements.

Section 7. Walls, Fences and Hedges. No wall or fence shall be erected or maintained nearer to the front lot line than the front building line on such Lot, nor on corner lots nearer to the side Lot line than the building setback line parallel to the side street. No side or rear fence, wall or hedge shall be more than six (6) feet in height. Any wall, fence or hedge erected on a Lot shall be maintained by the Owner thereof. All fencing hall he constructed only of such materials and erected only on such Lots and in such a manner as shall he approved by the Association. 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 he maintained at a height in excess of forty-two (42) inches.

Section 8. Roofing Material. The roof of any building (including any garage) shall be constructed or covered with asphalt or composition type shingles. Any other type of roofing material shall be permitted only in the sole discretion of the Association upon written request.

Section 9. Swimming Pools. Swimming pools shall be allowed only on Lots approved by the Association and shall be located at the rear of the residence. All swimming pools shall have a perimeter enclosure, the plans for which, including landscaping plans, must be approved by the Association.

Section 10. Storage Tanks and Refuse Disposal. No exposed above-ground tanks or receptacles shall be permitted for the storage of fuel, water, or any other substance, except for refuse produced through normal daily living and of a nature which is satisfactory for pick-up by the Metropolitan Department of Public Works. Incinerators for garbage, trash, or other refuse shall not be used or permitted to be erected or placed on any Lot. All equipment, coolers, and garbage cans shall be concealed from the view of neighboring lots, roads, streets, and open areas.

Section 11. Clothes Lines. Outside clothes lines shall not be permitted.

Section 12. Signs and Advertisements. No sign, advertisement, billboard or advertising structure of any kind shall be erected upon or displayed or otherwise exposed to view on any Lot or any improvement thereon without the prior written consent of the Association; provided that this requirement shall not preclude the installation by Developer of signs identifying the entire residential development and provided further that this requirement shall not preclude the placement by Owners of "For Sale" signs in the front of individual residences of such size, character, and number as shall from time to time be approved by the Association. The Association shall have the right to remove any such unapproved sign, advertisement, billboard or structure that is placed on said Lots, and in doing so shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal.

Section 13. Use of Temporary Structures. No structure of a temporary character, mobile home, camper, trailer, basement, tent, shack, garage, barn or other outbuilding shall be erected, moved onto any Lot and/or used at any time as a residence, nor shall any residence of a temporary charter be permitted. No structure of any kind except a dwelling house may be occupied as a residence, and the outside of any building so occupied must be completed before occupancy, including landscaping. No residence shall be built on any Lot unless it conforms to and is in harmony with the existing structures in Somerset subdivision and not more than one residence may be maintained on any Lot at the same time. Temporary structures may be used as building offices and for related purposes during the construction period. Such structures shall be inconspicuous and sightly and shall be removed immediately after completion of subject to approval of the Association.

Section 14. Storage of Automobiles, Boats, Trailers and Other Vehicles. No trailers, boat trailers, travel trailers inoperative automobiles or campers shall be semi-permanently or permanently parked or stored in the public street right-of-way or forward of the front building line. Storage of such items and vehicles must be screened from public view, either within the garage or behind a fence which screens such vehicle from public view. No tractor trailers, buses, or other large commercial vehicles shall be parked on driveways or in streets within the Properties for periods of time exceeding twelve (12) hours or for more than twenty-four (24) hours in any calendar week.

Section 15. Outside Lighting. Outside lights at eaves and door entrances shall be permitted, but no exterior flashing or high-intensity lights, floodlights, or spotlights on the exterior of any building shall be permitted, except with the prior written approval of the Association.

Section 16. Maximum Height of Antennae. Unless approved by Developer, no electronic antenna or device of any type other than an antenna for receiving normal television signals shall be erected, constructed, placed or permitted to remain on any Lot, house or building. Television antennas must be located to the rear of the roof ridge line, cable or center line of the principal dwelling. Freestanding antennae must be attached to and located behind the rear wall of the main residential structure. No antennae, either freestanding or attached, shall be permitted to extend more than ten (10) feet above the roof of the main residential structure on the Lot, or shall be erected on a wooden pole.

Section 17. Window Units. All supplements to the central air conditioning system must be used, erected, placed or maintained to the rear of the main residential structure. No window or wall type air conditioning units shall be permitted to be seen from the street view of any Lot.

Section 18. Recreational Equipment. All playground and recreational equipment must be used, erected, placed or maintained to the rear of all Lots.

Section 19. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations shall be permitted on any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 20. Maintenance. All Lots, together with the exterior of all improvements located thereon, shall be maintained in a neat and attractive condition by their respective Owners or Occupants. Such maintenance shall include, but not be limited to, painting, repairing, replacing, and caring for roofs, gutters, downspouts, building surfaces, patios, walkways, driveways, and other exterior improvements. The Owner or Occupant of each Lot shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner and all trees and shrubbery pruned and cut. No Lot shall be used for storage of material and equipment, except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind and the burning (except as permitted by law) of any such materials is prohibited. In the event of default on the part of the Owner or Occupant of any Lot in observing the above requirements or any of them, such default continuing after ten (10) days' written notice thereof, the Association may, subject to approval of its Board of Directors, enter upon said Lot, repair, maintain and restore the same, cut or prune or cause to be cut or pruned, such weeds, grass, trees and shrubbery and remove or cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions and to place said Lot in a neat, attractive, healthful and sanitary condition. In so doing, the Association shall not be subject to any liability for trespass or otherwise. All costs incurred in any such repair, maintenance, restoration, cutting, pruning or removal shall be charged against the Owner of such Lot as the personal obligation of such Owner and as a lien upon the Lot, enforceable and collectible in the same manner and to the same extent as a maintenance assessment. Any Occupant of such Lot shall be jointly and severally liable with the Owner for the payment of such coats.

The Association shall contract with one (1) or more landscaping services to provide grass cutting, lawn maintenance, proper care for all trees, shrubbery and other landscaping, and other necessary maintenance services for the Common Areas, provision for which shall be made in the monthly or annual assessments.

