

(i) the cleaning, painting, and general maintenance of the exterior of the residential dwelling unit and every other improvement on the property, including, without limitation, the repair of any damage to driveway culverts appurtenant to such property;

(ii) the maintenance, including cutting, pruning, feeding, watering and, if necessary and permitted by the ACC, the removal of shrubs, grass and other landscaping items on the property (including Scenic Easement Area) and on property located in the right of way adjacent to the Owner's property to the extent such maintenance is not prohibited by the County of Amelia and not performed regularly by the County of Amelia;

(iii) the completion of the residential dwelling unit and any other improvements thereon within one (1) year from commencement of construction of the residential dwelling unit or other improvements; and

(iv) the compliance with any guidelines, rules or regulations including, without limitation, the ACC Standards, duly adopted by the ACC in accordance with this Declaration for the purpose of effecting an attractive, neat, sightly and first-class appearance and condition in the Development.

(b) Enforcement and Lien.

(i) If the Board of Directors determines that an Owner is failing to comply with the preceding subsection (a), the Board of Directors shall give such Owner written notice stating the nature of such Owner's failure and stating that the Board of Directors shall take such action as it deems necessary to remedy such failure to comply if such failure to comply is not remedied within a reasonable time determined by the Board of Directors.

(ii) If the Board of Directors determines that such remedial action is not completed or commenced within the period set forth above, the Board of Directors, after providing the Owner with notice and a hearing in accordance with Article X, Sections 2 and 3, shall take such actions as are necessary to remedy the Owner's failure to comply with subsection (a) above. The Board of Directors, its employees, agents and contractors retained for such purpose, shall have the right, without further notice to the Owner, to enter the Owner's property to effect such remedy. The cost of all such actions shall be charged to the Owner as a remedial assessment, and shall be due and payable in full within thirty (30) days after the date that notice of the assessment is given. Such costs shall include, without limitation, administrative expenses and attorneys' fees and expenses, and, in the event the Board of Directors deems it desirable, in its sole discretion, to borrow money for such remedial action, the amount of such loan, and any interest and loan fees and closing costs incurred in connection therewith.

Section 7. Non-Payment and Remedies. Any assessment or installment thereof, not paid within thirty (30) days after the date upon which it is due shall accrue interest at a rate established by the Board of Directors, from time to time. If an Owner is more than thirty (30) days delinquent in the



payment of any installment of any assessment contemplated by this Declaration, the Board of Directors may (a) declare the entire unpaid balance of the assessment due and payable; (b) bring or direct the president of the Association to bring an action at law, on behalf of the Association, against the Owner personally obligated to pay the same; and (c) pursuant to the Act, (i) file a memorandum of lien for such assessment and (ii) foreclose the lien against the Owner's property to which it attaches. The Association shall be entitled to collect all costs of collection, including attorneys' fees. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or the abandonment of his Lot or Lots. In addition to the remedies described above, if any assessment or installment thereof is not paid within ten (10) days after its due date, a late charge of five percent (5%) of the amount of each such late payment shall be imposed. EACH OWNER OF A LOT BY THE ACCEPTANCE OF A DEED THEREFORE, WAIVES THE BENEFIT OF THE HOMESTEAD EXEMPTION AND ALL OTHER DEBTOR'S EXEMPTIONS WHICH LAWFULLY MAY BE WAIVED AS TO THE ASSESSMENTS DESCRIBED IN THIS ARTICLE.

Section 8. Priority of the Lien. The lien of the assessments provided for in this Article, together with interest, late fees, costs of collection, and reasonable attorneys' fees, shall have the priority set forth in the Act. Sale or transfer of any property subject to assessment shall not affect the assessment lien. No sale or transfer shall relieve such property from liability for any assessments thereafter becoming due or from the lien thereof.

#### ARTICLE V INSURANCE AND CASUALTY

Section 1. Insurance with Respect to Common Area. The Association shall obtain and maintain all-risk coverage for all insurable improvements on the Common Area. Such insurance shall be in an amount equal to one hundred percent (100%) of the insurable value and provide for loss or damage settlement on a replacement cost basis. The Association shall also obtain a public liability policy covering the Association and all Owners for all damage or injury caused by the negligence of the Association or any of its agents or Owners. The public liability policy shall have at least a One Million Dollar (\$1,000,000.00) per person limit for bodily injury and property damage, a Two Million Dollar (\$2,000,000.00) limit per occurrence, a Five Hundred Thousand Dollar (\$500,000.00) minimum property damage limit, and shall include a severability of interests endorsement, if reasonably available.

