

NO. 01150
RETURN John W. Hibbs
TO 7-24-95
DATE _____

BOOK 208 PAGE 16

DECLARATION OF ANNEXATION
AND SUPPLEMENTAL DECLARATION
FOR
BRIDGEFORTH MILL, SECTION III

THIS DECLARATION OF ANNEXATION AND SUPPLEMENTAL DECLARATION FOR BRIDGEFORTH MILL, SECTION III ("Supplemental Declaration") is made as of this 1st day of June, 1995, by BRIDGEFORTH MILL DEVELOPMENT COMPANY, INC., a Virginia corporation (hereinafter referred to as "Declarant") (as Grantor for indexing purposes) and BRIDGEFORTH MILL HOMEOWNERS ASSOCIATION, INC., a Virginia non-stock corporation (the "Association") (as Grantor and Grantee for indexing purposes).

Recitals

A. Pursuant to that certain Declaration of Covenants, Conditions and Restrictions Applicable to All Property in Bridgeforth Mill dated October 1, 1991, recorded in the Clerk's Office of the Circuit Court of Amelia County, Virginia (the "Clerk's Office"), in Deed Book 185, page 422, as amended from time to time (the "Declaration"), Declarant submitted certain real property to a common scheme of development, restrictions and conditions. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Declaration.

B. Article XI, Section 3 of the Declaration provides that the Declarant shall have the unilateral right to subject to the provisions of the Declaration and the jurisdiction of the Association all or any portion of the property described in Exhibit "B" attached to the Declaration.

C. Declarant desires to subject the property described on Exhibit A attached hereto (the "Annexed Property"), which includes the "Private Roads" known as Beaver Lane and Mill Race Run, to the provisions of the Declaration and the jurisdiction of the Association.

D. Declarant desires to provide for the common maintenance, repair and use of the Private Roads providing access to the Section III Lots.

Supplemental Declaration

1. Definitions. As used in this Supplemental Declaration, the following terms shall have the meanings set forth below:

(a) "Plat" shall refer to that certain subdivision plat dated April 25, 1995, made by Timberlake Co., entitled "Plat of Survey Showing Bridgeforth Mill, Section III, Located in

Jackson Mag. District, Amelia County, Virginia," and recorded in the Clerk's Office in Plat Cabinet B, Slide 158.

(b) "Private Roads" shall refer to the private roads described as Beaver Lane and Mill Race Run on the Plat, as the same may be re-named from time to time, together with the drainage swales and culverts located therein.

(c) "Section III Lots" shall refer to all of the nineteen (19) Lots as shown on the Plat.

2. Annexation. Declarant declares that the Annexed Property, being a portion of the property described in Exhibit "B" attached to the Declaration, is hereby made subject to the provisions of the Declaration and the jurisdiction of the Association.

3. Conveyance of Private Roads to Association. Declarant reserves the right to convey the Private Roads to the Association by a deed recorded in the Clerk's Office subsequent to this Supplemental Declaration. Upon such conveyance, the Private Roads shall be deemed Common Areas subject to the provisions of this Supplemental Declaration and the Declaration. Nothing contained in this Supplemental Declaration shall be construed as an obligation of Declarant to pave any of the Private Roads. The Declarant's continued ownership of the Private Roads shall not affect the Association's maintenance obligations or rights contained herein.

4. Conveyance of Common Area Easement. Declarant hereby conveys to the Association a temporary Common Area Easement over and across the Private Roads for the purpose of performing the Association's obligations set forth in this Supplemental Declaration. The temporary easement shall terminate immediately upon the conveyance of fee simple title to the Private Roads to the Association.

5. Grant of Easement in Private Road. Together with the initial conveyance of each Section III Lot from Declarant to an Owner, Declarant shall be deemed to have conveyed to such Owner, whether or not contained in the deed from Declarant to such Owner, and Declarant hereby reserves for the benefit of each Section III Lot, a nonexclusive easement over and across the Private Roads for pedestrian and vehicular ingress and egress to and from each Section III Lot and Virginia Secondary Route 608 (the "Access Easement"). The Access Easement shall be appurtenant to the Section III Lot with which such interest is conveyed and any attempt to convey such interest separate from the Lot by any means shall be null and void.

6. Restrictions on Use. The Private Roads shall be used solely for vehicular and pedestrian ingress and egress from and

to the Section III Lots and Virginia Secondary Route 608. No buildings, structures or other obstructions may be constructed on the Private Roads; provided, however, Declarant hereby reserves a perpetual, non-exclusive easement over, on and under the Private Roads for the purpose of installing, maintaining, repairing and replacing water lines, electric lines and storm water drainage and related facilities within the Private Roads. The Declarant (during the Declarant Control Period), the Owners of the Section III Lots and the Association shall at all times have the right to keep the Private Roads clear of all buildings, structures, trees, roots, undergrowth and other obstructions.

