

THIS DECLARATION OF COVENANTS AND RESTRICTIONS AFFECTING ALL PROPERTY KNOWN AS THE HIGHLANDS WAS RECORDED IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF CHESTERFIELD COUNTY, VIRGINIA, ON APRIL 13, 1992; IN DEED BOOK 2221, PAGE 1952.

DECLARATION OF COVENANTS AND RESTRICTIONS
AFFECTING ALL PROPERTY KNOWN AS THE HIGHLANDS
OWNED BY OLIVER D. RUDY, TRUSTEE
UNDER THE PROVISIONS OF A TRUST AGREEMENT DATED
MARCH 20,1988, DESIGNATED AS
NASH ROAD/WOODPECKER ROAD TRUST AGREEMENT

WHEREAS, Oliver D. Rudy, Trustee under the provisions trust agreement dated March 20, 1988 designated as NASH ROAD/WOODPECKER ROAD TRUST AGREEMENT, ("Developer") is the owner of certain lands located within a community known as "The Highlands" in Chesterfield, Virginia.

WHEREAS, the Developer wishes to declare certain restrictive covenants affecting certain lands in The Highlands,

NOW, THEREFORE, the Developer does hereby declare that the covenants contained herein shall be covenants running with the land and shall apply to the. lands described in Schedule "A" attached hereto and such additions thereto as may hereinafter be made pursuant to paragraph (4) of Part IV hereof. The Developer reserves in each instance to add additional restrictive covenants in respect to lands to be conveyed in the future within the Properties, or to limit therein the application of this Declaration.

DEFINITIONS

"The Highlands" when used herein shall refer to the lands in Chesterfield County, Virginia, which are shown as a par" or The Highlands on the Developer's Master Plan as revised from time to time.

Whenever used herein, the term "Developer" or "the Developer" shall refer to Oliver D. Rudy, Trustee under the provisions of a trust agreement dated March 20,1988, designated as Nash Road/Woodpecker Road Trust Agreement, his successors or assigns, and any agent or agents appointed by the said Oliver D. Rudy, Trustee, its successors and assigns, to act on his behalf for the purpose of administering or enforcing, in whole or in part, the rights reserved unto the Developer in this Declaration.

Whenever used herein, the term "Association" shall refer to The Highlands Community Association, Inc., a Virginia non-profit _on-stock corporation, its successors And assigns, and any other community or owners association with The Highlands organized by the Developer or by others with the consent of the Developer.

The term "Property" and "Properties" when used herein shall refer to any tract of land or subdivision thereof in The Highlands which has been subjected to the provisions of this

Declaration or any Supplemental Declaration under the provisions of paragraph (4) of Part IV hereof, as may be referenced in deeds issued by the Developer or any third party with the consent of the Developer, including, without limitation, all that tract or parcel of land, situate, lying and being in Chesterfield County, Virginia, which is more particularly described in Schedule "A" attached hereto and by specific reference made a part hereof.

The terms "Property Owner", "Owner of Property", and "Owner" when used in this Declaration shall mean and refer to all owners of an interest in real property in The Highlands which has been subjected to the provisions of this Declaration.

The term "Master Plan" when used in this Declaration shall mean and refer to the drawing which represents the conceptual plan for the future development of The Highlands. Since the concept for the future development of The Highlands is subject to continuing revision and change by the Developer, present and future references to the "Master Plan" shall be references to the latest revision thereof.

The term "Open 'Space', ' of "Open Space Areas" when used in this Declaration", shall mean and refer to all those parcels and tracts of land within the Properties designated on the Master Plan or on recorded plats .as 'Open Space".

The covenants and. restrictions below will be referred to as the General Property Covenants ;.of April 1, 1992, will be recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia', ("Clerk's Office") and may be incorporated by reference in deeds to real property issued by the Developer by reference to the book and page of recording in the land records of said Clerk's Office.

PART I
COVENANTS, RESTRICTIONS AND AFFIRMATIVE
OBLIGATIONS APPLICABLE TO ALL
PROPERTIES IN THE HIGHLANDS

The primary purpose of these covenants and restrictions and affirmative obligations ("Covenants") and the foremost consideration in the origin of same has been the creation of a community which is aesthetically pleasing and functionally convenient. The establishment of certain objective standards relating to design, size and location of dwellings and other structures makes it impossible to take full advantage of the individual characteristics of each parcel of Property and of technological advances and environmental values. For this reason such standards are not established by these Covenants. However, in order to implement the purposes of these Covenants the Developer may establish and amend from time to time objective standards and guidelines, including, but not limited to, Building Guidelines, Uniform Sign Regulations, Uniform Mailbox Regulations, and Landscape Guidelines as such terms as defined hereinafter, which shall be in addition to and more restrictive than these Covenants, and which shall be binding on all Property Owners within The Highlands.