Section 2. Requirement for Policies. The insurance coverages required pursuant to this Article shall include the following terms or provisions in addition to such other terms and provisions as the Board of Directors may deem reasonable:

(a) All of the insurance coverage obtained by the Board of Directors shall be written in the name of the Association for itself and as trustee for the Owners;



(b) All policies shall be written with a company licensed to do business in Virginia with a rating of A or better and assigned a financial size category of XI or larger as established by A. M. Best Company, Inc., if reasonably available, or if not available, the most nearly equivalent rating;

(c) The Board of Directors shall have exclusive authority to adjust losses under policies obtained by the Association;

(d) In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual Owners;

(e) All casualty insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the County of Amelia, Virginia area.

Section 3. Additional Coverages. In addition to the other coverages required by this Article, the Association shall obtain, as a common expense, (a) worker's compensation insurance, if required by law; (b) directors' and officers' liability insurance, if reasonably available, (c) fidelity bonds on directors, officers, agents and employees responsible for the Association's funds, if reasonably available, and (d) flood insurance, if and to the extent required.

Section 4. Damage and Destruction.

(a) In the event of damage or destruction to the Common Area, the Board of Directors shall promptly solicit bids for the repair and reconstruction of the damaged or destroyed property. The Board of Directors shall publish or distribute or otherwise make available to the Owners a summary of those estimates received with respect to such repairs or reconstruction and determined in the sole discretion of the Board of Directors to be reliable and sufficiently detailed. Thereafter, the Board of Directors shall take such action as is necessary to have such damage repaired or such destroyed property reconstructed or replaced.

(b) Notwithstanding subsection (a), the Owners entitled to cast more than seventy-five percent (75%) of the votes entitled to be cast by all Owners may decide at a meeting held for this purpose, not to reconstruct or repair such Common Area. (The special lake assessment voting rights set forth in Article III shall apply with respect to reconstruction and repair of the Lake and dam facilities.) Such meeting shall be held within forty-five (45) days after the later of (i) the casualty or damage occurs, or (ii) the date on which the Board of Directors makes reliable and detailed estimates of such repair or reconstruction available to the Owners. If such Common Area is not to be repaired pursuant to this subsection (b), such Common Area shall be restored to its natural state and maintained by the Association in a neat and attractive condition consistent with the ACC Standards.



(c) If the insurance proceeds for casualty or destruction to the Common Area are insufficient to repair or reconstruct the same, the Board of Directors shall levy a special assessment without the approval of Owners being required, for the purpose of defraying the excess costs of such repair or reconstruction.

ARTICLE VI  
ARCHITECTURAL CONTROL

Section 1. ACC Approval. No improvements, alterations, changes in color, major landscaping or other work (including clearance of trees and vegetation) which in any way alters the exterior appearance of any Lot or the exterior of any improvement located thereon shall be made or done until the plans and specifications, including the site plan for well and septic system, showing the size, elevations, color, materials and location of the residential dwelling unit and all other improvements to be on the Lot (the "Plans and Specifications") shall have been approved in writing by the ACC as to harmony of external design and location in relation to surrounding structures and topography. If the ACC fails to approve or disapprove the Plans and Specifications within forty-five (45) days after the Plans and Specifications have been received by it, approval will not be required and the Owner will be deemed to have complied fully with this Section.

Section 2. Promulgation of ACC Building and Architectural Standards (ACC Standards). The ACC shall prepare and promulgate the "ACC Building and Architectural Standards" (referred to herein as the "ACC Standards") which shall include the ACC's submission and review procedure and design guidelines with respect to all of the improvements to be constructed on each Lot. Upon the expiration of the Declarant Control Period, the ACC shall have the sole and exclusive authority to prepare and amend the ACC Standards.

Section 3. Minimum ACC Standards. Except as otherwise provided herein, the following standards shall apply to all Lots in the Development and are hereby made a part of the ACC Standards:

(a) No building of any kind whatsoever shall be erected or maintained on any Lot except for: (i) one (1) residential dwelling unit; and (ii) such other accessory buildings and improvements as shall be incidental thereto and approved by the ACC. In addition, a barn or stable may be erected on any Horse Lot. The provisions of this subsection (a) shall not apply to the Mill Lot.