7. Section III Roads Committee.

(a) Creation of Committee. There is hereby established a standing committee of the Association known as the "Section III Roads Committee" which shall have three (3) members (the "Committee"). The Declarant shall appoint the members of the Committee during the Declarant Control Period. Thereafter, the members of the Committee shall be chosen by the Owners of all of the Section III Lots. If the Owners of the Section III Lots fail or are unable to choose any or all of the members of the Committee, or fill any vacancy on the Committee within thirty (30) days of the vacancy, the Board of Directors of the Association shall appoint such members.

(b) Purpose. The purpose of the Committee shall be to advise the Association as to the level of services the Association is to provide in connection with the maintenance, repair and resurfacing of the Private Roads.

(c) Chairman. The Board of Directors of the Association shall appoint a Chairman of the Committee from among the members of the Committee. The Chairman shall call and preside over meetings of the Committee and act as a liaison with the Board of Directors of the Association.

(d) Meetings. The Committee shall meet at least once each year for the purpose of determining the level of services that will be required of the Association for the following fiscal year.

(e) Voting. The Committee shall act by majority vote. One vote shall be allocated to each member.

8. Maintenance. Unless a greater level of service is requested by the Committee, the Association shall repair and maintain the Private Roads in a clean, orderly and good condition reasonably clear of waste, debris, ice and snow. Except as provided in paragraph 10 below, all costs of clearing, snow removal, repairs, maintenance and resurfacing of the Private Roads shall be shared equally by the Owners of the Section III

Lots and payable to the Association as annual and/or special road assessments. The Private Roads shall have a suitable gravel, concrete, macadam or asphalt surface. If replacement of the surface of the Private Roads are required, the Association shall replace the surface only with the same or a better surface as originally installed thereon.

9. Assessments.

(a) Lien and Personal Obligation. In addition to the other assessments described in the Declaration, each Owner of a Section III Lot shall pay to the Association (1) annual road assessments, and (2) special road assessments. The assessments, together with interest, late fees, costs of collection, and reasonably attorneys' fees, shall be the personal obligation of the person who was the Owner of the Section III Lot at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to successors in title, provided such successors, or any one of them, were not originally liable for such assessments, either directly or indirectly. Such assessments shall be due and payable monthly, quarterly or annually, or on any other basis directed by the Board of Directors.

(b) Determination of Assessments. If the Committee would like the Association to provide during any year a level of service with respect to the Private Roads greater than that specified in paragraph 8 above, then at least ninety (90) days prior to the end of the prior year the Committee shall provide to the Board of Directors of the Association a description of the services that the Committee would like the Association to perform during the next year. The Board of Directors shall prepare and provide to the Chairman a budget and proposed annual road assessment based on the services requested by the Committee and all of the costs incurred or anticipated to be incurred in providing and administering such services. The budget and annual road assessment shall be deemed approved unless rejected by the Committee within fifteen (15) days after delivery to the Chairman.

(c) Source of Funds and Shortfalls. Only annual road assessments and special road assessments collected by the Association shall be applied to the costs of satisfying the Association's obligations set forth in this Supplemental Declaration with respect to the Private Roads. Any excess reserves or assessments collected pursuant to this instrument shall accrue solely to the benefit of the Owners of the Section III Lots for the purpose of satisfying the Association's responsibilities hereunder. The Association shall have no obligation to perform any services with respect to the Private Roads to the extent funds collected through annual road assessments and/or special road assessments are insufficient to

pay for the cost of such services; provided, however, that the Association may impose a special road assessment as provided below.

(d) Annual Road Assessments.

i. The annual road assessments levied by the Association shall be used exclusively to defray the costs of maintaining the Private Roads as provided in paragraph 8 above, together with all additional insurance costs, administrative costs, legal fees, accounting fees, collection costs and fees for other professional services incurred by the Association with respect to the Private Roads and funds to provide reasonable reserves for unanticipated repairs and the resurfacing or replacement of the Private Roads.

ii. The annual road assessments shall commence on the date of recording of this Supplemental Declaration. The initial annual road assessment for the remainder of the year in which this Supplemental Declaration is recorded shall be ONE HUNDRED DOLLARS (\$100.00) per annum for each Section III Lot prorated for the remainder of the year. Thereafter, the annual road assessment shall be fixed by the Board of Directors in accordance with the procedure set forth above and otherwise in the manner provided in Article IV, Section 2(b) of the Declaration with respect to annual assessments. Notwithstanding the foregoing, only the Owners of Section III Lots shall be entitled to receive notice of the annual road assessments and vote to disapprove increases in the annual road assessments.