1. No building, fence or other structure shall be erected, placed or altered nor shall a building permit for such improvement be applied for on any Property in The Highlands until the proposed building plans, specifications, exterior color or finish, plot plan (showing the proposed location of such building or structure, drives and parking areas), and construction schedule shall have been approved in writing by the Developer. In addition, the Developer may, at his election, require prior written approval of a landscape plan. The Developer further reserves the right of a landscape plan. The Developer further reserves the right to promulgate and amend from time to time architectural standards and construction specifications (hereinafter.. referred, 'to as the "Building Guidelines") for specific neighborhoods and areas or for all properties: within The Highlands and such Building Guidelines shall .establish, define and expressly limit those standards and specifications which., will be approved in said neighborhoods and areas; or within the Properties, including "but not limited to architectural style, exterior color or finish or finish, roofing material, siding material, driveway 'material, fencing material, landscape design, and construction technique. No alteration in. the exterior appearance of any building', fence or structure, including exterior color or finish, shall be made without like prior written approval by the Developer. Two (2) copies of all plans and related data shall be furnished to the Developer for his records on an application form furnished by the Developer, and a receipt for said application shall be dated and returned to the-applicant.

2. Approval or disapproval of the application by the Committee shall be given to the applicant in writing within sixty days of receipt thereof; in the event the approval or disapproval is not forth coming within sixty days, unless an extension is agreed to by the applicant in writing, the application shall be deemed approved and the construction of the .applied for improvements may be commenced provided that all such construction is in accordance with the submitted plans and provided further that such plans conform in all respects to the other terms and provision of this Declaration.

3. Approval by the Committee shall not constitute a basis for liability of the members of the Committee, the Committee or the Developer for any reason including without limitation: (i) failure of the plans to conform to a11 applicable building codes, or (ii) inadequacy or deficiency in the plans resulting in defects in the improvements.

4. The Committee shall consist of three persons. The initial Committee members shall be George P. Emerson, Jr., Oliver D. Rudy, and James H. Martin. These members may be removed by the Developer with or without cause and all successors shall be appointed by the Developer as long as the Developer has an ownership interest in any Property shown on the Master Plan. The Committee members shall not be entitled to any compensation for their activities hereunder. The Committee may designate a representative to act in its behalf and such representative shall not be entitled to compensation for his/her activities hereunder.

5. In order to assure that buildings, fences and other structures will be located and staggered, so that the maximum view, privacy, sunlight, and breeze will be available to each building or structure within the confines of each Property, and to assure that structures will be located with regard to the topography of each Property, taking into consideration the location of large trees and other aesthetic and environmental considerations, the Developer reserves the right to approve the precise site and ,location of any building, fence or structure on any Property

within The Highlands. Such location shall be determined only after reasonable opportunity is afforded the Property Owner to recommend a specific site. The provisions of this paragraph shall in no way be construed as a guarantee that the view, privacy, sunlight, or breeze available to a building or structure on a given Property shall not be affected by the location of a building or structure on an adjacent Property.

6. No trees measuring six (6) inches or more in diameter may be removed without the prior written approval of the Developer. Approval for the removal of trees located within ten (10) feet of a building or within ten (10) feet of the unapproved site for such building will be granted unless such removal will substantially decrease the beauty of the Property.

7. The Developer reserves the right to promulgate and amend from time to time landscape guidelines (the "Landscape Guidelines") which shall establish approved standards, methods, and procedures for landscape management on specific Properties in The Highlands, and such authorized standards, methods, and procedures may be utilized by the Owners of such specified Properties without prior written approval by the Developer; provided, however, the provisions of this paragraph shall in no way constitute a waiver of the requirement to receive prior written approval for the removal of specified trees pursuant to paragraph 3 above.

8. Except as may be required by legal proceedings, no sign shall be erected or maintained on any Property by anyone, including, but not limited to, a Property Owner, a tenant, a realtor, a contractor, or a subcontractor, until the proposed sign size, color and content and the number and location of sign(s) shall have been approved in writing by the Developer. The Developer further reserves the right to promulgate and amend from time to time uniform sign regulations (the "Uniform Sign Regulations") which shall establish standard design criteria for all signs, including, but not limited to, real estate sales signs, erected upon any property in The Highlands.

9. No mailbox shall be erected or maintained on any Property until the proposed mailbox and post design, color and location have been approved in writing by the Developer. No alteration in the exterior appearance of any mailbox shall be made without like prior written approval by the Developer. The Developer further reserves the right to establish uniform mailbox regulations (the "Uniform Mailbox Regulations") which shall define standard design criteria for all mailboxes erected upon any Property in The Highlands.

10. It shall be the responsibility of each Property Owner, tenant, contractor, or subcontractor to prevent the development of any unclean, unsightly, unkempt, unhealthy, or unsafe conditions of buildings or grounds on any Property which shall tend to substantially decrease the beauty or safety of The Highlands, the neighborhood as a whole, or the specific area.

11. Each property owner shall provide space for the parking of automobiles off public streets prior to the occupancy of any building or structure constructed on said property, in accordance with reasonable standards established by the Developer.

12. Prior to the occupancy of a building or structure on any Property, proper and suitable provisions shall be made for the disposal of sewage by means of sewage disposal as

approved by Chesterfield County and the Developer for use in The Highlands.

13. Prior to the occupancy of a building or structure on any Property, proper and suitable provisions for water shall be made by connection with the water lines of the Chesterfield County public water system or any other water system approved by Chesterfield County and the Developer for use in The Highlands.