(b) The residential dwelling unit constructed on each Lot (excluding attached, covered or uncovered porches, decks, breezeways, garages, attics and non-habitable basements) shall equal or exceed the following size requirements:

- (i) One story or ranch style residential dwelling units on Lakefront Lots: 1,500 finished square feet;



- (ii) One and one-half (1½) story cape cod style residential dwelling units on Lakefront Lots: 1,800 finished square feet;
- (iii) Two story residential dwelling units on Lakefront Lots: 1,800 finished square feet;
- (iv) One story or ranch style residential dwelling units on Interior Lots: 1,200 finished square feet;
- (v) One and one-half (1½) story cape cod style residential dwelling units on Interior Lots: 1,350 square feet; and
- (vi) Two story residential dwelling units on Interior Lots: 1,500 finished square feet.

A maximum of one-third (1/3) of the total floor area of the dwelling may be contained in unfinished rooms capable of being made livable finished floor area.

These minimum size requirements may be increased or decreased by the ACC (subject to the Declarants' prior written consent during the Declarant Control Period) as to one or more Lots to take into account the size and configuration of Lots, the topographic conditions on Lots, or other factors which the ACC deems relevant. During the Declarant Control Period, the Declarant may, without the approval of the ACC or the Association, increase or decrease these minimum size requirements as to one or more Lots to take into account factors which Declarant deems relevant.

(c) All exposed foundations of any structure erected on a Lot shall be covered with a veneer of brick or stone or other material approved by the ACC. No exposed concrete block foundations shall be permitted.

(d) The roof pitch of each residential dwelling unit, excluding covered porches and garages, shall have a minimum rise of seven inches (7") per foot.

(e) Each residential dwelling unit must have some exterior appurtenances such as covered stoops and/or porches, garages and/or decks. All garages must provide rear or side vehicle entry.

(f) All fences shall be subject to the approval of the ACC. No chain link fences shall be permitted; provided, however, that the Declarant reserves the right to use either or both fences on the Common Areas; and, provided further, that such fences shall be permitted on a Lot if required by law in connection with the presence of a pool on such Lot. Stockade fences shall be permitted only in the rear yard of the Lot.

(g) No trees with a diameter of five (5) inches or more may be cleared from any Lot without the prior written permission of the ACC. However, trees within twenty (20) feet of the residential dwelling unit to be



constructed on each Lot may be cleared. Also, trees may be cleared to the extent necessary to install and maintain the septic system serving each Lot. All trees shall be cut within four (4) inches of ground level.

(h) No external illumination on any Lot shall be of such a character or intensity or so located as to interfere with any other Owner's use or enjoyment of his Lot. All external lighting must be approved by the ACC as to size and intensity.

(i) The location of all swimming pools must be approved by the ACC, and the ACC may require that pools be screened from view from adjacent property and/or the public.

(j) All driveways on Lots shall be surfaced with a material approved by the ACC. Driveway culverts shall be installed for each Lot in accordance with Virginia Department of Highway and Transportation (VDH&T) requirements and shall not be relocated without written approval from the ACC.

(k) No structure of a temporary character, including, but not limited to tents, and no trailer homes, mobile homes, shacks or other outbuildings, shall be located upon any Lot at any time. This restriction shall not apply to temporary structures used by contractors during construction or to any temporary sales offices or facilities used or owned by Declarant.

(l) During the construction of any structures on a Lot, the Lot shall be maintained in a clean and uncluttered condition, free of any unnecessary accumulation of waste and building debris. All contractors shall store equipment, machinery and toilet facilities on the Lot in as inconspicuous a place as is practical.

(m) Each Owner shall prevent the development of any unclean, unsightly or unkept condition of buildings or grounds on his Lot. All improvements on each Lot shall be kept in good repair and, where necessary, painted on a regular basis. All lawns shall be mowed on a regular basis as needed. No portion of the Development shall be used or maintained as a dumping ground for rubbish. All trash, garbage and other waste shall be kept in sanitary receptacles. All such sanitary receptacles shall be maintained in a neat and orderly manner in a screened area in which all fuel tanks and similar receptacles, electric and gas meters, air conditioning equipment, clothes lines and other unsightly objects must be placed or stored to conceal them from view from adjacent property, rights of way and Common Area.

(n) Each residential dwelling unit constructed on a Lot shall be connected to (i) a private septic system designed and installed in conformance with the standards established by the County of Amelia. The location of all wells and septic systems shall be subject to ACC approval. All service utility lines serving individual Lots shall be located underground.

(o) No signs of any kind shall be displayed for public view on any Lot except (i) one (1) sign not exceeding four (4) square feet in area used for the purpose of advertising the Lot for sale or rent; (ii) one (1)



sign not exceeding three (3) square feet in area which identifies the resident occupying the Lot, the name of the Lot, or both; and (iii) signs approved by Declarant during such time that Declarant owns the Lot. The provisions of this subsection (o) shall not apply to the Mill Lot.