Section 21. Damage, Destruction or Maintenance. In the event of damage or destruction to any structure located on the Properties, the respective Owner thereof agrees as follows:

(i) In the event of total destruction, the Owner shall promptly clear the Lot of debris and leave the same in a neat and orderly condition. Within 60 days of any insurance settlement, the Owner must commence to rebuild and reconstruct the structure. Any such rebuilding and reconstruction shall be accomplished in conformity with the plans and specifications of the original structure so destroyed, subject to any changes or modifications as approved by the Developer or the Association, as the case may be, in accordance with Article II hereof.

(ii) In the case of partial damage or destruction, the Owner shall, as promptly as an insurance adjustment may be made, cause the damage or destruction to be repaired and restored in a first class condition in accordance with the plans and specifications of the original structure and in conformity with its original exterior painting and decor. Any change or alteration must he approved by the Developer or the Association, as the case may be, in accordance with Article III hereof. In no event shall any damaged structure be left unrepaired and unrestored for in excess of sixty (60) days, from the date of the insurance adjustment.

(iii) If the correction of a maintenance or repair problem incurred on one Lot necessitates construction work or access on another Lot, both Owners shall have an easement on the property of the other for the purpose of this construction. Each party shall contribute to the cost of restoration thereof equally, unless such damage was caused by the

fault of an Owner, in which event the Owners shall allocate the cost of restoration in proportion to the relative fault of the parties.

Section 22. Use of Premises. Each Lot shown on the Plat shall he used only for private, single-family residential purposes and not otherwise. Notwithstanding the foregoing, Developer may maintain, as long as it owns property in or upon such portion of the Properties as Developer may determine, such facilities as in its sole discretion may be necessary or convenient, including, but without limitation, offices, storage areas, model units and signs, and Developer may use, and permit builders (who are at the relevant time building and selling houses in the development) to use, residential structures, garages or accessory buildings for sales offices and display purposes, but all rights of Developer and of any builder acting with Developer's permission under this sentence, shall be operative and effective only during the construction and sales period within the area.

Section 23. Animals and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, pastured, or maintained on any Lot, except household pets such as small dogs and cats which may be kept thereon in reasonable numbers as pets for the sole pleasure of the Owner or Occupant, but not for any commercial use or purpose.

Section 24. Nuisances and Unsightly Materials. No house or other structure on any Lot shall be used for any business or commercial purpose. Each Owner or Occupant shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort, annoyance, or nuisance to others. No noxious, offensive, or illegal activity shall be carried on upon any Lot. No motorcycle, motorbike, motor scooter, or any other unlicensed motorized vehicle shall be permitted to be operated on or in the Common Areas. No Lot shall be used, in whole or in part, for the storage of rubbish of any character whatsoever; nor shall any substance, thing, or material he kept upon any Lot which will emit foul or noxious odors or which will cause any noise that will or might disturb the peace and quiet of the Owners or Occupants of surrounding Lots or property. The foregoing shall not be construed to prohibit the temporary deposits of trash and other debris for pick-up by garbage and trash removal service units.

Section 25. Hobbies and Activities. The pursuit of any inherently dangerous activity or hobby, including, without limitation, the assembly and disassembly of motor vehicles or other mechanical devices, the shooting of firearms, fireworks, or pyrotechnic devices of any type or size, and other such activities shall not be pursued or undertaken on any part of any Lot or upon the Common Areas without the consent of the Association.

Section 26. Visual Obstruction at the Intersection of Public Streets. No object or thing which obstructs sight lines at elevations between two (2) feet and six (6) feet above the surface of the streets shall be placed, planted or permitted to remain on any corner Lot within the triangular area formed by the curb lines of the streets involved and a line running from curb line to curb line at points twenty-five (20) feet from the junction of the street curb lines. The same limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway.

Section 27. Governmental Restrictions. Each Owner shall observe all governmental building codes, health regulations, zoning restrictions, and other regulations applicable to his Lot. In the event of any conflict between any provision of any such governmental code, regulation, or restriction and any provisions of this Declaration, the more restrictive provision shall apply.

Section 28. Roads. 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 29. Easement for Roads. The right is expressly reserved to the Developer and Owners, their representatives, heirs, successors and assigns, to construct all streets, roads, alleys, or other public ways as now, or hereafter may be, shown on the Plat(s), 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 (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 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 by constructed, or on account of the bank slopes constructed within the limits of the said ten (10) feet easement.

ARTICLE IV

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every person or entity who is the Owner of record of a fee interest in any Lot shall be a Member of the Association, subject to and bound by this Declaration and the Association's Articles of Incorporation, the By-Laws of the Association and such rules and regulations as may be adopted by the Association. When any Lot is owned of record in joint tenancy, tenancy in common, tenancy by the entirety, or by some other legal entity, the membership as to such Lot shall he joint and the rights of such membership (including the voting power arising therefrom) shall be exercised only as stipulated in Section 2 below.

Section 2. Voting and Voting Rights. The voting rights of the membership shall be appurtenant to the ownership of the Lot. The Owner of each Lot shall be entitled to one (1) vote; provided that Developer shall be entitled, for each Lot that it owns, to four (4) votes until such time as seventy-five percent (75%) of the Lots subjected to this Declaration by this instrument or by any Supplementary Declaration have been sold by it or until five (5) years from the later of the date hereof or the date of the last such Supplementary Declaration, whichever shall first occur, after which time Developer shall have only one (1) vote for each Lot that it owns. Developer, upon notice to the Association, has the right to convert its voting rights from four (4) votes per lot to one (1) vote per lot at any time during the weighted voting period hereinabove described. When two (2) or more persons hold an interest in any Lot as Owners thereof, all such persons shall be Members. The vote for such Lot shall be exercised by one (1) of such persons as proxy or nominee for all persons holding an interest as Owners in the Lot and in no event shall more than one (1) vote be cast with respect to any Lot, except as provided above with respect to Developer.