14. The Developer hereby reserves a perpetual, alienable, and releasable easement and right: on, over and under the Properties to erect, maintain, and use electric, Community Antenna Television (C.A.T.V.) , and telephone poles, wires, cables, conduits, Drainage ways, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, telephone equipment, C .A. T. V ., gas, sewer, water, drainage, or other public conveniences or utilities on, in, or over those portions of such Property as may be reasonably required for utility lines purposes; provided, however, that such utility easement shall be applicable to any portion of such Property as may (a) have been used prior to the installation of such utilities for construction of a building whose plans were approved pursuant to these Covenants by the Developer, or (b) be designated as the site for a building of a plot plan for erection of a building which has been approved in writing by said Developer. These easements and rights expressly include the right to cut any trees, bushes, or shrubbery, make any gradings of the soil, or take any other similar action reasonably necessary to provide economical and safe utility installation and maintain reasonable standards of health, safety, and appearance. The Developer further reserves the right to locate wells, pumping stations, siltation basins, and tanks within The Highlands in any Open Space or on any Property designated for such use on the applicable plat of said Property or to locate same upon any Property with the permission of the Owner of such Property.

15. No television antenna, radio receiver, radio sender, or other similar device shall be attached, to or installed on any Property or on the' exterior portion of any building or structure on any Property except as-follows:

(a) The' provisions of this paragraph shall not prohibit the Developer from installing .or approving the installation of equipment necessary for a major antenna system, C .A. T.V., mobile radio systems, or other similar systems within the Properties, pursuant to the provisions of paragraph 11 above;

(b) Should C.A.T.V. services be unavailable and good television reception not be otherwise available, a Property Owner may make written application to the Developer for permission to install a television antenna, stating the proposed antenna's size, height, color, location and design.

(c) No satellite dish antenna shall be installed upon any Property or attached to the exterior portion of any building or structure on any Property.

16. No dog pen or dog house shall be erected or maintained on any Property until the proposed dog pen design, color, fencing material, size, and location have been approved in writing by the Developer. No alteration in the exterior appearance of any dog pen shall be made without like prior written approval by the Developer.

PART II
ADDITIONAL RESTRICTIONS AFFECTING
RESIDENTIAL LOTS

1. "Residential Lots" or "Lots" as used in this Part shall mean and refer to all those parcels or tracts of land within the Properties intended for subdivision or subdivided into Properties or lots intended for the construction of a detached house or single family dwelling unit (hereinafter referred to as a "dwelling unit") as defined and controlled by the applicable zoning for The Highlands granted by the Board of Supervisors of Chesterfield County.

2. Plans required under paragraph I of Part I of these Covenants will not be approved unless the proposed dwelling unit or any other structures will have the minimum finished square footage of enclosed dwelling space of 2500 square feet if the said dwelling is constructed on a Lake front lot or 2000 square feet otherwise. The term "enclosed dwelling space" shall not include garages, terraces, decks, open porches, screened porches, and similar areas.

3. (a) All Residential Lots shall be used for residential purposes, recreational purposes incidental thereto, and for customary accessory uses. The use of a portion of a dwelling unit on a Residential Lot as an office by the Owner or tenant thereof shall be considered a "residential-use, if such use does not create undue customer or client traffic, as determined by the Developer; to and from the unit or the Property.

(b) No structure, except as hereinafter provided, shall be erected, altered, placed, or permitted to remain on any Residential Lot other than one (1) detached single family dwelling. All other detached structures must be approved in accordance with Part I of these restrictions.

(c) The provisions of this paragraph 3 shall not prohibit the Developer from using any dwelling units or accessory building as models. In addition, the Developer may grant permission to any builder to use any specific dwelling unit or accessory building as a model; selection of the particular dwelling unit or accessory building and any rules or regulations governing the use of such dwelling unit or accessory building as a model shall be determined by the Developer.

4. (a) The exterior of each dwelling unit and all other structures must be completed within one (1) year after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the Owner or builder due to strikes, fires, national emergency or natural calamities. Dwelling units and other structures may not be temporarily or permanently occupied until the exteriors thereof have been completed. During the continuance of construction, the Owner of each Residential Lot shall require his contractor to maintain the Lot in a reasonably clean and uncluttered condition, pursuant to the provisions of paragraph 5 of Part I of these Covenants.

(b) The failure to complete the exterior of any dwelling unit or any other structure within the time limit set forth in paragraph 4(a) above shall constitute a violation and breach of these Covenants. The Developer hereby reserves a perpetual, alienable, and releasable easement and right on, over, and under all Residential Lots for the purpose of taking any action necessary to affect compliance with paragraph 4(a) above, including, but not limited to, the right to enter upon any property for the purpose of completing the exterior of such dwelling unit or any other structure which is in violation of paragraph 4(a).

5. (a) Each Residential Lot Owner shall provide screened areas to serve as a service yard and an area in which garbage receptacles, fuel tanks, or similar storage receptacles, electric and gas meters, air conditioning equipment, clotheslines, and other unsightly objects must be placed or stored in order to conceal them from view from the road and adjacent Properties. Pursuant to the provisions of paragraph I of Part I, plans for such screened area delineating the size, design, specifications, exterior color or finish, and location must be approved by the "Developer" prior to construction. No alteration in the exterior, appearance of any screened area shall be made without like prior written approval by the Developer. Garbage receptacles and, fuel tanks and' their location' must likewise be approved by the Developer prior to construction.