(p) No television antenna, radio receiver or sender or other similar device shall be attached to or installed on any Lot except as follows: (i) the Declarant or the Association may install equipment necessary for a master antenna system, community antenna television ("CATV") and mobile radio systems or similar systems within the Development; and (ii) if CATV services are unavailable and good television reception is not otherwise available, an Owner may apply to the ACC in writing for permission to install a television antenna, satellite dish antenna or other antenna and such permission shall be granted or denied in the sole discretion of the ACC. Any approved satellite dish antenna located on a Lot shall be adequately screened from view from adjacent properties in accordance with the ACC Standards.

(q) No building, structure, improvement, or accessory use (except fences) of any kind whatsoever shall be erected or maintained on any Lot (except the Mill Lot) within twenty (20) feet of any side lot line or within one hundred and fifty (150) feet of the front lot line; provided, however, that the ACC may approve a variance of these setback lines upon a showing of necessity due to unusual topography or lot configuration.

(r) No above-ground improvements accessory to a residential dwelling unit (except fences) shall be constructed on any Lot prior to the commencement of construction of the residential dwelling unit on such Lot.

Section 4. Non-Waiver. The approval by the ACC of any Plans and Specifications for any work done as proposed, or in connection with any other matter requiring the approval and consent of the ACC shall not be construed as or deemed to be a waiver of any right to withhold approval or consent as to any similar proposals or Plans and Specifications submitted for review and approval.

Section 5. Disclaimer. The ACC is not intended to have among its members any architects, engineers, contractors or other construction related experts. The ACC shall review Plans and Specifications as to harmony of external design and location in relation to existing structures. Any approval given or objections withheld as to any Plans and Specifications shall in no way constitute a warranty or endorsement of (a) the technical soundness of the Plans and Specifications, whether as to the entire structure or the components thereof, or (b) the compliance of the Plans and Specifications with applicable laws, building codes and regulations.

Section 6. Variance. The ACC may authorize variances from compliance with any or the provisions of the ACC Standards when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this



Declaration, or (c) estop the ACC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

ARTICLE VII  
USE RESTRICTIONS

Section 1. Restrictions on Use. Lots shall be occupied and used as follows:

(a) Lots, except for the Mill Lot, shall be used for private residential purposes only and customary incidental home occupations, such as handicraft, dressmaking, millinery, laundering, preserving or home cooking, including occasional personal service of beauty culture offered in a limited way by appointment and not to the general public, and the home office of a member of a recognized or licensed profession, such as attorney-at-law, physician, dentist, musician or artist; provided that such occupations shall be conducted solely by resident occupants in their place of abode and provided that not more than the equivalent area of one quarter of one floor shall be used for such purpose; provided that such use shall not require the use of machinery or equipment not customary for purely domestic household purposes and provided no stock in trade shall be kept or product sold, except such as are made on the premises; provided further that there shall be no group instruction, assembly or activity or no display that will indicate from the exterior that the building is being utilized in part for any purpose other than that of a dwelling. However, a home occupation shall not be interpreted to include beauty parlors, barber shops, day care centers, convalescent or nursing homes, tourist homes, or massage or similar establishments offering services to the general public. Each Lot shall be occupied by a single family. No barn, stable or other outbuilding on any Lot shall be occupied as a residential dwelling unit unless such use is ancillary to an existing residential dwelling unit located on the Lot. The garage, if any, located thereon, shall be used solely for private, non-commercial purposes and the customary home occupations set forth above.

(b) The Mill Lot may be used for residential, business or any other purpose. Such use may be changed by the Owner of the Mill Lot from time to time and at any time.

(c) No nuisance or violation of the Zoning Ordinance of the County of Amelia shall be permitted or maintained upon any Lot, nor shall any poultry, hogs, cattle or other livestock be kept thereon with the exception of no more than three (3) common household pet animals kept as pets by the Owners, unless kept indoors at all times or otherwise authorized by the Board of Directors. Notwithstanding the foregoing, horses may be kept on Horse Lots for the personal use and enjoyment of the Owner of the Horse Lot. Horses may not be boarded on any Horse Lot for persons other than the Owner of the Horse Lot. No more than two (2) horses may be boarded on any Horse Lot. Minor agricultural pursuits incidental to the residential use of the Lots shall be permitted provided that such pursuits may not include the raising of crops



intended for marketing or sale to others. Hunting is prohibited in the Development.

(d) No Lot, except for the Mill Lot, shall be further subdivided or re-zoned without the prior written consent of the Board of Directors. However, Declarant hereby expressly reserves for itself and its assigns the right to re-subdivide and re-zone any Lot or Lots shown on any recorded plat of subdivision of the Development prior to the delivery of a deed conveying the Lot or Lots without the consent of the Board of Directors.

(e) No commercially licensed vehicles, disabled vehicles, vehicles without a current state license or state inspection sticker, machinery or other equipment shall be kept on or adjacent to any Lot unless kept within a garage. No repairs of vehicles shall be permitted on any Lot, except in a garage. This covenant shall not apply to vehicles and equipment used in connection with construction upon Lots, while such construction is in progress, or in connection with the development of the Development. Boats, boat trailers, campers, and any other recreational vehicles, if not stored in a garage, shall be screened from public view. Parking is prohibited on public rights of way, except in emergencies. Notwithstanding the foregoing, commercially licensed vehicles, machinery and other equipment located on the Mill Lot shall not be required to be kept in a garage.

(f) During the Declarant Control Period, no party shall record any declaration of covenants, conditions and restrictions or similar instrument (except amendments hereto made pursuant to Section 2 of Article XI) affecting any portion of the Development without Declarant's prior written consent, and any attempted recordation without compliance herewith shall result in such declaration or similar instrument being void and of no force and effect. This Section may not be amended without the prior written consent of the Declarant.

Section 2. Waiver. Declarant, during the Declarant Control Period, or, thereafter, the Association, may waive, modify or rescind any one or more of the covenants and restrictions imposed in Section 1 of this Article, in whole or in part, as to all of the Development or any part thereof, by written instrument in recordable form evidencing such waiver, modification or rescission. A waiver, modification or rescission made by the Declarant or the Association as to any one covenant or restriction as to any part of the Development shall not be deemed a waiver, modification or rescission as to any other covenant or restriction or its application to any other part of the Development. Any waiver, modification or rescission of the covenants and restrictions imposed in Section 1 of this Article made by the Association shall be approved by Owners entitled to cast at least two thirds (2/3) of the votes entitled to be cast by all of the Owners.

#### ARTICLE VIII LAKE COVENANTS

Section 1. Use of the Lake. Each Owner shall have, and there is hereby reserved for each Owner, the right to use the Lake for recreational purposes.



The use of the Lake by Interior Lot Owners and Lakefront Lot Owners is expressly subject to the following qualifications, limitations, reservations and exceptions:

(a) Interior Lot Owners shall have access to the Lake only over Common Area designated by the Association for use as access to the Lake.

(b) No piers, docks, lines, stakes, nets or other obstructions or structures may be placed in or extended into the Lake, except as provided (if permitted at all) in the ACC Standards.

(c) Declarant, for itself and the Association, reserves the right, within and around the Lake and the Common Area adjacent to or providing access to the Lake, to (i) bulkhead the shore line and to backfill beyond such bulkhead and to construct other necessary improvements to enhance drainage and prohibit erosion, (ii) construct piers and boat slips within the Lake, (iii) as to the Common Area, install paths, walkways, gazebos and other recreational and aesthetic enhancements, and (iv) maintain and repair the Lake and dam facilities. Neither Declarant nor the Association shall be obligated to perform any of the foregoing.

(d) No power driven motors (except electric motors) may be used on the Lake; provided, however, that the Association may operate a power water craft on the Lake for water safety, maintenance or security purposes. The Board of Directors is authorized to restrict and regulate the size and number of water craft which may be used on the Lake, at its discretion.

(e) No bottles, trash or cans of any kind or description and no garbage or refuse of any nature shall be put into the Lake.

(f) All persons using the Lake shall comply with all applicable governmental laws, ordinances and requirements, including, without limitation, those of the Virginia Game and Fish Commission.

Section 2. Maintenance of Lake. No water shall be pumped or otherwise taken from the Lake for any purpose by any Owner; provided, however, that Declarant, or its assigns, shall have the right and privilege to pump or withdraw water from the Lake, from time to time. The County of Amelia, Declarant and the Association shall have the right to draw down the level of the Lake for the installation, reconstruction, repair or maintenance of utility facilities located therein.

Section 3. Board of Directors' Right to Establish Rules, Regulations and Restrictions. In addition to the restrictions set forth in Section 1 of this Article, the Board of Directors is specifically authorized to establish and modify from time to time, rules, regulations and restrictions regarding the use of the Lake.

Section 4. Use At Own Risk. Use of the Lake by the Owners and their families, guests, tenants, permittees and invitees shall be at the sole risk of such users. In no event shall the Association or Declarant be held liable for injury suffered or property damage resulting from use of the Lake. EACH