Section 3. Method of Voting. Members shall vote in person or by proxy executed in writing by the Member. No proxy shall be valid after eleven (11) months from the date of its execution or upon conveyance by the Member of his Lot. No proxy shall be valid unless promulgated by the Board of Directors as an official proxy. A corporate Member's vote shall be cast by the President of the Member corporation or by any other officer or proxy appointed by the President or designated by the Board of Directors of such corporation. Voting on all matters except the election of directors shall be by voice vote or by show of hands unless a majority of the Members of each Class present at the meeting shall, prior to voting on any matters, demand a ballot vote on that particular matter. Where directors or officers are to be elected by the Members, the official solicitation of proxies for such elections may be conducted by mail.

Section 4. First Meeting of Members. The first regular annual meeting of the Members may be held, subject to the terms hereof, on any date, at the option of the Board of Directors; provided, however, that the first meeting may (if necessary to comply with Federal Regulations) be held no later than the earlier of the following events: (a) four months after all of the Lots have been sold by the Developer; or (b) three years following conveyance of the first Lot by the Developer.

Section 5. Working Capital Fund. There may (if necessary to comply with Federal Regulations) be established a working capital fund equal to three months' assessments for each Lot. Each Lot's share of the working capital fund shall be collected and transferred to the Association at the time of closing of the sale of each Lot and maintained in an account for the use and benefit of the Association. Amounts paid into the fund shall not be considered as advance payment of regular assessments. (The contribution to the working capital fund for each unsold Lot shall be paid to the Association within sixty (60) days after the date that the Developer shall cease to have four (4) votes for each Lot it owns pursuant to Section 1 above. The purpose of the fund is to insure that the Association will have cash available to

meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Board of Directors.

Section 6. Acceptance of Development. By the acceptance of a deed to a Lot, any purchaser of a Lot shall be deemed to have accepted and approved the entire plans for the Somerset Subdivision development, and all improvements constructed by that date, including, without limitation, the utilities, drains, roads, sewers, landscaping, Common Area amenities, and all other improvements as designated on the Plat, and as may be supplemented by additional plats upon completion of development of any portion of Tract II. Such purchaser agrees that all improvements constructed after the date of purchase consistently with such plans, and of the same quality of then existing improvements, shall be accepted. quality of then existing improvements, shall be accepted. Security may be provided at the Developer's discretion, and no Owner shall have any cause of action for failure to provide adequate security.

ARTICLE V

COMMON AREA PROPERTY RIGHTS AND MAINTENANCE ASSESSMENTS

Section 1. Common Areas. Each Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to each Lot as designated upon the Plats, subject only to the provisions of this Declaration and the Articles of Incorporation, By-Laws, and rules and regulations of the Association, including, but not limited to, the following;

1. the right of the Association to limit the use of the Common Areas to Owners or Occupants of Lots, their families and their guests and those persons entitled to membership privileges as set forth in the Bylaws which rights may be conferred by the Developer in the Developer's sole discretion;

2. the right of the Association to suspend voting privileges and rights of use of the Common Areas for any Owner whose assessment against his Lot becomes delinquent; and

3. the right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility or to transfer or mortgage all or any part of the Common Areas for such purposes and subject to such conditions as may be agreed upon by the Members; provided that no such dedication, transfer, or mortgage shall be effective unless the Members entitled to cast at least two thirds (2/3) of the votes agree by vote or written consent to such dedication, transfer, or mortgage and signify their agreement by a signed and recorded written document; and provided further that this paragraph shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of electrical, telephone, cablevision, water and sewerage, utilities, and drainage facilities upon, over, under, and across the Common Areas without the assent of the membership when such easements are requisite for the convenient use and enjoyment of the Properties. In the event ingress or egress to any Lot is through the Common Areas, any conveyance or encumbrance of such area is subject to the easement of the Owner of such Lot.

Section 2. Assessment for Maintenance of Common Areas. For each Lot owned within the development, every Owner covenants and agrees, and each subsequent Owner of any such Lot, by acceptance of a deed therefor, shall be deemed to covenant and agree, to pay to the Association monthly or annual assessments or charges for the creation and continuation of a maintenance fund in amounts to be established from time to time by the Board of Directors of the Association in order to maintain, landscape, and beautify the Common Areas, to promote the health, safety, and welfare of the residents of the community, to pay taxes, if any, assessed against the Common Areas, to procure and maintain insurance thereon, to employ attorneys, accountants, and security personnel, and to provide such other services as are not readily available from governmental authorities having jurisdiction over the same. In addition, the Owner of each Lot and each subsequent Owner thereof, by acceptance of his deed, covenants and agrees to pay special assessments as approved by the membership in the manner hereinafter provided.

Section 3. Creation of Lien and Personal Obligation of Assessments. In order to secure payment of assessments, both monthly or annual and special, as the same become due, there shall arise a continuing lien and charge against each Lot, the amount of which shall include interest at the maximum effective rate allowed by law, costs, and reasonable attorney's fees to the extent permissible by law. Each such assessment, together with such interest, costs, and reasonable attorney's fees, shall

also be the personal obligation of the person who was the Owner of the Lot at the time the assessment became due; provided that this personal obligation shall not pass to successors in title unless expressly assumed by them. The lien provided for herein, however, shall be subordinate to the lien of any first deed of trust (sometimes hereinafter called "mortgage") on any Lot if, but only if, all such assessments made with respect to such Lot having a due date on or prior to the date such first mortgage is filed for record have been paid. The lien and permanent charge hereby subordinated is only such lien and charge as relates to assessments authorized hereunder having a due date subsequent to the date such first mortgage is filed of record and prior to the satisfaction, cancellation, or foreclosure of the same, or the transfer of the mortgaged property in lieu of foreclosure. The sale or transfer of any Lot shall not affect any assessment lien. The sale or transfer of any Lot that is subject to any first mortgage, pursuant to a foreclosure thereof or under power of sale or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessment, but not the personal obligation of any former title holder, as to payments that became due prior to such sale or transfer and subsequent to the recordation of the first mortgage that has been foreclosed, but the Association shall have a lien upon the proceeds from foreclosure or of sale junior only to the lien of the foreclosed first mortgage. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