(b) The Developer reserves the right to approve the selection of service management vendor(s) authorized to provide garbage pickup within the Properties.

6. No mobile home, trailer, barn, or other similar out building or structure shall be placed on any Residential Lot at any time, either temporarily or permanently. Except as provided below, boats, boat trailers, campers, recreational vehicles, oversized vehicles, or utility trailers may be maintained on a Residential Lot,' but only within an enclosed or screened area such that they are not generally visible from the road or adjacent Properties. Pursuant to the provisions of paragraph I of Part I, plans for such enclosed or screened area delineating the size, design, specifications, exterior color or finish, and location must be approved by the Developer prior to construction. No alteration in the exterior appearance of any enclosed or screened area shall be made without like prior written approval by the Developer. A small boat, boat trailer, or boat on a boat trailer may be placed in the rear yard of a Residential Lot without being enclosed by a screened area if such boat, boat trailer, or boat on a boat trailer does not exceed an overall height of four (4) feet above ground level. This Restriction shall not apply to the temporary location of a sales trailer operated by the Developer for purposes of promoting sales within the Development.

7. No structure of a temporary character other than shelters or temporary structures used by the contractor during the construction of the main dwelling unit shall be placed upon any Residential Lot at any time. Temporary shelters or structures permitted during construction may not, at any time, be used as residences or permitted to remain on the Property after completion of construction. The design and color of structures temporarily placed on a Residential Lot by a contractor shall be subject to reasonable aesthetic control by the Developer.

8. No Residential Lot shall be subdivided or its boundary lines changed, nor shall application for same be made to Chesterfield County, except with the prior written consent of the Developer. However, the Developer hereby expressly reserves the right to replat any Residential Lot(s) owned by it and shown on the plat of any subdivision within the Properties in order to create a modified building Lot or Lots, and to take such other steps as are reasonably necessary

to make such replatted Lot(s) suitable and fit as a building site including, but not limited to, the relocation of easements, walkways, rights of way, roads, bike trails, bridges, parks, recreational and community facilities, and other amenities to conform to the new boundaries of said replatted Lot(s), provided that no Lot originally shown on a recorded plat is reduced to a size more than ten (10%) per. cent. smaller than the smallest Lot shown on the first plat of the subdivision section recorded in the public records. The provisions "of this paragraph shall. not prohibit the combining of two (2) or more contiguous Lots into one (1) larger Lot. Following the combining of two (2) or more contiguous Lots into one (1) larger Lot, only the exterior boundary lines of the resulting larger Lot shall be considered in the interpretation of these Covenants.

PART III ADDITIONAL RESTRICTIONS AFFECTING OPEN SPACE AREAS

1. It is the intent of the Developer to maintain and enhance (or to convey subject to open space restrictions to the Association) certain Open Space Areas, including any Lake or Lakes which may be constructed on the premises. It is the further intent and purpose of these Covenants to protect, to maintain and enhance the conservation of natural and scenic resources; to promote the conservation of soils, wet lands, wildlife, game, and migratory birds; to enhance the value of abutting and neighboring Properties adjacent to such forests, natural areas, and other open spaces; to afford and enhance recreation opportunities, and implement generally The Highlands Master Plan for development. The Developer reserves the right to review and modify the Master Plan at its sole option from time to time based upon its continuing research and design program, and such modifications may change the boundaries of certain Open Space Areas designated as such upon the Master Plan. The Developer further reserves the right to transfer, sell, convey, give, donate, or lease to the Association or to any other third party any Open Space Area.

2. An easement in Open Space Areas is hereby granted to the Owners of Properties in The Highlands, tenants of such Properties, and their guests which easement shall entitle such Owners, tenants and their guests to enjoy the Open Space Areas subject to the rules and regulations by the Developer. The granting of such easement in no way grants to the public, or to the owners of any land outside the Properties in The Highlands, the right to enter any Open Space Area without the prior written permission of the Developer.

3. The Developer hereby reserves the right to enter upon any Open Space Area for the purpose of constructing, landscaping, maintaining, and operating any community facilities, including, but not limited to, parks, playgrounds, gazebos, picnic shelters, picnic tables, walking trails, bike trails, boat storage facilities", trailer storage facilities, and wildlife and ,nature interpretive areas, and subject to limitations imposed by governmental authorities, scenic, roadsides and neighborhood entrance areas. The Developer further; reserves the right to authorize the construction, landscaping, maintenance, or operation of such facilities, within Open Space Areas by the Association or any other third party, and further reserves the right to bill said Association for any repairs and/or maintenance done within said' open spaces.

4. No trash, garbage, sewage, sawdust, or any unsightly or offensive material may be placed upon any Open Space Area, except as is temporary and incidental to the bona fide improvement of the area in a manner consistent with its classification as an Open Space Area.

5. The Developer hereby reserves every reasonable use and enjoyment of said Open Space Area, in a manner not inconsistent with the provisions of this Declaration.