(e) Special Road Assessment.-

i. In addition to the annual road assessments described above, the Association shall have the right to impose a special road assessment against the Owners of the Section III Lots to defray the cost of any maintenance, repair, resurfacing or replacement of the Private Roads.

ii. Special road assessments shall be fixed by the Board of Directors in the manner provided in Article IV, Section 3(b) of the Declaration with respect to the imposition of special assessments; provided, however, only Owners of the Section III Lots shall be entitled to receive notice of special road assessments and vote to rescind special road assessments.

(f) Non-Payment and Remedies. All of the late fees, interest charges and other rights and remedies provided to the Board of Directors by the Declaration for the collection of assessments and the enforcement of the lien therefor shall apply to the collection of annual road assessments and special road assessments and the enforcement of the liens therefor.

10. Damage or Destruction. In the event the Private Roads are destroyed or damaged, the following provisions shall apply:

(a) If the Private Roads are destroyed or damaged by casualty or accident, the cause of which is not attributable to any Owner of a Section III Lot or to conditions existing on any of such Lots, the Association shall promptly commence the necessary repairs and reconstruction and the costs of the repair or reconstruction of the Private Roads shall be shared equally by all of the Section III Lot Owners.

(b) If the Private Roads are destroyed or damaged, the cause of which is attributable to conditions existing on one or more of the Section III Lots, but which is not attributable to the negligent or willful act or omission of any Owner, then the Owner of the Section III Lot upon which such conditions existed (the "Contributing Owner") shall bear the full cost of repair and restoration of the Private Roads. The Association shall effect the repair and restoration of the Private Roads and be entitled to reimbursement for the costs of same within thirty (30) days following delivery to the Contributing Owner of an invoice or invoices for the amounts due. The costs incurred by the Association shall constitute a remedial assessment (as defined in the Declaration) due and payable by the Contributing Owner.

(c) If the Private Roads are damaged or destroyed by casualty or other causes attributable to the negligent or willful act or omission of the Owner of a Section III Lot, the Owner at fault shall bear the full cost of repair and restoration of the Private Roads. The Association shall effect the repair and restoration of the Private Roads and be entitled to reimbursement for the costs of same within thirty (30) days after delivery of written demand for reimbursement together with an invoice or invoices for the amounts due. If the Owner does not make payment when due, the Association may impose a late charge of ten percent (10%) of the costs incurred in addition to any other late fee and interest that may be imposed by the Association pursuant to the Declaration. The rights and remedies of the Association provided herein shall not limit, but shall be in addition to, any right of the Association, the Declarant or any Owner of a Section III Lot to seek and collect greater damages from the Owner at fault if the damage or destruction is attributed to a willful or negligent act or omission of the Owner at fault.

11. Action by Association. All modifications, alterations, improvements, repairs, and maintenance of the Private Roads shall be subject to the review, comment and approval of the Association as further provided in the Declaration.

12. Private Rights. The Private Roads are private and, except as provided below, shall be maintained in perpetuity by the Association pursuant to this Supplemental Declaration. If

approved by the Committee, the Association shall attempt to dedicate the Private Roads to the appropriate governmental agency for perpetual maintenance, provided, however, that the cost of bringing the Private Roads to the standards required for such acceptance shall be paid for by the Owners of the Section III Lots. Nothing contained herein shall be construed as or deemed to create any rights in the general public with respect to the Private Roads unless dedicated and accepted in the manner set forth above; provided, however, that nothing contained herein shall prohibit police, fire or medical emergency vehicles and personnel access over the Private Roads.

13. Reservation of Easements. There is hereby reserved to the Declarant and its designees (a) a non-exclusive easement upon, across and over all of the Private Roads for vehicular and pedestrian ingress and egress, and the installation, maintenance, repair and replacement of all utility systems, including, but not limited to, water, sewer, telephone, gas, and electric lines and meters, and (b) the right and power to grant such specific easements upon, across and over all of the Private Roads as may be necessary, in the sole discretion of the Declarant, for the orderly development of any property acquired by Declarant adjacent to, or in the vicinity of, the Annexed Property. The reservations contained in this paragraph shall survive the conveyance of the Private Roads to the Association.

14. Designation of Horse Lot. Pursuant to Article I, Section 15 of the Declaration, Declarant hereby declares that Lot 32A shall be a Horse Lot.

15. Combination of Section III Lots.

(a) The Owner of two or more contiguous Section III Lots may combine such lots into one Lot for all purposes under the Declaration and this Supplemental Declaration (including, without limitation, assessments and permitted uses) by recording in the Clerk's Office a certificate declaring that (i) the Owner is the owner of the Lots to be combined and (ii) the Owner declares that the Lots shall be treated as one Lot for all purposes under the Declaration. Unless otherwise provided in the certificate, the certificate shall be effective upon recordation in the Clerk's Office. If any portion of the newly formed Lot has been previously designated as a Horse Lot, then all of the new Lot shall be deemed a Horse Lot. If any portion of the newly formed Lot has been previously designated as a Lakefront Lot, all of the new Lot shall be deemed a Lakefront Lot.