Section 4. Levy of Assessments. The Board of Directors of the Association shall fix the commencement date for monthly or annual assessments on the first day of the month following the conveyance of the first Lot to an Owner and shall provide for a partial assessment between the commencement date and the end of the calendar year next following. Thereafter, monthly or annual assessments shall be levied by the Board of Directors of the Association, by action taken on or before December 1 of each year for the ensuing year. The Board, in its discretion, may provide for the periodic payment of such assessments at some intervals other than monthly. Special assessments may be levied in any year 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 Areas, if any, including fixtures and personal property related thereto; provided that the same are first approved by the Board of Directors of the Association, recommended to the membership, and subsequently approved by affirmative vote of Members entitled to cast at least two-thirds (2/3) of the votes at a meeting of the Members duly held for that purpose. Written notice of the monthly, annual or special assessment shall be mailed (by U.S. first class mail) to every Owner subject thereto. 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 and the amount of any delinquencies. The Association shall not be required to obtain a request for such certificate signed by the Owner, but may deliver such certificate to any party who in the Association's judgment has a legitimate reason for requesting the same.

Section 5. Maximum Annual Assessment. Until otherwise established by the Board of Directors of the Association as set forth herein, the maximum annual assessment shall be One Hundred Eighty and No/100 Dollars ($180.00) per year per Lot. From and after one year from the date hereof, the maximum annual assessment may be increased each year by an amount up to, but not in excess of, fifteen percent (15%) of the maximum annual assessment for the previous year without a vote of the membership. In the event the Board of Directors determines that an increase in excess of such amount is required, the amount of assessment exceeding such limitation shall be automatically effective thirty (30) days after the Association sends written notice to each Owner of the amount and necessity of such increased assessment unless the Association receives written objection to such increased assessment by Members entitled to cast more than fifty percent (50%) of the percentage values of the votes eligible to be cast by Members of the Association within such thirty (30) day period or a special meeting of Members is called within such thirty (30) day period and the excess assessment is disapproved like vote of the Members at such meeting.

Section 6. Rate of Assessment. All Lots in the development shall commence to bear their applicable maintenance fund assessment simultaneously, and any such Lots owned by Developer shall he exempt from assessment. Lots which are owned by residents shall be subject to the annual assessment determined by the Board of Directors in accordance with the provisions of Sections 4 and 5 hereof. The rate of assessment for an individual Lot, within a calendar year, may change as the character of ownership and the status of occupancy by a resident changes, and the applicable assessment for such Lot shall be prorated according to the rate required during each type of ownership.

Section 7. Effect of Non-Payment of Assessments and Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the maximum effective rate then allowed by law. The Association, its agent or representative, may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot to which the assessment relates, and interest, costs, and reasonable attorney's fees for such action or foreclosure shall be added to the amount of such assessment to the extent allowed by law. No Owner may avoid liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

Section 8. Conveyance of Common Areas. Developer hereby conveys to the Association the Common Areas free and clear of all encumbrances.

ARTICLE VI

EASEMENTS

Section 1. General. The Lots and Common Areas in the Properties subject to this Declaration shall be subject to all easements shown or set forth on the Plat.

Section 2. Development and Construction. Developer hereby reserves an easement upon, over, and across the Common Areas for purposes of access, ingress, and egress to and from the Lots during the development of the Properties and during the period of construction of residences such Lots. Developer shall be responsible for and shall repair all damage to the Common Areas arising out of or resulting from its development of the Properties and construction of residences on the Lots.

Section 3. Emergency. There is hereby reserved, without further assent or permit, a general easement to all policemen and security guards employed by Developer or by the Association, firemen, ambulance personnel, and all similar persons to enter upon the Properties or any portion thereof which is made subject to this Declaration in the performance of their respective duties. Further, employees of the City of Nashville, Tennessee, or of any utility serving the Properties, may enter upon the Properties for the purpose of making repairs.

Section 4. Utilities. Easements for the installation and maintenance of utilities are reserved as shown and provided for on the Plat or by separate instrument, and no structure of any kind shall he erected upon any of said easements. Neither Developer nor any utility company using the easements shall be liable for any damage done by either of them or their successors or assigns, or by their agents, employees or servants to shrubbery, trees, flowers or improvements of the Owner located on the land within or affected by said easements. A right of pedestrian access by way of a driveway or open lawn area shall also be granted on each Lot, from the front Lot line to the rear Lot line to any utility company having an installation in the easement. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or public utility company is responsible.
Fences shall not he allowed to be constructed over or along any easement for public utilities.

ARTICLE VII

MORTGAGEE RIGHTS AND FEDERAL HOME LOAN MORTGAGE CORPORATION REGULATIONS

Section 1. Special Actions Requiring Mortgagee Approval. Notwithstanding anything herein to the contrary, unless at least seventy-five percent (75%) of the first mortgagees (based upon one vote for each first mortgage owned) or owners (other than the Developer) of the individual Lots have given their prior written approval, the Association shall not be entitled to:

1. By act or omission, seek to abandon or terminate the restrictions declared herein;

2. Partition or subdivide any Lot;

3. By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common facilities. The granting of easements for public utilities or for other public purposes consistent with the intended use of

the common facilities by Somerset shall not be deemed to transfer within the meaning of this clause;

4. Use hazard insurance proceeds for losses to any common facilities for other than the repair, replacement or reconstruction of such improvements, except as provided by statute.

Section 2. Special Rights of Mortgagees. A first mortgagee, or beneficiary of any deed of trust shall be entitled to the following special rights:

1. Upon request, such first mortgagee is entitled to written notification from the Association of any default in the performance of any individual Owner of any obligation under these restrictions which is not carried by such Owner within sixty (60) days.

2. Any first mortgagee shall have the right to examine the books and records of the Association during regular business hours, and such books and records shall be made available to such first mortgagees upon their request.