6. The Developer hereby reserves the right to convey Open Space Areas to the Association. Such conveyance shall be made subject to the provisions of this Part III, all other restrictions and limitations of record, and any other restrictions or limitations which the Developer, in his sole and uncontrolled discretion, shall elect to impose. As an appurtenance to such conveyances, the Association shall have all of the powers, immunities, and privileges reserved unto the Developer in this Part III as well as all of the Developer's obligations with respect thereto, provided, however, that so long as the Developer is the Owner of the Property subject to the provisions of this Declaration, the Developer, in addition to and jointly with the Association, shall retain all rights of easement and entry granted for the purposes of correcting, repairing, enhancing, improving, cleaning, preserving, clearing out, removing, or taking any action to prevent a violation of these Covenants. Property conveyed to the Association pursuant to the authority of this paragraph 6 shall become "Common Properties" as prescribed by the Declaration of Covenants and Restriction of The Highlands Community Association and Oliver D. Rudy, Trustee under the provisions of a trust agreement dated March 20, 1988, designated Nash Road/Woodpecker Road Trust Agreement" (Joint Declaration"), which is being recorded in the Clerk's Office contemporaneously herewith.

PART IV
ADDITIONAL RESTRICTIONS AFFECTING THE LAKES IN
THE HIGHLANDS

It is the intent of the Developer to make the Lake(s) constructed or to be constructed as a part of The Highlands available as a recreational amenity for property owners within The Highlands. Said Lake or Lakes shall be expressly for the purpose of boating, sailing, canoeing, fishing, ice-skating or similar recreational uses .All as from time to time prescribed and limited by the Developer and the Association. To that end the following additional restrictions affecting the Lake or Lakes are hereby imposed:

1. At least one access point shall be provided and maintained in a safe and acceptable condition. "Access point" shall mean an area established for the enjoyment of lake activities as may be prescribed by the Developer and/or Association.

2. Access to and use of the Lake(s) shall be limited to the members of the Association and their immediate families, hereby described as being those persons residing on the premises, domestic help excluded (except when functioning in official capacity for employers), and their guests; provided, however, nothing herein shall be construed as granting an easement of access to the Lake(s) over any lot abutting thereon. Owners must be present when guests are using the Lake(s) both from the shore and in a boat. Only boats owned by property owners in The Highlands shall be allowed on the Lake(s).

3. Guests shall be permitted use of the Lake(s) only when personally accompanied by persons who are members of the Association or a member of the immediate family as described in paragraph 2 above.

4. The Lake(s) shall be used only for the purposes of boating, sailing, canoeing, fishing,

ice skating or similar recreational uses, all as from time to time prescribed, regulated and limited by the Developer and/or Association.

5. All Virginia game and fishing laws shall apply to the use of the Lake(s).

6. Water craft having a length of more than 18 feet shall not be permitted on the Lake(s). No boat, water craft or flotation device shall be anchored or stored on the Lake(s).

7. No water craft with a gasoline-powered or other internal combustion engine, either outboard or inboard, shall be permitted to use the Lake(s). Water crafts with an electric motor shall be permitted to use the Lake(s) provided the maximum voltage of such motor does not exceed 12 volts.

8. No pier, net, stake, line or other structure shall be constructed on or in any way maintained within the Lake(s) except with the prior approval of the Architectural Control Committee. No dock will be allowed to extend more than 15' from the normal shoreline of the Lake(s) and exceed more than 150 square feet of total, area. No owner of property adjacent to the Lake(s) shall have any right (riparian or otherwise) in the Lake(s) for boating" sailing, canoeing, fishing, ice skating, related sports or otherwise except as is stated herein and otherwise permitted by the Developer and/or Association.

9. No commercial use shall be made nor shall anything be done on or about the Lake(s) that may be or become an annoyance or nuisance to the owners of the property adjacent to the Lake(s).

10. No alcoholic beverages shall be consumed on the Lake(s).

11. No domesticated waterfowl or livestock shall have access to, be set upon or maintained on the Lake(s).

12. No water shall be pumped or otherwise taken from the Lake(s) for any purpose except:

(a) The Association may from time to time lower the level of the Lake(s) for purposes of maintenance and/or repair.

(b) The Developer and/or its assigns shall have the right and privilege of pumping or withdrawing water from the Lake(s).

(c) The County of Chesterfield and/or the Developer shall have the right to draw down the level of the Lake(s) for installation and/or repair of utility lines.

(d) These Restrictions are subject to an easement granted to the County of Chesterfield pursuant to the Chesapeake Preservation Act in order to provide a Best Management Practices Facility.

13. No bottles, trash, cans, garbage or refuse of any kind or description shall be put or placed on or into the Lake(s).

14. Each owner shall keep his land adjoining the Lake(s) neat, clean and free of trash, debris and any unsightly items.

15. Use of the Lake(s) shall be limited to daylight hours, generally from sunrise to sunset.

16. Notwithstanding any other provision of these restrictions that may be to the contrary, the owner of lots abutting on the Lake(s) shall have the right to bulkhead the shoreline (or property line) to stabilize such shoreline and to backfill beyond such bulkhead, provided (i) such owner shall obtain the prior written approval of the Architectural Control Committee designated herein, including approval of detailed plans and specifications thereof; and (ii) the actual metes and bounds of such shoreline shall not be changed or altered.

