

IN THE COURT OF APPEALS OF TENNESSEE
AT NASHVILLE
January 20, 2011 Session

**R. DOUGLAS HUGHES ET AL. v. NEW LIFE DEVELOPMENT
CORPORATION ET AL.**

Appeal

OPINION

FACTUAL AND PROCEDURAL BACKGROUND¹

The appellants, R. Douglas and M. Lynne Hughes and Louise and Guy Hubbs
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pea

Restrictive Covenants. The stated purpose of the amendments was to resolve issue w

of active business income of the type appare

104 (Tenn. Ct. App. 1998). To shift the burden oc1

Life. This sodeÖ—Xi

(2) Any director.

With two (2) of a total of 68 votes, the plaintiffs have only 2.9% of the voting power, not enough to bring a derivative action.

Summary judgment in Case 1

Amendments

In moving for summary judgment in Case 1, New L

- Article 1.14 defines “homesite.” The original restrictions stated that a homesite was an unimproved parcel of^f

- Article 3.06 generally limits homesites to one dwelling and prohibits the resubdividing of homesites. The amendments again add qualifying language^{s a}

members under § 6.13 are not effective without the approval of members whose interests would be adversely affected unless the declaration fairly apprises at n

Many courts go further to s` s

not apply uniformly to all lots and were not approved

Preserve and a West Preserve with a combined area of 7

Summary judgment in Case 2

Case 2 involves three claims: an individual action for injunction and two derivative claims. Given our conclusion above concerning the plaintiffs' lack of standing to bring derivative claims, we must conclude that the trial court }it}i