Section 3. Conformity with Federal Home Loan Mortgage Corporation Regulations. Notwithstanding anything to the contrary contained in these restrictions, all terms, conditions, and regulations now existing, or which may be promulgated from time to time, by the Federal Home Loan Mortgage Corporation pertaining to planned unit developments are hereby incorporated as terms and conditions of this Declaration shall be binding upon the Developer, the Association and the Owners, so long as such terms and conditions are not inconsistent with the laws of the State of Tennessee and do not infringe on any substantial property rights of individual Owners.

Section 4. Notices of Mortgages. Any Owner who mortgages his ownership interest shall notify the Association in such manner as the Association may direct, of the name and address of his mortgagees and thereafter shall notify the Association of the payment, cancellation or other alteration in the status of such mortgages. The Association shall maintain such information in a book entitled "Mortgages."

Section 5. Copies of Notices to Mortgage Lenders. Upon written request delivered to the Association, the holder of any mortgage of any ownership interest or interest therein shall be given a copy of any and all notices permitted or required by this Declaration to be given to the Owner whose ownership interest or interest therein is subject to such mortgage.

Section 6. Further Right of Mortgagees.

1. No Owner or any other party shall have priority over any rights of the first mortgagees pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of common facilities.

2. Any agreement for the professional management for the Association, whether it be by the Developer, is successors and assigns, or any other person or entity, may be terminated on ninety (90) days written notice and the terms of any such contract shall so provide and shall not be of a duration in excess of three (3) years.

3. The Association shall give to the Federal Home Loan Mortgage Corporation or any lending institution servicing such mortgages as are acquired by the Federal Home Loan Mortgage Corporation, notice in writing of any loss to or the taking of the common facilities if such loss or taking exceeds Ten Thousand Dollars ($10,000.00). The Association may rely on the information contained in the book entitled "Mortgages" as must be established pursuant to this Declaration for a list of mortgages to be notified hereby.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Exercise of Powers. Until such time as the Association is formed and its Board of Directors is elected, Developer shall exercise any of the powers, rights, duties, and functions of the Association and/or its Board of Directors.

Section 2. Regulatory Compliance. The foregoing Restrictions shall at all times comply with all ordinances and regulations of the Metropolitan Government of Nashville and Davidson County, including but not limited to Section 81.51 of the Code of the Metropolitan Government of Nashville and Davidson County, that provides, inter alia, the following:

(a) The Association shall not be dissolved nor shall it dispose of any of the Common Areas, by sale or otherwise (except to an organization conceived and established to own and maintain the Common Areas), without first offering to dedicate the Common Areas to the Metropolitan Government of Nashville and Davidson County; and

(b) In the event the Association fails to maintain the Common Areas in reasonable order and condition, the zoning administrator for the Metropolitan Government of Nashville and Davidson County may call upon any public or private agency to maintain the Common Areas for a period of one year; and

(c) The cost of any such maintenance described above shall be assessed proportionately against the Owners, and shall become a lien on the Lots.

Section 3. Duration. The foregoing Restrictions shall be construed as covenants running with the land and shall be binding and effective for fifty (50) years from the date hereof, at which time they shall be automatically extended for successive periods of ten (10) years each unless it is agreed by vote of a majority in interest of the then Owners of the Properties to alter, amend, or revoke the Restrictions in whole or in part. Every purchaser, or subsequent grantee of any interest in the Properties made subject to this Declaration, by acceptance of a deed or other conveyance therefor, agrees that the restrictions set forth in this Declaration may be extended as provided in this Article IX, Section 2.

Section 4. Amendment. Except as provided below, the provisions of this Declaration may be amended by Developer, without joinder of the Owner of any Lot, for a period of five (5) years from the later of the date hereof or the date of the last Supplementary Declaration adding Additional Phases and thereafter by an agreement signed by at least two-thirds (2/3) of the Owners whose Lots are then subject hereto. No such amendment shall become effective until the instrument evidencing such change has been filed of record. Notwithstanding the foregoing, the Owners of Lots then subject hereto shall have no right to amend the provisions of Article V, Section 2, without the prior written consent of Developer.

Developer reserves the right to file any amendments that may be necessary to correct clerical or typographical errors in this Declaration, and to make any amendments that may be necessary to conform the Declaration with Federal Home Loan Mortgage Corporation regulations, Federal Housing Administration or the Veteran's Administration or other applicable regulations that may be necessary to assure Lender approval of the development.

For so long as the Developer maintains the weighted voting described in Article IV, Section 2, hereof, ownership of any Lots, any amendments which would provide for the annexation of additional properties, the merger of the Subdivision with any other similar project or the consolidation of the Subdivision with such similar project, the mortgaging of common areas, the dedication of common areas, or the dissolution or amendment of the provisions of this Declaration, shall require the prior, written approval of the Veteran's Administration or the Federal Housing Administration.

Section 5. Enforcement. If any person, firm or corporation shall violate or attempt to violate any of these restrictions, it shall be lawful for any other person, firm or corporation owning any property within Somerset to bring an action against the violating party at law or in equity for any claim which these Restrictions may create in such other Owner or interested party either to prevent said person, firm, or corporation from so doing such acts or to recover damages for such violation. The provisions of this Section 4 are in addition to and separate from the rights of the Association to collect Association fees. Any failure by Developer or any property Owner to enforce any of said covenants and restrictions or other provisions shall in no event be deemed a waiver of the right to do so thereafter. Invalidation of any one or more of these restrictions by judgment or court order shall neither affect any of the other provisions not expressly held to be void nor the provisions so voided in circumstances or applications other than those expressly invalidated, and all such remaining provisions shall remain in full force and effect together with the provisions ruled upon as they apply to circumstances other than those expressly invalidated.

Should any aggrieved Owner employ counsel to enforce any of the foregoing covenants or Restrictions, the prevailing party in any legal action shall be entitled to recover from the losing party the attorneys fees and expenses incurred in such action.