PART V
ADDITIONS, LIMITATIONS, DURATION AND
VIOLATION OF COVENANTS, TOGETHER WITH 'AFTERWORD'

1. (a) All Covenants set forth in this Declaration and any amendments thereto shall run with the land and shall be binding on all parties and persons claiming under them, specifically including, but not limited to the successors and assigns, if any, of the Developer for a period of thirty (30) years from the date of this Declaration. Upon the expiration of said thirty (30) year period all said Covenants shall be automatically extended for successive periods of ten (10) years. The number of ten (10) year extension periods hereunder shall be unlimited, provided, however, that there shall be no extension of this Declaration if during the last year the initial thirty (30) year period, or during the last year of any subsequent ten (10) year extension period, fifty-one percent (51%) or more of the total votes (as determined in subparagraph (1) hereinafter) entitled to be cast by all Owners of all properties subject to the provisions of this Declaration vote in favor of terminating this Declaration at the end of its then current term at a Duly Called Meeting (as hereinafter defined) of the Owners of the Properties. The presence at said meeting of Owners or ballots entitled to cast sixty percent (60%) of the total vote of all the Owners of all the properties shall constitute a quorum. In the event that the Owners of the Properties vote to terminate this Declaration, the Developer shall execute a certificate which shall set forth the Resolution of Termination adopted by the Owners, the date of the meeting of the Owners at which such Resolution was adopted, the date that notice of such meeting was given, the total number of votes of all Owners of all the Properties, the total number of votes required to constitute a quorum at said meeting, the total number of votes present at said meeting, the total number of votes necessary to adopt a Resolution terminating this Declaration, the total number of votes cast against such Resolution. Such certificate shall be recorded in the Clerk's Office and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

(b) A "Duly Called Meeting" shall mean and refer to any open meeting of the Owners of the Properties (or a portion of said Owners) called by the Developer for said purpose, subject to the giving of proper notice and the quorum requirements established in subparagraph (1 [a]) and in paragraph (2) herein. "Proper Notice" shall be deemed to be given when delivered personally or sent by mail to each such Owner not less than thirty (30) days in advance of said meeting. There shall be sent with such notice a statement of certain motions to be introduced for

vote of the Owners and a ballot on which each Owner may vote for or against each motion. Each ballot which is presented at such meeting shall be counted in calculating the quorum requirements for said meeting, provided, however, such ballots shall not be counted in determining whether a quorum is present to vote upon motions not appearing on the ballot.

(c.) The votes, to which each Owner of Property: subject to this Declaration shall be entitled shall be determined as follows:

- (i) The Owner of any Property which is also subject to the provisions of the Joint Declaration shall be entitled to as many votes as equals the total number of votes to which he is entitled as a Type "A" Member of the Association as defined and determined in said Declaration.
- (ii) The Owner of any Property which is not subject to said Declaration shall be entitled to as many votes as equals the total number of votes to which he would be entitled as a Type "A" Member of the Association if his Property were to be subjected to said Declaration.

2. The Developer specifically reserves the right to Amend this Declaration or any portion hereof, on his motion, from the date hereof until January 1, 1995, so long as the voting power of existing Members are not diluted thereby, nor the amounts of assessments of such existing Members raised or changed in any manner which would adversely affect such Members.

After January 1, 1995, all proposed amendments to this Declaration shall be submitted to a vote of the Owners of Properties substantially affected by a change in Covenants at a Duly Called Meeting of said Owners. Unless the contrary shall be determined by a court of equity jurisdiction, "substantially affected" shall mean those Properties shown on (a) the plats showing the Properties to be modified in permitted use by the change, and (b) the plats which subdivided the Property immediately abutting the Property shown on plats identified in (a) recorded in the Clerk's Office. Any such amendment shall be deemed approved if two-thirds (2/3) of the votes (as determined in subparagraph 1(c) hereinabove) cast at such meeting vote in favor of such amendment. The presence at said meeting of Owners or ballots entitled to cast sixty percent (60%) of the total vote of all the Owners of Property substantially affected by a change in Covenants shall constitute a quorum. If the required quorum is not present at said meeting, the Developer may, in his sole and uncontrolled discretion, call another meeting or meetings subject to the giving of proper notice, and the required quorum at such subsequent meeting or meetings shall be one-half (1/2) of the required quorum at the preceding meeting. If any proposed amendment to this Declaration is approved by the Owners as set forth above, the Developer shall execute an Addendum to this Declaration, which shall set forth, the, amendment, ,the effective date of the amendment (which in no event shall be less than sixty' (60) days after the date of the meeting of the Owners at which such amendment was adopted, the date that notice of/such meeting was given, the total number of votes of Owners of Properties substantially affected by such amendment, the total number of votes required to constitute a quorum at a meeting of said Owners, the total number of votes necessary to adopt such amendment, and the total number of votes cast in favor of such amendment, and the total number of votes cast against such amendment. Such Addendum shall be recorded in the Clerk's Office.

3. The Developer hereby reserves the right to add additional restrictive covenants in respect to lands within the Properties to be conveyed in the future by the Developer to the Association or to any other third party, or to limit therein the application of these Covenants. The right to add additional restrictions or to limit the application of these Covenants shall be reasonably exercised.