(b) Notwithstanding Article VII, Section 1(d) (Restrictions on Use [Subdivision]) of the Declaration, the Owners of two or more Section III Lots may combine a portion of a Section III Lot with their Lots provided that (i) the Owner of the adjacent Lot owns the portion of the Lot to be partitioned

and combined with such Owner's adjacent Lot, (ii) the Lot to be partitioned is contiguous with a portion of all of the Lots with which it will be combined, (iii) all of the Owners of the Lots with which the Lot to be partitioned will be combined join in a certificate as described in subparagraph (a) above, (iv) a survey of the Lot to be partitioned is recorded with the declaration to clearly delineate the partition lines, (v) the certificate is recorded in the Clerk's Office, and (vi) the entire Lot to be partitioned is, as a result of the combination with other adjacent Lots, incorporated into such other Lots. If a portion of the partitioned Lot is combined with a Horse Lot, then all of the newly formed Lot shall be deemed a Horse Lot. However, the newly formed Lot shall be deemed a Lakefront Lot only if the newly formed Lot satisfies the definition of a Lakefront Lot as contained in the Declaration.

(c) The Owner or Owners of the Lots executing the certificate described in subparagraphs (a) and (b) above shall provide the Association with notice of their intent to combine any Section III Lots at least thirty (30) days prior to recording the certificate and shall provide the Association with a copy of the recorded certificate promptly following its recordation. The Association shall have no obligation to modify its assessments for the year in which the certificate is recorded or prorate any assessments prepaid by such Owners. However, as of January 1 of the year following the year in which the certificate is recorded in the Clerk's Office, or the effective date of the certificate, if later, the Association shall assess Lots combined pursuant to subparagraph (a) above as one Lot and shall no longer separately assess a Lot partitioned and combined with other Lots pursuant to subparagraph (b) above.

(d) The Owner or Owners effecting a combination of Lots as provided in this paragraph 15 shall be responsible for obtaining all governmental approvals required, if any, for that purpose.

16. Matters of Record. The easements and rights conveyed in this Supplemental Declaration are made subject to all applicable easements, restrictions, covenants and conditions of record in the chain of title to the Private Roads.

17. Successors and Assigns. The terms and provisions of this Supplemental Declaration shall be deemed to be covenants running with the land and shall be binding upon and inure to the benefit of the successors, grantees, devisees and assigns of the parties hereto and any person claiming by, through or under them.

18. Interpretation. In the event of any conflict between the provisions of this Supplemental Declaration and the Declaration, the provisions of this Supplemental Declaration shall control.

19. Amendment. This Supplemental Declaration may be amended by an instrument executed by a majority of the Owners of the Section III Lots.

WITNESS the following signatures:

DECLARANT: BRIDGEFORTH MILL DEVELOPMENT COMPANY, INC., a Virginia corporation

By: [Signature]
John W. Gibbs, Jr., President

ASSOCIATION: BRIDGEFORTH MILL HOMEOWNERS ASSOCIATION, INC., a Virginia non-stock corporation

By: [Signature]
Title: PRESIDENT

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Henrico, to-wit:

The foregoing instrument was acknowledged before me this 19th day of July, 1995, by John W. Gibbs, Jr., President of Bridgeforth Mill Development Company, Inc., a Virginia corporation, on behalf of the corporation.

My commission expires: 7/31/98

[Signature]
Notary Public

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF Henrico, to-wit:

The foregoing instrument was acknowledged before me this 19th day of July, 1995, by John W. Gibbs, Jr. President of Bridgeforth Mill Homeowners Association, Inc., a Virginia non-stock corporation, on behalf of the corporation.

My commission expires: 7/31/98

[Signature]
Notary Public

EXHIBIT A

ALL those certain lots, parcels of land and private roads (including Beaver Lane and Mill Race Run) located near or adjacent to the northwestern right-of-way line of Virginia Secondary Route 608 in the Jackson Magisterial District of Amelia County, Virginia, and depicted and described on that certain subdivision plat dated April 25, 1995, made by Timberlake Co., entitled "Plat of Survey Showing Bridgeforth Mill, Section III, Located in Jackson Mag. District, Amelia County, Virginia," and recorded in the Clerk's Office of the Circuit Court of Amelia County, Virginia, in Plat Cabinet B, Slide 158.

Virginia: In the Clerk's Office of the Circuit Court of Amelia County, July 24, 1995. This instrument was this day received in said office, and upon the certificate of acknowledgment, thereto annexed, admitted to record, at 11:59 o'clock A. M. Tax Sec. 86.1-802
Teste David J. Smith, Deputy Clerk