Section 5. Headings and Binding Effect. Headings are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer. The covenants, agreements and rights set forth herein shall be binding upon and inure to the benefit of the respective heirs, executors, successors and assigns of the Developer and all persons claiming by, through or under Developer.

Section 6. Unintentional Violation of Restrictions. In the event of unintentional violation of any of the foregoing Restrictions with respect to any Lot, the Developer or its successors reserves the right (by and with the mutual written consent of the Owner or Owners for the time being of such Lot) to change, amend, or release any of the foregoing restrictions as the same may apply to that particular Lot.

Section 7. Books and Records. The books and records of the Association shall, during reasonable business hours, be subject to inspection by any Member upon five (5) days prior notice. The Articles of Incorporation, the By-Laws of the Association, and this Declaration shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

Section 8. Conflicts. In the event of any conflict between the provisions of this Declaration and the By-Laws of the Association, the provisions of this Declaration shall control.

Section 9. Binding Effect. The provisions of this Declaration shall be binding upon and shall inure to the benefit of the respective legal representatives,successors and assigns of Developer and the Present Owners and all persons claiming by, through, or under Developer or the Present Owners.

IN WITNESS WHEREOF, Developer and all other record owners of Lots within the Properties have caused this Declaration of Restrictive Covenants to be executed on the day and date first above written.

PHILLIPS BUILDERS, INC.,
Developer

By: _____

Title: _____

_____ _____

_____ , **Owner**

_____ _____

_____ , **Owner**

_____ _____

_____ , Owner

_____ _____

_____ , Owner

_____ _____

_____ , Owner

_____

-15- , Owner

_____ _____

_____ , Owner

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Debbie Griffin with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained and who further acknowledged that she is Sr. Vice President of Phillips Builders, Inc., a corporation, and is authorized to execute this instrument on behalf of Phillips Builders, Inc.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, James B. Litchie with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Tracy B. Litchie with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Michael C. Williams with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Weiss
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Deborah L. Williams with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Weiss
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Mark J. Cassidy with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Weiss
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Lisa A. Cassetty with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Wade E. Hustad with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Tracy E. Hustad with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Theresa L. Shingle with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Phillip G. Shingle with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Gerald W. Janicke with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:

10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Sherry J. Jenkins with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:
10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Lois J. Smitheon with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:
10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, undersigned, Notary Public, Jack C. Boone with whom I am personally acquainted, and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:
10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, Undersigned, Notary Public, Lucie W. Boone with whom I am personally acquainted, and who acknowledged that she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this 2nd day of June, 1988.

Norma S. Davis
Notary Public

My Commission Expires:
10/24/88

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, _____, Notary Public, _____ with whom I am personally acquainted, and who acknowledged that _____ executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this _____ day of _____, 1988.

_____
Notary Public

My Commission Expires:

_____

STATE OF TENNESSEE

COUNTY OF DAVIDSON

Personally appeared before me, _____, Notary Public, _____ with whom I am personally acquainted, and who acknowledged that _____ executed the foregoing instrument for the purposes therein contained.

WITNESS my hand, at office this _____ day of _____, 1988.

_____
Notary Public

My Commission Expires:

_____

EXHIBIT A

Tract I
Somerset Phase I

Beginning at a point on the northeasterly right-of-way of Huntingboro Trail, said point being the southwesterly corner of Lot No. 467, as recorded on the Final Subdivision Plan of Towne Village of The Country, Section Five, Book 6250, Page 784, R.O.D.C., Tn.;

Thence leaving said right-of-way, North 47°-04'-39" East, 109.95 Feet to a point;

Thence South 69°-00'-01" East, 106.30 Feet to a point;

Thence North 61°-23'-13" East, 136.47 Feet to a point;

Thence North 69°-48'-50" East, 300.19 Feet to a point;

Thence South 32°-01'-40" East, 250.55 Feet to a point;

Thence South 49°-52'-45" West, 321.74 Feet to a point;

Thence South 49°-51'-10" East, 60.54 Feet to a point;

Thence South 41°-06'-24" East, 131.53 Feet to a point;

Thence South 40°-08'-50" West, 170.00 Feet to a point;

Thence North 49°-51'-10" West, 2.50 Feet to a point;

Thence South 40°-08'-50" West, 130.00 Feet to a point;

Thence North 49°-51'-10" West, 390.00 Feet to a point;

Thence North 89°-17'-05" West, 116.58 Feet to a point;

Thence South 75°-11'-54" West, 380.12 Feet to a point;

Thence South 55°-53'-50" West, 225.84 Feet to a point;

Thence North 34°-06-10" West, 54.00 Feet to a point;

Thence South 55°-53'-50" West, 119.47 Feet to a point;

Thence South 20°-33'-41" West, 87.48 Feet to a point;

Thence South 14°-46'-24" West, 136.12 Feet to a point;

Thence South 24°-30'-52" East, 75.04 Feet to a point;

Thence South 35°-30'-14" West, 125.00 Feet to a point;

Thence South 54°-29'-46" East, 34.74 Feet to a point;

Thence South 35°-30'-14" West, 131.57 Feet to a point;

Thence South 25°-09'-50" West, 65.00 Feet to a point;

Thence South 45°-07'-26" West, 262.60 Feet to a point;

Thence North 14°-47'-07" West, 402.77 Feet to a point;

Thence North 47°-14'-34" West, 55.12 Feet to a point;

Thence North 35°-30'-14" East, 190.13 Feet to a point;

Thence North 54°-29'-46" West, 28.00 Feet to a point;

Thence North 35°-30'-14" East, 85.00 Feet to a point;

Thence North 54°-29'-46" West, 105.00 Feet to a point;

Thence North 35°-30'-14" East, 7.73 Feet to a point;

Thence North 54°-29'-46" West, 153.12 Feet to a point;

Thence North 3°-03'-44" East, 78.05 Feet to a point;

Thence North 36°-03'-56" East, 180.86 Feet to a point;

Thence South 52°-13'-49" East, 173.81 Feet to a point;