4. (a) The Developer hereby reserves the right to bring within the plan and operation of this Declaration any other property acquired by the Developer which is adjacent to or near the Properties. Such property may be subjected to this Declaration as one parcel or as several smaller parcels simultaneously or at different times. The additions authorized herein shall be made by recording a Supplementary Declaration of Rights, Restrictions, Affirmative Obligations and Conditions with respect to the additional property which shall extend the operation and effect of the Covenants to such additional property. Such Supplementary Declaration of the Covenants as may be necessary or convenient, in the determination of the Developer, to reflect the different character, if any, of the added properties and as are not inconsistent with the plan of this Declaration, but such modifications shall have no effect upon the Property described in Schedule "A" or upon any other prior additions to the Properties.

(b) Upon the prior written approval of the Developer, the owner of any property who desires to bring such property within the plan and operation of this Declaration and to subject it to the jurisdiction of the Developer shall record a Supplementary Declaration of Rights, Restrictions, Affirmative Obligations and Conditions with respect to the additional property which shall extend the operation and effect of the Covenants to such additional property. Such Supplementary Declaration may contain such complementary additions and/or modifications as may be necessary or convenient, in the determination of the Developer, to reflect the different character, if any, of the added properties and as are not inconsistent with the plan of this Declaration, but such modifications shall have no effect upon the Properties described in Schedule "A" or upon any other additions to the Properties.

5. In the event of a violation or breach of any of the Covenants by any Owner tenant of such Owner, or agent of such Owner, the Owners of Properties in the neighborhood or in The Highlands, or any of them, jointly or severally, shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event. In addition to the foregoing, the Developer and/or the Association shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event and to collect reasonable attorney's fees.

6. In addition to the foregoing, the Developer shall have the right, whenever there shall have been placed or constructed on any Property in The Highlands any building, structure, object, material, or condition which is in violation of these restrictions, to enter upon such Property where such violation exists and summarily abate or remove the same at the expense of the Owner, if after thirty (30) days written notice of such violation it shall not have been corrected by the Owner, tenant, or agent of the Owner; provided, however, that if the Developer in its reasonable discretion determines that immediate corrective action is required, and such action is not performed immediately by the Owner, tenant or agent of the Owner, the Developer or its agent shall have the right to enter immediately and summarily abate or remove such violation at the expense of the Owner. Any such entry and abatement or removal shall not be deemed a trespass.

7. Whenever the Developer or its agent is permitted by this Declaration to correct, repair, enhance, improve, clean, preserve, clear out, remove, or take any action on any Property or on the easement areas adjacent thereto, entering the Property and taking such action shall not be deemed a trespass.

8. The failure to enforce any Covenant, regardless of how long such failure shall continue shall not constitute a waiver of or a bar to such right to enforce.

9. Whenever the Developer is permitted by this Declaration to correct, repair, enhance, improve, clean, preserve, clear out, remove, or take any action on any Property or on the easement areas adjacent thereto and entitled to have such cost paid by the Owner of the Property on or adjacent to which such cost paid by the Owner of the Property on or adjacent to which such corrective action is performed, the cost together with interest thereon at the maximum annual rate permitted by law from the due date and costs of collection therefor including a reasonable attorney's fee, shall be a charge and continuing lien on the real Property and improvements thereon against which such cost is charged in the hands of the then Owner his heirs, devisees, personal representatives, tenants, and assigns, and in addition shall also be the personal obligation of the Owner of such real Property at the time when such cost becomes due and payable., The cost of corrective action shall be billed at the completion of such corrective action, and all bills shall be due and payable thirty (30) days from the date of mailing of same.

If the cost of corrective action billed to an Owner is not paid within thirty (30) days after the due date, the Developer may bring an action at law against the Owner personally to recover such cost, plus the costs of preparing the filing of the complaint in such action and a reasonable attorney's fee; in the event a judgment is obtained, such judgment shall include interest on the cost as above provided and a reasonable attorney's fee together with the costs of the action.

The lien provided for herein shall be subordinate to the lien of any first deed of trust now or hereafter placed upon any Property subject to these Covenants. In the event a creditor (other than the Developer or the creditor of the Developer) acquires title to any Property pursuant to foreclosure or any other proceeding or deed in lieu of foreclosure, said creditor shall be subject to such lien placed upon such Property during the time in which the creditor holds title to such Property.

10. The Developer hereby reserves the right to assign in whole or in part to the Association its rights under these Covenants to grant consents and approvals or make determinations (or to withhold such consents or disapprovals), to establish rules and regulations, to administer and enforce the provisions of this Declaration, and all other rights reserved herein by the Developer. The assignment of such rights shall be subject to any conditions, limitations, or restrictions which the Developer, in its' sole and uncontrolled discretion, may elect to impose at the time of assignment. Following the assignment of such rights, the Association shall assume all of the Developer's obligations which are incident thereto (if any), and the Developer shall have no further obligation or liability with respect thereto. The Assignment shall be made by written instrument which shall be recorded in the Clerk's Office.