Thence South 67°-24'-51" East, 80.00 Feet to a point;

Thence North 66°-15'-10" East, 164.74 Feet to a point;

Thence North 11°-31'-10" West, 109.80 Feet to a point;

Thence North 78°-28'-50" East, 170.00 Feet to a point;

Thence North 11°-31'-10" West, 7.00 Feet to a point;

Thence North 78°-28'-50" East, 154.30 Feet to a point;

Thence North 0°-53'-17" East, 35.84 Feet to a point;

Thence North 78°-28'-50" East, 335.00 Feet to a point;

Thence South 71°-38'-18" East, 88.09 Feet to a point;

Thence North 45°-58'-47" East, 135.00 Feet to a point on the northeasterly right-of-way of Huntingboro Trail;

Thence with said right-of-way, being a curve to the right having a radius of 239.32 Feet, and in a general northwesterly direction 4.59 Feet to the point of beginning,

AND CONTAINING 20.88 ACRES.

EXHIBIT B

SOMERSET FUTURE DEVELOPMENT

Beginning at a point on the easterly right-of-way of Mapleridge Drive, said point being the southwesterly corner of Lot No. 129, as recorded on the plan of Towne Village of The Country, Section Two, Book 5200, Page 177, R.O.D.C., Tn.;

Thence leaving said right-of-way, North 79°-10'-34" East, 149.65 Feet;

Thence North 69°-42'-59" East, 79.33 Feet to a point;

Thence North 58°-08'-30" East, 115.00 Feet to a point;

Thence South 7°-55'-15" West, 142.02 Feet to a point;

Thence with a curve to the right, having a radius of 40.00 Feet and in a general southerly direction 104.22 Feet to a point;

Thence South 67°-10'-34" West, 49.26 Feet to a point;

Thence South 22°-49'-26" East, 140.00 Feet to a point;

Thence South 78°-00'-21" West, 119.61 Feet to a point;

Thence South 7°-20'-11" West, 200.00 Feet to a point;

Thence North 84°-19'-26" West, 170.00 Feet to a point;

Thence North 5°-40'-34" East, 25.00 Feet to a point;

Thence North 84°-19'-26" West, 125.00 Feet to a point;

Thence North 30°-38'-28" West, 70.46 Feet to a point;

Thence North 76°-01'-59" West, 150.00 Feet to a point;

Thence North 11°-48'-41" West, 79.98 Feet to a point;

Thence North 12°-27'-43" East, 185.00 Feet to a point;

Thence North 79°-10'-34" East, 280.00 Feet to the easterly right-of-way of Mapleridge Drive;

Thence with the said right-of-way, North 10°-49'-26" West, 10.00 Feet to the point of beginning,

AND CONTAINING 6.33 ACRES.

EXHIBIT B

SOMERSET FUTURE DEVELOPMENT

Beginning at a point on the westerly right-of-way of Dogwood Valley Drive, said point being the southeasterly corner of Lot 134, Towne Village of the Country, Section Two, Book 5200, Page 177, R.O.D.C., Tn.;

Thence with said right-of-way, North 12°-27'-43" East, 2.69 Feet to a point;

Thence crossing said right-of-way, South 77°-32'-17" East, 161.43 Feet to a point;

Thence South 28°-00'-30" East, 64.80 Feet to a point;

Thence South 12°-27'-43" West, 185.00 Feet to a point;

Thence South 11°-48'-41" East, 79.98 Feet to a point;

Thence South 76°-01'-59" East, 150.00 Feet to a point;

Thence South 30°-38'-28" East, 70.46 Feet to a point;

Thence South 84°-19'-26" East, 125.00 Feet to a point;

Thence South 5°-40'-34" West, 25.00 Feet to a point;

Thence South 84°-19'-26" East, 170.00 Feet to a point;

Thence North 7°-20'-11" East, 200.00 Feet to a point;

Thence North 78°-00'-21" East, 119.61 Feet to a point;

Thence North 70°-00'-05" East, 107.89 Feet to a point;

Thence South 3°-11'-34" East, 32.13 Feet to a point;

Thence South 1°-47'-32" East, 137.25 Feet to a point;

Thence South 6°-02'-31" East, 70.75 Feet to a point;

Thence South 4°-50'-09" West, 11.62 Feet to a point;

Thence South 11°-45'-01" East, 132.50 Feet to a point;

Thence North 86°-14'-39" West, 1133.70 Feet to a point;

Thence North 80°-30'-17" West, 308.98 Feet to a point;

Thence North 50°-57'-40" East, 367.81 Feet to a point;

Thence North 30°-00'-04" East, 109.02 Feet to a point;

Thence North 00°-07'-52" East, 169.04 Feet to a point;

Thence North 71°-24'-42" East, 72.33 Feet to a point;

Thence South 77°-32'-17" East, 108.32 Feet to the point of beginning,

AND CONTAINING 9.22 ACRES.

EXHIBIT B

SOMERSET FUTURE DEVELOPMENT

Beginning at a point on the southeasterly right-of-way of Mt. View Road, said point being the northwesterly corner of subject tract and the northeasterly corner of property of Thomas Brown, Sr.;

Thence with said right-of-way, being a curve to the right, having a radius of 1424.80 Feet and in a general northeasterly direction 370.39 Feet to a point;

Thence North 57°-55'-41" East, 436.32 Feet to a point;

Thence leaving said right-of-way with the southwesterly line of property of Lawrence Graham, South 24°-57'-20" East,386.38 Feet to a point;

Thence South 44°-19'-15" East, 646.15 Feet to a point;

Thence with the westerly line of Lorene Chadwell, South 2°-36'-45" East, 892.66 Feet to a point;

Thence with the northerly line of Coy R. Dickie, North 83°-56'-58" West, 104.97 Feet to a point;

Thence North 84°-36'-46" West, 349.79 Feet to a point;

Thence with the northeasterly line of Thomas Brown, Sr. North 27°-13'-31" West, 894.43 Feet to a point;

Thence North 49°-36'-46" West, 392.42 Feet to a point;

Thence North 45°-58'-36" West, 207.34 Feet to the point of beginning,

AND CONTAINING 25.19 ACRES.

EXHIBIT "B"

SOMERSET, FUTURE DEVELOPMENT

Beginning at a point on the easterly corner of Lot No. 447, Somerset, Phase I;

Thence with the northeasterly line of said Phase, North 41°-06'-24" West, 131.53 Feet to a point;

Thence North 49°-51'-10" West, 60.54 Feet to a point;

Thence North 49°-52'-45" East, 321.74 Feet to a point on the southwesterly line of property of U. S. Corp of Engineers;

Thence with said property, South 32°-01'-40" East, 11.39 Feet to a point;

Thence South 80°-39'-05" East, 1,177.06 Feet to a point;

Thence South 47°-47'-01" East, 52.40 Feet to a point;

Thence South 39°-21'-32" East, 172.63 Feet to a point on the northwesterly right-of-way of Mt. View Road;

Thence with said right-of-way, South 59°-59'-00" West, 45.29 Feet to a point;

Thence with a curve to the left, having a radius of 2,135.75 Feet, and in a general southwesterly direction, 331.33 Feet to a point;

Thence South 51°-05'-41" West, 262.75 Feet to a point;

Thence with a curve to the right, having a radius of 3,001.64 Feet, and in a general southwesterly direction, 357.99 Feet to a point;

Thence South 57°-55'-41" West, 66.14 Feet to the easterly corner of Lot No. 693, Somerset, Phase II;

Thence with the northeasterly line of said Phase and leaving the right-of-way of Mt. View Road, North 23°-04'-19" West, 108.38 Feet to a point;
Thence North 22°-45'-06" East, 80.92 Feet to a point;
Thence North 46°-13'-18" West, 242.47 Feet to a point;

Thence North 36°-58'-00" West, 137.38 Feet to a point;

Thence North 78°-09'-13" West, 73.82 Feet to a point;

Thence North 49°-51'-10" West, 125.00 Feet to a point;

Thence South 40°-08'-50" West, 15.00 Feet to a point;

Thence North 49°-51'-10" West, 87.50 Feet to a point;

Thence North 16°-04'-37" West, 57.05 Feet to a point;

Thence North 83°-32'-34" West, 21.12 Feet to the point of beginning,

AND CONTAINING 17.03 ACRES, MORE OR LESS.

EXHIBIT "B"

SOMERSET, FUTURE DEVELOPMENT

Beginning on the westerly corner of Lot No. 669, Somerset, Phase II;

Thence with the southwesterly line of said Phase, South 75°-55'-29" East, 72.36 Feet to a point;

Thence South 49°-51'-10" East, 240.00 Feet to a point;

Thence South 21°-35'-06" West, 86.58 Feet to a point;

Thence North 78°-38'-34" East, 60.14 Feet to a point;

Thence South 49°-51'-10" East, 123.90 Feet to a point;

Thence South 19°-50'-22" East, 12.70 Feet to a point;

Thence South 65°-33'-31" West, 121.31 Feet to a point;

Thence with a curve to the right, having a radius of 40.00 Feet and in a general southerly direction 61.00 Feet to a point;

Thence with a curve to the left, having a radius of 50.00 Feet, and in a general southerly direction 33.98 Feet to a point;

Thence South 23°-59'-32" West, 11.10 Feet to a point;

Thence with a curve to the left, having a radius of 25.00 Feet, and in a general southerly direction 36.31 Feet to a point;

Thence with a curve to the right, having a radius of 355.51 Feet, and in a general southeasterly direction, 152.86 Feet to a point;

Thence South 34°-34'-48" East, 39.56 Feet to a point;

Thence with a cruve to the left, having a radius of 25.00 Feet, and in a general easterly direction 38.44 Feet to a point on the northwesterly right-of-way of Mt. View Road;

Thence with said right-of-way, being a curve to the left, having a radius of 1,484.80 Feet, and in a general southwesterly direction 319.63 Feet to a point;

Thence leaving said right-of-way, North 82°-19'-35" West, 225.67 Feet to a point;

Thence North 83°-50'-57" West, 96.20 Feet to a point;

Thence South 74°-49'-44" West, 194.60 Feet to a point;

Thence South 75°-14'-42" West, 198.83 Feet to a point;

Thence South 74°-24'-44" West, 144.26 Feet to a point;

Thence North 88°-16'-19" West, 27.71 Feet to a point;

Thence North 86°-37'-09" West, 344.59 Feet to a point;

Thence North 87°-40'-05" West, 221.85 Feet to a point;

Thence North 86°-59'-48" West, 157.75 Feet to a point;

Thence with the easterly line of Towne Village of The Country, Section Four, North 14°-47'-07" West, 152.71 Feet to a point;

Thence with the southeasterly line of Somerset, Phase I, North 45°-07'-26" East, 262.60 Feet to a point;

Thence North 25°-09'-50" East, 65.00 Feet to a point;

Thence North 35°-30'-14" East, 131.57 Feet to a point;

Thence North 54°-29'-46" West, 34.74 Feet to a point;

Thence North 35°-30'-14" East, 125.00 Feet to a point;

Thence North 24°-30'-52" West, 75.04 Feet to a point;

Thence North 14°-46'-24" East, 136.12 Feet to a point;

Thence North 20°-33'-41" East, 87.48 Feet to a point;

Thence North 55°-53'-50" East, 119.47 Feet to a point;

Thence South 34°-06'-10" East, 54.00 Feet to a point;

Thence North 55°-53'-50" East, 225.84 Feet to a point;

Thence North 75°-11'-54" East, 380.12 Feet to a point;

Thence South 89°-17'-05" East, 116.58 Feet to a point;

Thence South 49°-51'-10" East, 390.00 Feet to a point;

Thence North 40°-08'-50" East, 13.20 Feet to the point of beginning,

AND CONTAINING 35.00 ACRES, MORE OR LESS.