Notwithstanding anything in the foregoing to the contrary, so long as the Developer is

the Owner of the Property subject to the provisions of this Declaration, the Developer, in addition to and jointly with the Association, shall retain all rights of easement reserved unto him in this Declaration, and shall, furthermore, retain all rights of entry granted in this Declaration for the purposes of correcting, repairing, enhancing, improving, cleaning, preserving, clearing out, removing, or taking any action to prevent a violation of these Covenants.

11. The Developer hereby reserves the right to appoint the Association its agent for the purpose of administering and enforcing in whole or in part, these, Covenants and exercising the Developer's rights hereunder. Such appointment may be temporary or permanent, and shall be subject to any conditions, limitations; or restrictions which the Developer, in its sole and uncontrolled discretion, may elect to impose. Upon any such appointment of the Association as agent by the Developer, the Association shall assume any obligations which are incident thereto.

12. The Joint Declaration is being recorded contemporaneously herewith in the Clerk's Office. Properties described in Schedule "A" and Owners of Property described in Schedule "A" shall also be subject to the provisions of the Joint Declaration. Additional Properties brought within the plan and operation of this Declaration pursuant to paragraph (4) hereinabove, and Owners of such additional Properties, may become subject to the provisions of the Joint Declaration, pursuant to the rules and regulations stipulated in Article II of the Joint Declaration. In the event of any conflict between this Declaration and the Joint Declaration, this Declaration shall prevail.

13. Notwithstanding anything contained herein to the contrary, all the provisions of these Covenants shall be subject to and conform with the provisions of (i) the Zoning Ordinance of the County of Chesterfield, Virginia, and the rules and regulations promulgated thereunder, as may from time to time hereafter be amended or modified, and (ii) the Master Plan for the development of The Highlands as approved by the Board of Supervisors of the County of Chesterfield, Virginia, as may from time to time hereafter be amended or modified.

14. The Developer shall not be liable to any Owner or to any other person on account of any claim, liability, damage, or expense suffered, incurred by, or threatened against any Owner or such other person arising out of or in any way relating to the subject matter of any reviews, acceptances, inspections, permissions, consents, required approvals or determinations which must be obtained from the Developer or from the County of Chesterfield, Virginia, whether given, granted, or withheld.

15. Whenever any consent, approval or the rights to make any determination is required of or reserved for the Developer pursuant to this Declaration, unless expressly stated to the contrary, such consent, approval or determination may be given, withheld or made by the Developer upon any ground, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Developer shall seem sufficient. In the event a written request for any such consent, approval or determination:(accompanied, where appropriate, by all documents required " to be delivered to the Developer in connection therewith) is neither granted nor denied within sixty (60) days following the date of receipt by the Developer" of the request, the Developers shall be deemed to have waived the requirement for its consent or approval or waived its right to make a determination.

16. The provisions of Part I, paragraphs (7) and (11), Part II paragraph 4(b), Part III,

paragraphs (3) and (6), and Part IV, paragraph (9) of this Declaration shall not be construed to create any obligation on the part of the Developer to take any action in connection with the matters set forth in such paragraphs.

17. Severability. Should any covenant herein contained, or any article, section, subsection, sentence, clause, phrase, or term of this Declaration be declared to be void, invalid, illegal or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no wise affect the other provisions hereof, which are hereby to be severable and which shall remain in full force and effect.

Dated this 1st day of April, 1992

_____(Oliver D. Rudy, Trustee)_____(SEAL)
Oliver D. Rudy, Trustee under the provisions
of a certain trust agreement dated March 20, 1988,
and designated NASH ROAD/WOODPECKER ROAD
TRUST AGREEMENT

STATE OF VIRGINIA,

COUNTY OF CHESTERFIELD, to-wit:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Oliver D. Rudy, Trustee under the provisions of a certain trust agreement dated March 20,1988, and designated "Nash Road/Woodpecker Road Trust Agreement", whose name is signed to the foregoing instrument bearing date of April 1,1992, having acknowledged the same before me in my jurisdiction aforesaid.

Given under my hand and seal this 13th_day of April, 1992.

My commission expires: 1/31/96

_____(Anne H. Haywood)_____) -;
Notary Public

EXHIBIT "A"

ALL those certain lots, pieces or parcels of land, lying and being in Matoaca Magisterial District, Chesterfield County, Virginia, and known, numbered and designated as Lots 1 - 62, inclusive, all as shown on plat made by J. K. Timmons & Associates, P.C., Engineers - Land Surveyors - Planners, Richmond, - Henrico Co.- Chesterfield Co. - Prince George Co., dated September 12, 1990, and recorded March 13, 1992 in Plat Book 77, pages 90 through 94, in the, Clerk's Office of the Circuit Court of Chesterfield County, Virginia, to which plat reference is made for a more particular description.

BEING a part of the same property conveyed to Oliver D. Rudy, Trustee under the provisions of a trust agreement dated March 20, 1988, designated as NASH ROAD/WOODPECKER ROAD TRUST AGREEMENT to Oliver D. Rudy, Trustee under the provisions of 8 trust agreement dated March. 20, 1988, designated as NASH ROAD/WOODPECKER ROAD TRUST AGREEMENT, by deed dated April 21, 1988, recorded April 22, 1988 in Deed Book 1939, page 1899, in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia.