

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 of a 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 Courty, Virginia, which are shown as a part of 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 non-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 be 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" or "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, 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 any 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 4 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 are 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 II

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 1 of Part 1 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 1 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 1 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 1 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

In 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[c]) 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 or 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.

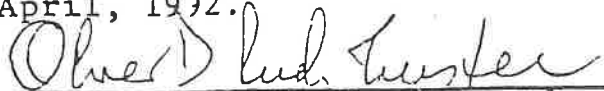
14. The Developer shall not be liable to any Owner or to any other person on account of any claim, liability, damage, or expense suffered, incurred by, or threatened against any Owner or such other person arising out of or in any way relating to the subject matter of any reviews, acceptances, inspections, 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 Developer 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.

 (SFAL)  
 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 13<sup>th</sup> day of April, 1992.

My commission expires: 1/31/96

Anne W. Hayward  
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 a 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.

THIS DECLARATION OF COVENANTS AND RESTRICTIONS OF THE  
HIGHLANDS COMMUNITY ASSOCIATION, INC. AND OLIVER D. RUDY,  
TRUSTEE UNDER THE PROVISIONS OF A TRUST AGREEMENT DATED MARCH  
20, 1988, AND DESIGNATED AS THE NASH ROAD/WOODPECKER ROAD  
TRUST AGREEMENT WAS RECORDED IN THE CLERK'S OFFICE OF THE  
CIRCUIT COURT OF CHESTERFIELD COUNTY, VIRGINIA, ON APRIL 13,  
1992, IN DEED BOOK 2221, PAGE 1973.

to: 4-14-92  
& Evans

DECLARATION OF COVENANTS AND RESTRICTIONS  
OF THE HIGHLANDS COMMUNITY ASSOCIATION, INC.  
AND OLIVER D. RUDY, TRUSTEE UNDER THE PROVISIONS  
OF A TRUST AGREEMENT DATED MARCH 20, 1988 AND DESIGNATED  
AS THE NASH ROAD/WOODPECKER ROAD TRUST AGREEMENT

ARTICLE I

DEFINITIONS

The following words and terms when used in this Declaration or any supplemental declaration (unless the context shall clearly indicate otherwise) shall have the following meanings:

(a) "Association" shall mean and refer to The Highlands Community Association, Inc., a Virginia nonprofit corporation, its successors and assigns.

(b) "The Highlands" when used herein shall refer to the lands in Chesterfield County, Virginia, which are shown as a part of the Proprietors' Master Development Plan as revised from time to time, which plan has been filed with and approved by the Chesterfield County Planning Commission and is in the office of the Chesterfield Community Development Department.

(c) "Proprietor" shall refer to Oliver D. Rudy, Trustee, under a certain Trust Agreement dated March 20, 1988 and designated as The Nash Road/Woodpecker Road Trust Agreement, his successors and assigns.

(d) The "Properties" shall mean and refer to the Existing Property described in Article II hereof, and additions thereto, as are subjected to this Declaration or any supplemental declaration under the provisions of Article II hereof.

(e) "Residential Lot" shall mean any subdivided parcel of land located within the Properties for which no building permit has been issued by the appropriate governmental authorities and which parcel is intended for use as a site for a Single Family Detached Dwelling as shown upon any recorded final subdivision map of any part of the Properties. No parcel shall, however, be classified as a Residential Lot until the first day of the quarter of the year following the recording of a plat in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, showing such Residential Lot.

(f) "Unsubdivided Land" shall mean and refer to all land in the Existing Property described in Article II hereof and additions thereto, as are subjected to this Declaration or any supplemental declaration under the provisions of Article II hereof which has not been subdivided into Residential Lots. For the purposes of this Declaration, the following classifications



of Property shall not be deemed "Unsubdivided Land" and shall be expressly excepted from the definition thereof:

(1) All lands committed to the Association through express, written notification by the Proprietors to the Association of intent to convey to the Association;

(2) All lands designated on the Master Plan for intended use, or by actual use if applicable, for outdoor recreation facilities; operating farms and/or animal pastures; woodland marsh and swamp conservancies.

(3) All lands designated, in any way, as Common Properties.

(g) "Family Dwelling Unit" shall mean and refer to any improved property or any property for which a building permit has been issued by the appropriate governmental authorities, which property is intended for use as a Single Family Dwelling.

(h) "Owner" shall mean and refer to the Owner as shown by the Real Estate Records in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, whether it be one (1) or more persons, firms, associations, corporations, or other legal entities, of fee simple title to any Residential Lot situated upon the Properties but, notwithstanding any applicable theory of a deed of trust, shall not mean or refer to the mortgagee or holder of a deed of trust, its successors or assigns, unless and until such mortgagee or holder of a deed of trust has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner. In the event that there is recorded in the Office of the Clerk of the Circuit Court of Chesterfield County, Virginia, a long-term contract of sale covering any Lot or Parcel of land within the Proprieties, the Owner of such Lot or Parcel of land shall be the Purchaser under said contract and not the fee simple title holder. A long-term contract of sale shall be one where the Purchaser is required to make payments for the property for a period extending beyond nine (9) months from the date of the contract, and where the Purchaser does not receive title to the Property until such payments are made, although the Purchaser is given the use of said Property.

(i) "Tenant" shall mean and refer to the lessee under a written agreement for the rent and hire of a Dwelling Unit.

(j) "Resident" shall mean and refer to each Owner and Tenant of a Dwelling Unit who resides in The Highlands.

(k) "Member" shall mean and refer to all those Owners and Tenants who are Members of the Association as defined in Section 1 of Article III.

(l) "Master Plan" shall mean and refer to the drawing which represents the conceptual plan for the future development of The Highlands. Since the concept of the future development of The Highlands is subject to continuing revision and change by the Proprietors, present and future references to the "Master Plan" shall be references to the latest revision thereof. Said plan is on file in the Chesterfield County Department of Community Development.

(m) "Common Properties" shall mean and refer to those tracts of land with any improvements thereon which are deeded to the Association and designated in said deed as "Common Properties." The term "Common Properties" shall also include any personal property acquired by the Association if said property is designated a "Common Property." All Common Properties are to be devoted to and intended for the common use and enjoyment of the Proprietors, Residents, and their guests, and visiting members of the general public (to the extent permitted by the Board of Directors of the Association) subject to the fee schedules and operating rules adopted by the Association.

(n) "Referendum" shall mean and refer to the power of all or some specific portion of the Members to vote by mailed ballots on certain actions by the Board of Directors of the Association more particularly set forth herein including, without limitation: the levy of any Special Assessment; the levy of any Capital Assessment; the increase of the maximum regular annual assessment in excess of that provided for herein; and the addition and deletion of functions or services which the Association is authorized to perform. In the event fifty-one (51%) per cent of the votes actually returned to the Association within the specified time shall be in favor of such action, the Referendum shall be deemed to "pass" and the action voted upon will be deemed to have been authorized by the Members, provided, however, that if a higher percentage required to "pass" shall be specifically expressed herein, that higher percentage shall control in that instance.

## ARTICLE II

Section 1. Existing Property. The real property which is, and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to these Covenants is described as follows:

All that tract or parcel of land, situate, lying and being in Chesterfield County, Virginia, which is more particularly described in Exhibit "A" attached hereto and by specific reference made a part hereof.

All of the real property hereinabove described shall sometimes be referred to herein as the "Existing Property." The Proprietors intend to develop the Existing Property in accordance with a Master Plan filed with the Chesterfield County Planning Commission. The Proprietors reserve the right to review and modify the Master Plan at their sole option from time to time based upon their continuing research and design program. The Master Plan shall not bind the Proprietors, their successors and assigns to adhere to the Master Plan in the development of the land shown thereon. Subject to their right to modify the Master Plan as stated herein, the Proprietors shall convey to the Association properties designated for such conveyance and, in addition, may at their option convey to the Association as provided in Article IV those parcels of land designated on the Master Plan as properties which may be transferred to the Association, as, in the reasonable exercise of their discretion, they so choose without regard to the relative location of such portions or sections within the overall plan. Once conveyed to the Association, these properties shall become Common Properties. The Proprietors shall not be required to follow any predetermined sequence or order of improvements and development; and, they may bring within the plan of these Covenants additional lands, and develop the same before completing the development of the Existing Property. Other than as stated in this paragraph, the Proprietors shall have full power to add to, subtract from, or make changes in the Master Plan regardless of the fact that such actions may alter the relative maximum potential voting strength of the various types of membership of the Association.

Section 2. Additions to Existing Property. Additional lands may become subject to, but not limited to, this Declaration in the following manner:

(a) Additions. During the period of development, the Proprietors, their successors, and assigns, shall have the right, without further consent of the Association to bring additional contiguous property within the plan and operation of this Declaration. The additions authorized under this and the succeeding subsection, shall be made by filing a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the Covenants and Restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complementary additions and/or modifications of the Covenants and Restrictions contained in this Declaration as may be necessary or convenient, in the sole judgment of the Proprietors, 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 on

the property described in Section 1, Article II above.

(b) Additional contiguous lands which become subject to this Declaration under the provisions of this Section II may in the future be referred to as a part of The Highlands.

### ARTICLE III

#### MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every Owner and Tenant shall be a Member of the Association. The Proprietors shall be Members of the Association. Every Owner shall be required to submit the name(s) of his Tenants and the duration of their tenancy to the Secretary of the Association. The Association may issue to each Member a membership card which shall expire upon termination of a Tenant's Lease or upon sale by an Owner of his property in The Highlands.

Section 2. Voting Rights. The Association shall have two (2) types of regular voting membership and one (1) type of special voting membership which provides the Owners with the power to elect a portion of the Board of Directors:

TYPE "A": Type "A" Members shall be all Owners, including the Proprietors, their successors and assigns, of Residential Lots; and/or Tenants occupying Family Dwelling Units. A Type "A" Member shall be entitled to two (2) votes except that if a Family Dwelling Unit is occupied by a Tenant as his principal residence, the Owner shall be entitled to one (1) vote and the Tenant shall be entitled to one (1) vote.

TYPE "B": The Type "B" Member shall be the Proprietors. The Type "B" Member shall be entitled to cast votes for the election of Members of the Board of Directors as set out in Section 4 of this Article III.

When any property entitling the Owner to membership as a Type "A" or "B" Member of the Association is owned of record in the name of two (2) or more persons or entities, whether fiduciaries, joint tenants, tenants in common, tenants in partnership or in any other manner of joint or common ownership, or if two (2) or more persons or entities have the same fiduciary relationship respecting the same property, then unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the Secretary of the Association, their acts with respect to voting shall have the following effect:

(1) If only one (1) votes, in person or by proxy, his act shall bind all;

(2) If more than one (1) vote, in person or by proxy, the act of the majority so voting shall bind all;

(3) If more than one (1) vote, in person or by proxy, but the vote is evenly split on any particular matter, each fraction shall be entitled to its proportionate share of the vote or votes;

(4) If the instrument or order filed with the Secretary of the Association shows that any such Tenancy is held in unequal interest, a majority or even split under sub-paragraphs (2) and (3) immediately above shall be a majority or even split in interest in the property to which the vote(s) is attributable;

(5) The principles of this paragraph shall apply, insofar as possible, to execution of proxies, waivers, consents of objections and for the purpose of ascertaining the presence of a quorum.

The voting rights of any Owner may be assigned by said Owner to his lessee; provided, however, that the Owner may not assign to such lessee any vote or votes not attributable to the property actually leased by such lessee.

Section 3. Governance. The Association shall be governed by a Board of Directors consisting of three (3), five (5), or seven (7) members. Initially, the Board shall consist of three (3) members, with the number and terms of such Directors in subsequent years to be determined in accordance with the provisions of the Articles of Incorporation of the Association. Except as may be otherwise provided in the Articles of Incorporation, there shall be two (2) classes of Directors.

Section 4. Election of the Board of Directors. (a) Each Member of Type "A" and "B" Membership class shall be entitled to as many votes as equals the number of votes he is entitled to, based on his Ownership of or Tenancy in a residential lot or dwelling unit as computed by the formula set out hereinabove in Section 2 hereof, multiplied by the number of Directors to be elected by Type "A" Members, or any two (2) or more of them, as he may see fit, provided, however, that all votes must be cast in whole numbers and not fractions thereof. This right, when exercised, is termed cumulative voting. Members, except the Type "B" Membership, are divided into classes for the sole purpose of computing voting rights and shall not vote as a class.

(b) The Type "A" members shall elect the Class I Director(s) and Type "B" members shall elect the Class II Director(s) according to the following formula:

(1) The number of Class I Directors shall be determined by (a) dividing the number of Residential Lots owned by Type "A"

members by 1500, and (b) then multiplying the resulting quotient by the total number of Directors and (c) rounding the result to the nearest whole number, e.g.,  $1.51 = 2$ ; e.g.,  $1.49 = 1$ . In any event, there shall be at least one (1) Class I Director.

(2) The number of Class II Directors shall be determined by subtracting the number of Class I Directors from the total number of Directors.

(3) For the purposes of this formula, the number of Residential Lots owned by Type "A" members shall be determined by the Board of Directors as of the date on which notice of the meeting of the members at which the Board of Directors is to be elected is mailed.

Section 5. Members to Have Power of Referendum in Certain Instances. Where specifically provided for herein, the Members or some specific portion thereof, shall have the power to approve or reject certain actions proposed to be taken by the Association by Referendum including, without limitation, the levy by the Association of any special assessment, or any capital assessment, the increase of maximum assessments by the Association in excess of that provided for herein, and the addition or deletion of functions or services which the Association is authorized to perform. In the event sixty-six (66%) per cent, or more, of the votes actually returned to the Association within the specified time shall be in favor of such action, the Referendum shall be deemed to "pass" and the action voted upon will be deemed to have been authorized by the Members; provided, however, that if a higher percentage vote required to "pass" shall be specifically expressed herein, that higher percentage shall control in that instance. The Board of Directors may not undertake any action requiring a Referendum without complying with the provisions therefor. At any time that the Type "A" Members have the ability to elect a majority of the Board of Directors, the Members may require a Referendum on any action of the board of Directors by presenting to the Secretary of the board within thirty (30) days of the taking of such action or ratification by the Board of its intent to take such action a petition signed by not less than twenty-five (25%) per cent of the Members.

Section 6. Quorum Required for Any Action Authorized at Regular or Special Meetings of the Association. The quorum required for any action which is subject to a vote of the Members at an open meeting of the Association (as distinguished from the Referendum) shall be as follows:

The first time a meeting of the Members of the Association is called to vote on a particular action proposed to be taken by the Association, the presence at the meeting of Members or proxies entitled to cast twenty-five (25%) per cent of the total

vote of the Membership shall constitute a quorum. In the event the required quorum is not present at the firsts meeting, a second meeting may be called subject to the giving of proper notice and there shall be no quorum requirement for such second meeting. Unless otherwise provided, any reference hereafter to "votes cast a a duly called meeting" shall be construed to be subject to the quorum requirements established by this Article III, Section 6, and any other requirements for such "duly called meeting" which may be established by the By-Laws of the Association. This provision shall not apply when the proposed action is the Amendment of this Declaration and the quorum requirement established by Article VIII, Section 2 shall govern in that instance. For the purpose of this section, "proper notice" shall be deemed to be given when given each Member not less than thirty (30) days prior to the date of the meeting at which any proposed action is to be considered.

Section 7. Proxies. All Members of the Association may vote and transact business at any meeting of the Association by proxy authorized in writing, provided, however, that proxies shall not be required for any action which is subject to a Referendum, in which case the votes of all the Members polled shall be made by specially provided ballots mailed or delivered to the Association.

Section 8. Ballots by Mail. When required by the Board of Directors, there shall be sent with notices of regular or special meetings of the Association, a statement of certain motions to be introduced for vote of the Members and a ballot on which each Member may vote for or against the motion. Each ballot which is presented at such meeting shall be counted in calculating the quorum requirements set out in Section 6 of this Article III. Provided, however, such ballots shall not be counted in determining whether a quorum is present to vote upon motions not appearing on the ballot.

#### ARTICLE IV

##### PROPERTY RIGHTS IN THE COMMON PROPERTIES:

Section 1. Members' Easement of Enjoyment in Common Properties. Subject to the provisions of these Covenants, the rules and regulations of the Association, and any fees or charges established by the Association, every Type "A" and Type "B" Member, and every guest of such Type "A" and Type "B" Member shall have a right of easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Residential Lot or any Unsubdivided Land. Employees of the Type "B" Member shall have access to and enjoyment of the Common Properties subject to rules and regulations and user fees established by the Board of Directors.

A Member's spouse and children who reside with such Member in The Highlands shall have the same easement of enjoyment hereunder as a Member.

In those instances where a residential lot or residential Dwelling Unit or other property in The Highlands is owned or occupied as a Tenant by two (2) or more persons (who do not have the relationship of spouse, parent, or child, one to the other) or by a corporation, such joint owners and corporations shall annually appoint no more than three (3) persons as the "Primary Members." Such Primary Members shall have the same easement of enjoyment in the Common Properties as Members who own or occupy such property singularly.

Section 2. Title To Common Properties. The Proprietors covenant for themselves, their successors and assigns, that they shall convey to the Association, at no cost to the Association, by deed those parcels of land and facilities described in Section 4 of this Article IV hereof, within two (2) years of notification to the Association in writing of their intent to convey such properties. Upon such conveyance, or upon completion of any improvements thereon by the Proprietors, if such be required, such that the facility is functionally complete, the Association shall immediately become responsible for all maintenance, operation and such additional construction of improvements as may be authorized by the Association's Board of Directors subject to the Declaration of Rights, Restrictions, Affirmative Obligations, and Conditions Applicable to All Property in The Highlands. It is the purpose of this provision to provide that the Association shall be responsible for all maintenance of Common Properties upon which all improvements required to be made by the Proprietors have been completed, notwithstanding the fact that the Proprietors are not obligated to convey such properties to the Association except as set forth above.

Natural areas, trail areas, etc. shall be conveyed in large or small parcels from time to time after the Proprietors have completed the surveying and platting of all adjacent subdivisions for Single Family Homes which may abut such natural areas, trail areas, etc. The Proprietors covenant for themselves, their successors and assigns, that it shall convey by deed to the Association all such properties within two (2) years of notification to the Association, in writing, of their intent to convey such properties, provided, however that in the case of Common Properties upon which improvements are required to be made by the Proprietors, such notification of "intent to convey" shall not be deemed to be made until such time as the improvements have been completed such that the facility is functionally complete. Such notification will not normally show metes and bounds and, in any event, the metes and bounds as shown on the recorded plat and deed to the Association shall



govern. All said parcels of land may be conveyed to the Association subject to:

(1) All Restrictive Covenants of record at the time of the conveyance;

(2) All existing mortgages; and

(3) A reservation by the Proprietors of the right to substitute or add new mortgages thereon, provided, however, that in no event shall the Association be obligated to assume the payment of principal or interest on any such mortgages. The obligation to make payments of principal and interest in accordance with their due dates on all mortgages affecting property conveyed to the Association shall continue to be the sole obligation of the Proprietors. Notwithstanding anything in the foregoing to the contrary, the Proprietors shall not be required to convey the above referred to parcels where such conveyance would be prohibited under agreements existing on the date hereof, but, in such case, shall be allowed to postpone such conveyance, without penalty, until such time as said prohibition may be nullified.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association, in accordance with its By-Laws, to borrow money from the Proprietors or any lender for the purpose of improving and/or maintaining the Common Properties, and providing services authorized herein and in aid thereof to mortgage said properties.

(b) The right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosures; and

(c) The right of the Association, to suspend the rights and easements of enjoyment of any Member or Tenant or Guest of any Member for any period during which the payment of any assessment against property owned by such Member remains delinquent, and for any period not to exceed sixty (60) days for any infraction of its published rules and regulations, it being understood that any suspension for either non-payment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Member's obligation to pay the assessment, and, provided that the Association shall not suspend the right to use any roads belonging to the Association subject to the rules, regulations and fees, if any, established by the Association for such use.

(d) The right of the Association to charge reasonable

admission and other fees for the use of the Common Properties and any facilities included therein, a road assessment for the use of any roadways belonging to the Association, provided, however, that such rights of the Association shall not be construed to impair or qualify a Proprietors rights of ingress and egress to his property.

(e) The Board of Directors of the Association shall further have the power to place any reasonable restrictions upon the use of the Association's roadways, subject to an Owner's or Resident's right of ingress and egress, including, but not limited to the types and sizes of vehicles permitted to use said roads, the maximum and minimum speeds of vehicles using said road, all other necessary traffic and parking regulations, and the maximum noise levels of vehicles using said roads. The fact that such restrictions on the use of the roads shall be more restrictive than the laws of any state or local government having jurisdiction over the Properties shall not make such restrictions unreasonable.

(f) The right of the Proprietors or the Association by its Board of Directors to dedicate or transfer to any public or private utility, utility or drainage easements on any part of the Common Properties.

(g) The right of the Association to give or sell all or any part of the Common Properties to any public agency, authority, public service district, utility or private concern for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedication, transfers and determinations as to purposes and conditions shall be authorized by the affirmative vote of three-fourths (3/4) of the votes cast a duly called meeting of the Association, subject to the quorum requirements established by Article II, Section 6, and unless written notice of the meeting and of the proposed agreement and action thereunder is sent to every Member of the Association at least thirty (30) days prior to such meeting. A true copy of such resolution together with a certificate of the results of the vote taken thereon shall be made and acknowledged by the President or Vice President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Properties prior to the recording thereof. Such certificates shall be conclusive evidence of authorization by the membership.

#### ARTICLE V

#### COVENANTS FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligations of Assessments. The Proprietors covenant, and each Owner of any

Residential Lot, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to all the terms and provisions of this Declaration and to pay to the Association: (a) Annual Assessments or charges; and (b) Special Assessments or charges for the purposes set forth in this Article, such Assessments to be fixed, established and collected from time to time as hereinafter provided. The Annual and Special Assessments together with such interest thereon and costs of collection therefor as hereinafter provided, shall be a charge and continuing lien on the real property and improvements thereon against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such real property at the time when the assessment first became due and payable. In the case of co-ownership of a Residential Lot and/or Family Dwelling Unit, all of such co-owners shall be jointly and severally liable for the entire amount of the assessment.

Section 2. Purpose of Assessments. The Annual Assessment levied by the Association shall be used exclusively for the improvement, maintenance, enhancement, enlargement and operation of the Common Properties including the streets, roads, lanes and/or avenues and to provide services which the Association is authorized to provide.

Section 3. Application of "Maximum" Assessment. The Maximum Regular Annual Assessment, as set forth in the schedule hereinbelow, and as is annually increased pursuant to the provisions of subparagraph (k) below, shall be levied by the Association. If, however, the Board of the Association, by majority vote, determines that the important and essential functions of the Association may be properly funded by an assessment less than the Maximum Regular Annual Assessment, it may levy such lesser assessment. Provided, however, so long as the Proprietors are engaged in the development of properties which are subject to the terms of this Declaration, the Association may not reduce assessments below those set out in Section 3(a) immediately below without the written consent of the Proprietors. The levy of an assessment less than the Maximum Regular Annual Assessment in one (1) year shall not affect the Board's right to levy an Annual Assessment equal to the Maximum Regular Annual Assessment in subsequent years. If the Board of Directors shall levy less than the Maximum Regular Annual Assessment for any assessment year and thereafter, during such assessment year, determine that the important and essential functions of the Association cannot be funded by such lesser assessment, the Board may, by majority vote, levy a Supplemental Assessment. In no event shall the sum of the initial and supplemental annual assessments for that year exceed the applicable Maximum Regular Annual Assessment.

If the Board of the Association, by majority vote, determines that the important and essential functions of the Association will not be properly funded in any one (1) year or in any one (1) year and all subsequent years, it may call a Referendum requesting approval of a specified increase in the Maximum Regular Annual Assessment for either one (1) year only, or for that one (1) year and all subsequent years. Should fifty-one (51%) per cent of the votes cast in such Referendum be in favor of such Referendum, the proposed increased Maximum Regular Annual Assessment shall be deemed approved and may be levied by the Board. An increase in the Maximum Regular Annual Assessment for one (1) year only pursuant to a Referendum taken shall in no way affect the Maximum Regular Annual Assessment for subsequent years or increases thereof in subsequent years.

(a) The Maximum Regular Annual Assessment shall be the sums calculated in accordance with the following schedule, as may be increased in each instance by an inflation adjuster as set forth in Section 3(k) of this Article and as may be increased pursuant to referendum, as set forth immediately above:

<u>Property Type</u>	<u>Maximum Regular Annual Assessment</u>
Residential Lots	\$180.00

(b) Property shall not be classified for purposes of these Covenants, and these Annual Assessments as a Residential Lot, until the first day of the quarter of the year following the recording of a plat in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, showing such Residential Lot.

(c) Assessments shall be billed annually, quarterly, monthly, in advance, or on such other basis as may be determined by the Board of Directors. The billing schedule shall be the same for all properties of a specified category, however, the Board of Directors, in its discretion, may establish different schedules for the billing of assessments due from different categories of property. All assessment bills shall be due and payable ninety (90), thirty (30), or fifteen (15) days from the date of mailing of same as determined by the Board of Directors unless the Board of Directors elects to utilize a Billing Agent in which event the Billing Agent shall set the date on which assessment bills shall be due and payable.

(d) The Board of Directors may authorize a Billing Agent to collect the Assessments provided for herein.

(e) All assessments charged by the Association shall be rounded off to the nearest dollar.

(f) From and after January 1, 1993, the Maximum Regular Annual Assessment shall be increased each year by the Board of Directors of the Association by an amount of ten (10%) per cent per year over the previous year, or the percentage increase between the first month and the last month on an annual assessment period in the Consumer Price Index, U.S. City Average, All Items (1967-100) (hereafter "C.P.I.") issued by the U. S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U.S. City Average and Selected Areas" whichever of these two percentage figures is larger. If the Board of Directors so determines, the Maximum Regular Annual Assessment may be increased less than the larger of the two percentage figures described immediately above, but not without the consent of the Proprietors so long as the Proprietors are engaged in the development of properties which are subject to the terms of this Declaration. The Board of Directors may adopt another index or indicator of inflation which it deems more appropriate but the consent of the Proprietors shall be required so long as the Proprietors are engaged in the development of properties which are subject to the terms of this Declaration.

Section 4. Special Assessments for Improvements and Additions. In addition to the Maximum Regular Annual Assessment authorized by Section 3 hereof, the Association may levy Special Assessments, for the following purposes:

(a) Construction or reconstruction, repair or replacement of capital improvements upon the common Properties including the necessary fixtures and personal property related thereto;

(b) For additions to the Common Properties.

(c) To provide for the necessary facilities and equipment to offer the services authorized herein;

(d) To repay any loan made to the Association to enable it to perform the duties and functions authorized herein;

(e) Such assessment before being charged must have received the assent of two-thirds (2/3s) of the votes of the Members, responding to a mail Referendum within thirty (30) days of mailing. The mail Referendum shall include one (1) statement from the Directors favoring the special assessment and one (1) statement from those Directors opposing the special assessment containing the reasons for those Directors' support and opposition for the assessment. Neither statement shall exceed five (5) pages in length.

This provision shall be interpreted to mean that the Association may make in any one (1) year an Annual Assessment up to the maximum set forth in Section 3 of this Article V, plus an

additional Special Assessment. Such Special Assessment in any one (1) year may not exceed a sum equal to the amount of the Maximum Regular Annual Assessment for such year except for emergency or repairs required as a result of storm, fire, natural disaster, or other casualty loss. The fact that the Association has made an Annual Assessment shall not affect its right to make a Special Assessment during the year.

The proportion of each Special Assessment to be paid by the Owners of assessable property shall be equal to the proportion of the Annual Assessments made for the assessment year during which such Special Assessments are approved by the Members.

Section 5. Reserve Funds. The Association may establish reserve funds from its Annual Assessments to be held in reserve in an interest drawing account or investments as a reserve for:

- (a) Major rehabilitation or major repairs:
- (b) For emergency and other repairs required as a result of storm, fire, natural disaster, or other casualty loss, and;
- (c) Initial costs of any new service to be performed by the Association;

Section 6. Quorum for any Action Authorized Under This Article. The quorum required for any action authorized to be taken by the Association Members under this Article shall be as follows:

The first time any meeting of the Members of the Association is called to take action under this Article the presence at the meeting of Members or proxies entitled to cast twenty-five (25%) per cent of the total vote of the Membership shall constitute a quorum. If the required quorum is not present at any such meeting, a second meeting may be called subject to the giving of proper notice and there shall be no quorum requirement.

Section 7. Date of Commencement of Annual Assessments. Due Date. Notwithstanding anything in the foregoing to the contrary, the Annual Assessments provided for herein shall commence no earlier than January 1, 1993.

Section 8. Duties of the Board of Directors. The Board of Directors of the Association shall fix the amount of the Assessment against each Residential Lot and shall, at that time, direct the preparation of an index of the properties and assessments applicable thereto which shall be open to inspection by any member. Written notice of assessment shall thereupon be sent to every Member subject thereto.

The Association shall upon demand at any time furnish to any Owner liable for said Assessment a certificate in writing signed by an Officer of the Association, setting forth whether said Assessment has been paid. Such certificate shall be conclusive evidence against all but the Owner of payment of any Assessment therein stated to have been paid. If the Board of Directors authorizes a Billing Agent to collect assessments, the Certificate of the said Billing Agent shall be conclusive evidence against all but the Owner, of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; the Lien; Remedies of Association. If the Assessment is not paid on or before the past-due date as determined and established by the Board of Directors of the Association, then such Assessment shall become delinquent and shall (together with interest thereon at the maximum annual rate permitted by law from the due date and cost of collection thereof as hereinafter provided) become a charge and continuing lien on the land and all improvements thereon, against which each such Assessment is made, in the hands of the then Owner, his heirs, devisees, personal representative, tenants, and assigns.

If the assessment is not paid within thirty (30) days after the past due date, the Association may bring an action at law against the Owner personally and there shall be added to the amount of such assessment the costs of preparing the filing of the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee together with the costs of the action.

If the Board of Directors of the Association elects to utilize a Billing Agent to collect assessments, interest which shall accrue on past-due sums shall be maximum interest rate which such agent may lawfully charge.

Section 10. Subordination of the Lien to Deeds of Trust. The Lien of the assessments provided for herein shall be subordinate to the lien of any deed or deeds of trust now or hereafter placed upon the properties subject to assessment. In the event a creditor acquires title to the property pursuant to foreclosure or any other proceeding or deed in lieu of foreclosure, said creditor shall not be subject to assessments. Such sale or transfer shall not relieve such property from liability for any assessments accruing after conveyance by the creditor to a subsequent Owner.

Section 11. Exempt Property. The following property, individuals, partnerships or corporations, subject to this Declaration shall be exempted from the assessment, charge and lien created herein:

(a) The grantee in conveyances made for the purpose of granting utility easements;

(b) All lands committed to the Association through express, written notification by the Owners to the Association of intent to convey to the Association;

(c) All lands designated, in any way, as Common Properties;

(d) Property which is used for the maintenance, operation, and service of facilities within Common Properties;

(e) Property which is used for the maintenance, operation, and service of utilities within the Properties;

(f) Property which is acquired by a creditor pursuant to foreclosure or any other proceeding or deed in lieu of foreclosure, provided, however, that such property shall not be exempted from liability for any assessments accruing after conveyance by the creditor to a subsequent Owner.

Section 12. Annual Statements. The President, Treasurer, or such other officer as may have custody of the funds of the Association shall annually, within ninety (90) days after the close of the fiscal year of the Association, prepare and execute under oath a general itemized statement showing the actual assets and liabilities of the Association at the close of such fiscal year, and a statement of revenues, costs and expenses. It shall be necessary to set out in the statement the name of any creditor of the Association, provided, however, that this requirement shall be construed to apply only to creditors of more than One Thousand and No/100 (\$1,000.00) Dollars. Such Officer shall furnish to each Member of the Association who may make request therefor in writing, a copy of such statement, within thirty (30) days after receipt of such request. Such copy may be furnished to the Member either in person or by mail.

Section 13. Annual Budget. The Board of Directors shall prepare and make available to all Members, at least sixty (60) days prior to the first day of the following fiscal year, a budget outlining anticipated receipts and expenses for the following fiscal years. The financial books of the Association shall be available for inspection by all Members at all reasonable times.

## ARTICLE VI

### FUNCTIONS OF ASSOCIATION

Section 1. Ownership and Maintenance of Common Properties. The Association shall be authorized to own and/or maintain (subject to the requirements of the Planning Commission



of Chesterfield County, Virginia) Common Properties, equipment, furnishings, and improvements devoted to the following uses:

(a) For roads or roadways, and parkways along said road or roadways throughout the Properties;

(b) For sidewalks, walking paths or trails, bicycle paths, and bridle paths throughout the properties;

(c) For security and fire protection services including security stations, maintenance building and/or guardhouses, police equipment and fire fighting equipment, and buildings used in maintenance functions;

(d) For providing any of the services which the Association is authorized to offer under Section 2 of this Article VI;

(e) For purposes set out in deeds by which Common Properties are conveyed to the Association, provided that such purposes shall be approved by the Members of the Association as set out in Section 3 of this Article VI;

(f) For lakes, lay fields, tennis and swimming facilities, historic parks, wildlife areas, fishing facilities, other recreational facilities of any nature, and community meeting facilities serving the Properties; and

(g) For water and sewage facilities and any other utilities, if not adequately provided by a private utility, Chesterfield County or some other public body.

Section 2. Services. The Association shall be authorized (unless prohibited by requirements of the Planning Commission of Chesterfield County, Virginia) but not required to provide the following services:

(a) Cleanup and maintenance of all roads, roadways, roadway medians, parkways, lakes and other Common Properties, within the Properties and also all public properties which are located within or in a reasonable proximity to the Properties such that their deterioration would affect the appearance of the Properties as a whole;

(b) Landscaping of roads and parkways, sidewalks and walking paths and any Common Properties;

(c) Lighting of road, sidewalks and walking paths throughout the Properties;

(d) Police protection and security, including, but not limited to the employment of police and security guards,

maintenance of electronic and other security devices and control centers for the protection of persons and property within the Existing Property, and assistance in the apprehension and prosecution of persons who violate the laws of Virginia within the Properties;

(e) Fire protection and prevention;

(f) Garbage and trash collection and disposal;

(g) Insect and pest control to the extent that it is necessary or desirable in the judgment of the Board of Directors of the Association to supplement the service provided by the state and local governments;

(h) The services necessary or desirable in the judgment of the Board of Directors of the Association to carry out the Association's obligations and business under the terms of this document;

(i) Maintenance of all lakes and lagoons located within the properties, including the stocking of such lakes and lagoons;

(j) To take any and all actions necessary to enforce all Covenants and restrictions affecting the Properties and to perform any of the functions or services delegated to the Association in any Covenants or restrictions applicable to the Properties;

(k) To set up and operate an Architectural Review Board in the event that the Association is designated by the Proprietors as the agent of the Proprietors for such purpose;

(l) Improvement of fishing available to Members within the Properties;

(m) To conduct recreation, sport, craft, and cultural programs of interest to Members, their children and guests;

(n) To provide legal and scientific resources for the improvement of air and water quality within the properties;

(o) To provide legal and scientific resources for the improvement of air and water quality within the Properties;

(p) To construct improvements on Common Properties, for use for any of the purposes or as may be required to provide the services as authorized in this Article;

(q) To provide administrative services, including, but not limited to: legal, accounting and financial; and communication services informing Members of Activities, Notices of Meetings,

Referendums, etc., incident to the above listed services;

(r) To provide liability and hazard insurance covering improvements and activities on the Common Properties;

(s) To provide water, sewage and any necessary utility services not provided by a public body, private utility or the Proprietors.

Section 4. Obligation of the Association. The Association shall not be obligated to carry out or offer any of the functions and services specified by the provisions of this Article. The functions and services to be carried out or offered by the Association at any particular time shall be determined by the Board of Directors of the Association taking into consideration the funds available to the Association and the needs of the Members of the Association. Special Assessments shall be submitted for referendum as herein provided. The functions and services which the Association is authorized to carry out or to provide, may be added or reduced at any time upon the affirmative vote of two-thirds (2/3s) or more of those voting in a Referendum within Class "A" Members conducted by the Board of Directors under the same procedures as for a Special Assessment.

Section 5. Mortgage and Pledge. The Board of Directors of the Association shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association which loans shall be used by the Association in performing its authorized functions. The Proprietors may, but shall not be required to make loans to the Association, subject to approval by the Proprietors of the use to which such loan proceeds will be put and the terms pursuant to which such loans will be repaid. Notwithstanding anything in this Declaration to the contrary, the Association shall not be allowed to reduce the limits of the Regular Annual Assessment at any time there are outstanding any amounts due the Proprietors as repayment of any loans made by the Proprietors to the Association.

## ARTICLE VII

### ARCHITECTURAL CONTROL

Section 1. Architectural Review. No building, wall, fence, swimming pool, or other structure shall be commenced, erected, or maintained upon the Common Properties, nor shall any landscaping be done, or shall any exterior addition to any existing structure or change or alteration therein, be made until the plans and specifications therefor showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to the harmony

and compatibility of its external design and location, with the surrounding structures and topography, by the Architectural Review Board. This paragraph shall not apply to any property utilized by a governmental entity or institution.

The Architectural Review Board shall be composed of at least three (3) but not more than seven (7) Members, all of whom shall be appointed by the Board of Directors of the Association. At least one (1) Member of the Association other than the Proprietors shall be a Member of the Architectural Review Board at all times.

## ARTICLE VIII

### GENERAL PROVISIONS

Section 1. Duration. 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[c]) 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.

Section 2. Amendments. The Proprietors specifically reserve the right to Amend this Declaration or any portion hereof, on their motion, from the date hereof until January 1, 1995, so long as the voting power of existing Members is not diluted thereby, nor the amounts of assessments of such existing Members raised or changed in any manner which would adversely affect such Members. Thereafter, the procedure for Amendment shall be as follows:

All proposed Amendments shall be submitted to a vote of the Members at a duly called meeting of the Association and any such proposed amendment shall be deemed approved if two-thirds (2/3's) of the votes cast at such meeting vote in favor of such proposed amendment is to be considered. If any proposed amendment to this Declaration is approved by the Members as set forth above the President and Secretary of the Association 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 Association at which such Amendment was adopted), the date of the meeting of the Association at which such Amendment was adopted, the date that notice of such meeting was given, the total number of votes of Members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt the Amendment, the total number of votes cast in favor of such Amendment and the total number of votes cast against the Amendment. Such Addendum shall be recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia.

So long as the Proprietors, as the Type "B" Member, are entitled to elect a majority of the Members of the Board of Directors of the Association, no Amendments of this Declaration shall be made without the consent of the Proprietors.

The quorum required for any action authorized to be taken by the Association under this Section 2 shall be as follows:

The first time any meeting of the Members of the Association is called to take action under this Section 2, the presence at the meeting of the Members or proxies entitled to cast twenty-five (25%) per cent of the total vote of the Membership shall constitute a quorum. If the required quorum is not present at any such meeting, subsequent meetings may be called for the purpose of taking such action, subject to the giving of proper notice, and there shall be no quorum requirement for such subsequent meetings.

Section 3. Notices. Any notice required to be sent to any Member under the provisions of the Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed, to the address

appearing on the Association's Membership list. Notice to one (1) of two (2) or more co-owners or co-tenants of a Residential Lot or Family Dwelling Unit, shall constitute notice to all co-owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address. Any person who becomes a Member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor in title.

Section 4. Enforcement. Enforcement of these Covenants and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any Covenant or Restriction, either to restrain violation or to recover damages, and against the land and to enforce any lien created by these Covenants; and failure by the Association or any Member or the Proprietors to enforce any covenant or Restriction herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce same thereafter.

Section 5. Severability. Should any Covenant or Restriction 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 declared to be severable and which shall remain in full force and effect.

Section 6. Interpretation. The Board of Directors of the Association shall have the right to determine all questions arising in connection with this Declaration of Covenants and Restrictions, and to construe and interpret its provisions, and its determination, construction or interpretation, shall be final and binding. In all cases, the provisions of this Declaration of Covenants and Restrictions shall be given that interpretation or construction that will best tend toward the consummation of the general plan of improvements.

Section 7. Authorized Action. All actions which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors of the Association in the manner provided for in the By-Laws of the Association, unless the terms of this instrument provide otherwise.

Section 8. Other Agreements. Notwithstanding anything contained herein to the contrary, all the provisions of these Covenants shall be subject to and conform with the provisions of:

(a) 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;

(b) The Master Plan for the development of The Highlands as approved by the Planning Commission of the County of Chesterfield as may from time to time hereafter be amended or modified.

Section 9. Limited Liability. In connection with all reviews, acceptances, inspections, permissions, consents or re-required approvals by or from the Proprietors contemplated under this Declaration, the Proprietors shall not be liable to an Owner or to any other person on account of any claim, liability, damage, or expense suffered or incurred by or threatened against an Owner or such other person and arising out of or in any way relating to the subject matter of any such reviews, acceptances, inspections, permissions, consents or required approvals, whether given, granted, or withheld.

Section 10. Termination of Association. In the event The Highlands Community Association, Inc. ceases to exist or function, or in the event that this Declaration be declared to be void, invalid, illegal, or unenforceable in its entirety, or in such a significant manner that the Association is not able to function substantially as contemplated by the terms hereof, for any reason, by the adjudication of any Court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, and such adjudication occurs within ten (10) years of the date of recording this Declaration, all Common Properties (including the Road Fund previously established herein) belonging to the Association at the time of such adjudication shall revert to the Proprietors, and the Proprietors shall own and operate said Common Properties as Trustee for use and benefit of Proprietors within the Properties as set forth below. If said adjudication shall occur on a date more than ten (10) years after the date of recording of this Declaration, or if the Members of the Association should vote not to renew and extend this Declaration as provided for in Article VIII, Section 1, all Common Properties (including the Road Fund previously established herein) owned by the Association at such time shall be transferred to a Trustee appointed by the Circuit Court of Chesterfield County, Virginia, which Trustee shall own and operate said Common Properties for the use and benefit of Owners within the Properties as set forth below:

(a) Each Lot or Parcel of land located within the Properties shall be subject to an Annual Assessment which shall be paid by the Owner of each such Lot or Parcel to the Proprietors or Trustee, whichever becomes the successor in title to the Association. The amount of such Annual Assessment and

its due date shall be determined solely by the Proprietors or the Trustee, as the case may be, but the amount of such Annual Assessment on any particular Lot or Parcel shall not exceed the amount actually assessed against that Lot or Parcel in the last year that assessments were levied by the Association, subject to the adjustments set forth in subparagraph (b) immediately below;

(b) The Maximum Regular Annual Assessment which may be charged by the Proprietors or Trustee hereunder on any particular Lot or Parcel may be automatically increased each year by an amount of ten (10%) percent or the percentage increase between the first month and the last month of the annual assessment period in the consumer Price Index, U.S. City Average, All Items (1967-100) (hereinafter "C.P.I.") issued by the U. S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U. S. City Average and Selected Areas", whichever of these two (2) percentage figures is larger. The actual amount of such increase in the Maximum Regular Annual Assessment on a Lot or Parcel shall equal the Maximum Regular Assessment of a Lot or Parcel shall equal the Maximum Regular Annual Assessments on such Lot or Parcel for the previous year multiplied by the larger of the two (2) percentage factors set forth above. If the C.P.I. is discontinued, then there shall be used the most similar index published by the United States Government that may be procured indicating changes in the cost of living.

(c) Any past due Annual Assessment together with interest thereon at the maximum annual rate allowed by law from the due date and all costs of collection including reasonable attorney's fees shall be a personal obligation of the Owner at the time the Annual Assessment became past due, and it shall also constitute and become a charge and continuing lien on the Lot or Parcel of land and all improvements thereon, against which the Assessment has been made, in the hands of the then Owner, his heirs, devisees, personal representatives and assigns.

(c) Any past due Annual Assessment together with interest thereon at the maximum annual rate allowed by law from the due date and all costs of collection including reasonable attorney's fees shall be a personal obligation of the Owner at the time the Annual Assessment became past due, and it shall also constitute and become a charge and continuing lien on the Lot or Parcel of land and all improvements thereon, against which the Assessment has been made, in the hands of the then Owner, his heirs, devisees, personal representatives and assigns.

(d) The Proprietors, or the Trustee, as the case may be, shall be required to use the funds collected as Annual Assessments for the operation, maintenance, repair and upkeep of the Common Properties. The Proprietors or Trustee may charge as part of the cost of such functions the reasonable value of their



services in carrying out the duties herein provided. Neither the Proprietors nor the Trustee shall have the obligations to provide for operation, maintenance, repair and upkeep of the Common Properties once the funds provided by the Annual Assessment have been exhausted.

(d) The Proprietors shall have the right to convey title to the Common Properties, and to assign their rights and duties hereunder, provided that the transferee accepts such properties subject to the limitations and uses imposed hereby and affirmatively acknowledges their acceptance of the duties imposed hereby.

(f) The Trustee shall have the power to dispose of the Common Properties free and clear of the limitations imposed hereby; provided, however, that such disposition shall first be approved in writing by fifty-one (51%) per cent of the Owners of property within the Properties or in the alternative shall be found to be in the best interest of the Owners of property within the Properties by the Circuit Court of Chesterfield County, Virginia. The proceeds of such a sale shall first be used for the payment of any debts or obligations constituting a lien on the Common Properties; then for the payment of any obligations incurred by the Trustee in the operation, maintenance repair and upkeep of such Properties, then for the payment of any obligations distributed among the Owners of property within the Properties, exclusive of the Trustees, in a proportion equal to the portion that the Maximum Regular Annual Assessment on property owned by a particular Owner bears to the total Maximum Regular Annual Assessments for all property located within the Properties.

Dated this 1st day of April, 1992.

THE HIGHLANDS COMMUNITY ASSOCIATION, INC.

By [Signature]  
President

[Signature]  
Oliver D. Rudy, Trustee under the provisions of a trust agreement dated March 20, 1988, designated as 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 George P. Emerson, Jr. as President of The Highlands Community Association, Inc., whose name is signed to the foregoing instrument bearing date of April 1, 1992, has acknowledged the same before me in my jurisdiction aforesaid.

Given under my hand and seal this 13<sup>th</sup> day of April, 1992.  
My commission expires: 7/31/96

Armed. Hayward  
Notary Public

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, has acknowledged the same before me in my jurisdiction aforesaid.

Given under my hand and seal this 13<sup>th</sup> day of April, 1992.  
My commission expires: 11/31/96

Armed. Hayward  
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 a 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.

RECORDED:

In the Clerk's Office of the Circuit Court of Chesterfield County, the  
13th day of April, 1992 this Deed was presented and  
the certificate . . . . . admitted to record at 5:17 o'clock . . . . .  
The tax imposed by Section 58.1-602 in the amount of \$ . . . . .  
has been paid.

VIRGINIA  
IN THE CLERK'S OFFICE OF THE CIRCUIT  
COURT OF CHESTERFIELD COUNTY  
THIS DEED WAS PRESENTED AND  
ADMITTED TO RECORD AT 5:17 O'CLOCK  
ON THE 13TH DAY OF APRIL, 1992  
AT THE CLERK'S OFFICE OF THE  
CIRCUIT COURT OF CHESTERFIELD COUNTY,  
VIRGINIA

TERESA BLYN - ASSISTANT CLERK

Teste: *John D. Washington* CLERK

## PARTIAL ASSIGNMENT OF DECLARANT'S RIGHTS

THIS PARTIAL ASSIGNMENT OF DECLARANT'S RIGHTS is made this 8<sup>th</sup> day of August, 2005, by and between OLIVER D. RUDY, TRUSTEE UNDER THE PROVISIONS OF A TRUST AGREEMENT DATED MARCH 20, 1988, DESIGNATED AS NASH ROAD/WOODPECKER ROAD TRUST AGREEMENT ("the Developer", or "Grantor" for indexing purposes), and THE HIGHLANDS COMMUNITY ASSOCIATION, INC. ("the Association", or "Grantee" for indexing purposes.)

### RECITALS

WHEREAS, by the 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, recorded in Deed Book 2221, Page 1952 in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia on April 13, 1992, as amended (the "General Property Declaration"), and the Declaration of Covenants and Restrictions of The Highlands Community Association, Inc. and Oliver D. Rudy, Trustee Under the Provisions of a Trust Agreement Dated March 20, 1988 and Designated as Nash Road/Woodpecker Road Trust Agreement, recorded in Deed Book 2221, Page 1973 in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia on April 13, 1992, as amended (the "Association Declaration"), the Assignor, as "Developer" under the General Properties Declaration, and as "Proprietor" under Article I, Section (c) of the Association Declaration, subjected the planned community known as "The Highlands" to various covenants, easements and restrictions, more particularly set forth therein;

WHEREAS, The Highlands Community Association, Inc. was established pursuant to the Articles of Incorporation of The Highlands Community Association, Inc., as amended, and a certificate of incorporation issued by the Virginia State Corporation Commission on April 14, 1992; and

WHEREAS, the Developer desires to retain the rights of approval over all construction on any lots in The Highlands for which a Certificate of Occupancy and/or New Construction Compliance Certificate has not been issued by Chesterfield County, Virginia (hereinafter referred to as "original construction"), pursuant to the provisions of the General Property Declaration; and

WHEREAS, the Developer desires to retain the right to promulgate, amend, and grant variances from architectural design guidelines for original construction on lots which are subject to the General Property Declaration and the Association Declaration (hereinafter referred to as "Lots"); and

WHEREAS, the Developer desires to assign the rights of approval over alterations and modifications in existing construction and over additional construction on Lots for which a Certificate of Occupancy and/or New Construction Compliance Certificate has been issued by

Chesterfield County, Virginia (hereinafter referred to as "modifications and additional construction"), as provided in the General Property Declaration, to the Association, to be exercised by the Association's Board of Directors, or any committees established by the Board of Directors to exercise this authority, in accordance with the terms of the General Property Declaration and of any architectural design guidelines established by the Developer; and

WHEREAS, the Association acknowledges and agrees to assume the rights of approval over modifications and additional construction, in accordance with the terms of the General Property Declaration and of any architectural design guidelines established by the Developer;

NOW, THEREFORE, in accordance with Part V, Section 10 of the General Property Declaration, the Developer does hereby assign its rights of approval over modifications and additional construction in The Highlands as follows:

1. The recitals set forth above are incorporated by reference herein.
2. Developer expressly retains the rights of approval over all original construction on Lots ("original construction" being all construction on any lots in The Highlands for which a Certificate of Occupancy and/or New Construction Compliance Certificate has not been issued by Chesterfield County, Virginia).
3. Developer expressly assigns to the Association the rights of approval over modifications, improvements, alterations and additional construction on Lots, to be exercised by the Association's Board of Directors in its discretion, or by any committee established by the Board of Directors, in accordance with the terms of the Declaration and of any architectural design guidelines established by the Developer ("modifications and additional construction" being alterations and modifications in existing construction and additional construction on Lots for which a Certificate of Occupancy and/or New Construction Compliance Certificate has been permanently issued by Chesterfield County, Virginia).
4. Developer expressly retains the right to promulgate, amend, and grant variances from architectural design guidelines for original construction on Lots.
5. Association, through its Board of Directors, agrees to assume the rights of approval over modifications, improvements, alterations and additional construction on Lots, as defined above, in accordance with the terms of the General Property Declaration and of any architectural design guidelines established by the Developer.
6. This Assignment is limited to the terms herein and shall be effective upon its recordation in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia.

**(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK -  
SIGNATURE PAGES TO FOLLOW)**

IN WITNESS WHEREOF, Developer and the President of the Association have caused this Partial Assignment of Rights to be duly executed.

OLIVER D. RUDY, TRUSTEE UNDER THE PROVISIONS OF A TRUST AGREEMENT DATED MARCH 20, 1988, DESIGNATED AS NASH ROAD/WOODPECKER ROAD TRUST AGREEMENT.

By: *Oliver D. Rudy, Trustee*  
Oliver D. Rudy, Trustee

COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Charterfield

On this 2<sup>ND</sup> day of August, 2005, before me, the undersigned notary public, personally appeared OLIVER D. RUDY, TRUSTEE UNDER THE PROVISIONS OF A TRUST AGREEMENT DATED MARCH 20, 1988, DESIGNATED AS NASH ROAD/WOODPECKER ROAD TRUST AGREEMENT, who is known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

*Linda B. Williford*  
Notary Public

My Commission Expires: 1-31-2007

Exhibit "C"

*The Highlands Community Association, Inc.*

\_\_\_\_\_  
\_\_\_\_\_  
*(000) 000-0000*

**CERTIFIED MAIL**  
**REGULAR MAIL**

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
*Name and address of alleged violator*

RE: Violations of the governing documents at your property in the Highlands Community Association, Inc.

Dear \_\_\_\_\_:

We are writing to inform you of the violations at your property. We found the following at your property: *describe the violation and quote the document that specifically pertains to the violation.* Please cure the violation(s) within \_\_\_\_\_ days.

Failure to cure the violation in the requested time will cause the association to assess charges in the amount of \_\_\_\_\_.

OR

Failure to cure the violation in the requested time will cause the association cure the violation and assess charges against your property for the cost of curing.

If you would like to dispute the findings of this letter, then you may make a written request to be heard by the board of directors. The written request for a hearing must be mailed within fourteen (14) days of the date of this letter. Failure to request a hearing within the fourteen (14) days will cause you to waive your opportunity to a hearing.

Sincerely,

\_\_\_\_\_  
*Community manager*

Exhibit "D"

*The Highlands Community Association, Inc.*

\_\_\_\_\_

\_\_\_\_\_

(000) 000-0000

**CERTIFIED MAIL**  
**REGULAR MAIL**

\_\_\_\_\_

Date

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name and address of alleged violator

RE: Notice of violation hearing for your property located in the Highlands Community Association, Inc.

Dear \_\_\_\_\_:

The board of directors is requesting your attendance at a hearing of the board concerning violations at you property in the \_\_\_\_\_ association. You will be given a chance to speak to the board or you may bring legal counsel to speak on your behalf. The hearing will be held (date) \_\_\_\_\_, at (location) \_\_\_\_\_, at \_\_\_\_\_ am/pm. The violations include \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.

The governing documents state: *quote the specific section of the documents pertaining to the violations.*

The results of the hearing could be that you are assessed charges in the amount of ten dollars (\$10.00) per day for up to ninety (90) days for an ongoing violation, fifty dollars (\$50.00) for a single offense, suspension of services, suspension of voting rights, and/or the association may cure the violation and assess charges for the cost to cure.

Thank you for your cooperation. Please call the number above with any questions.

Sincerely,

\_\_\_\_\_

Community manager



22.00

**VIRGINIA LAND RECORD COVER SHEET  
FORM A - COVER SHEET CONTENT**

Instrument Date: **6/20/2018**  
Instrument Type: **DEC**  
Number of Parcels: **1** Number of Pages: **7**  
 City  County

**CHESTERFIELD**

TAX EXEMPT? **VIRGINIA/FEDERAL LAW**

Grantor:

Grantee:

Consideration: **\$0.00**

Exsting Debt: **\$0.00**

Actual Value/Assumed: **\$0.00**

**PRIOR INSTRUMENT UNDER § 58.1-803(D):**

Original Principal: **\$0.00**

Fair Market Value Increase: **\$0.00**

Original Book Number:

Original Page Number:

Original Instrument Number:

Prior Recording At:  City  County

Percentage In This Jurisdiction: **100%**

**BUSINESS / NAME**

- 1  Grantor: **NASH ROAD/WOODPECKER ROAD, LLC**
- 2  Grantor: **SMITHLAND COMPANY, LLC**
- 1  Grantee: **NASH ROAD/WOODPECKER ROAD, LLC**
- 2  Grantee: **SMITHLAND COMPANY, LLC**

**GRANTEE ADDRESS**

Name: **NASH ROAD/WOODPECKER ROAD, LLC**

Address: **7319 ROSEMEAD LANE**

City: **CHESTERFIELD**

State: **VA** Zip Code: **23230**

Book Number: Page Number:

Instrument Number:

Parcel Identification Number (PIN): **764643335200000**

Tax Map Number: **764643335200000**

Short Property Description: **102.16 ACRES**

Current Property Address **8400 WOODPECKER RD**

City: **CHESTERFIELD**

State: **VA** Zip Code: **23838**

Instrument Prepared By: **CASSIE R. CRAZE**

Recording Paid By: **RUDY, COYNER & ASSOCIATES**

Recording Returned To: **RUDY, COYNER & ASSOCIATES**

Address: **9910 WAGNERS WAY PO BOX 58**

City: **CHESTERFIELD**

State: **VA** Zip Code: **23832**



Prepared by  
Cassie R. Craze, VSB #70054  
P.O. Box 1654  
Midlothian, VA 23113

Tax Map #s: 764-643-3352-00000

SUPPLEMENTAL DECLARATION OF RIGHTS, RESTRICTIONS,  
AFFIRMATIVE OBLIGATIONS, AND CONDITIONS  
TO ADD  
GLEN KILCHURN SECTION 2

THIS SUPPLEMENTAL DECLARATION OF RIGHTS, RESTRICTIONS,  
AFFIRMATIVE OBLIGATIONS, AND CONDITIONS TO ADD GLEN KILCHURN  
SECTION 2 is entered into the \_\_\_\_ day of June, 2018, by NASH ROAD/WOODPECKER  
ROAD, LLC, a Virginia limited liability company, and SMITHLAND COMPANY, LLC, a  
Virginia limited liability company (both “Grantor” and “Grantee” for indexing purposes);

WITNESSETH:

WHEREAS, by Declaration of Covenants and Restrictions Affecting All Property  
Known as The Highlands, dated April 1, 1992, recorded April 13, 1992, in the Clerk’s Office of  
the Circuit Court of Chesterfield County, Virginia (“Clerk’s Office”), in Deed Book 2221, Page  
1952 (the “General Property Covenants”), the Covenants and Conditions set forth in said General  
Property Covenants were imposed upon the property described therein (Section One of The  
Highlands); and

WHEREAS, by Declaration of Covenants and Restrictions of The Highlands Community  
Association, Inc. and Developer, dated April 1, 1992, recorded April 13, 1992, in the aforesaid  
Clerk’s Office in Deed Book 2221, Page 1973 (the “Association Declaration”), the Covenants  
and Conditions set forth in said Association Declaration were imposed upon the property  
described therein (Section One of The Highlands); and

WHEREAS, Part V, Paragraph 4 of the General Property Covenants and Article II, Section 2 of the Association Declaration provide that additional property may be brought within the plan and operation of the such documents by or with the consent of the Developer and Proprietor by recording a Supplementary Declaration of Rights, Restrictions, Affirmative Obligations and Conditions; and

WHEREAS, several Supplemental Declarations have been recorded to subject additional property to the General Property Covenants and Association Declaration;

WHEREAS, pursuant to the definitions as set forth in the General Property Covenants and the Association Declaration, the Developer of The Highlands is The Nash Road/Woodpecker Road Trust Agreement or its successors and assigns and the Proprietor is Oliver D. Rudy, Trustee and his successors and assigns; and

WHEREAS, Oliver D. Rudy, Trustee is now deceased, The Nash Road/Woodpecker Road Trust has been dissolved, and all assets of such Trust have been transferred to the Nash Road/Woodpecker Road, LLC;

WHEREAS, by deed dated December 18, 2001, and recorded in the Clerk's Office on December 19, 2001 in Deed Book 4344, Page 900, The Nash Road/Woodpecker Road Trust Agreement conveyed certain real property within The Highlands to the Nash Road/Woodpecker Road, LLC for the purposes of continued development of The Highlands;

WHEREAS, the Nash Road/Woodpecker Road, LLC is the successor to The Nash Road/Woodpecker Trust Agreement and Oliver D. Rudy, Trustee as Developer and Proprietor under the General Property Covenants and the Association Declaration;

WHEREAS, Smithland Company, LLC is the owner of certain real property to be known as "Glen Kilchurn Section 2" and wishes to subject such real property to the General Property Covenants and the Association Declaration;

WHEREAS, Nash Road/Woodpecker Road, LLC and Smithland Company, LLC desire to submit the real property located in Glen Kilchurn Section 2, as further described in Exhibit A, which exhibit is incorporated herein and made a part hereof by this reference, to the General Property Covenants and the Association Declaration.

NOW, THEREFORE:

1. Nash Road/Woodpecker Road, LLC and Smithland Company, LLC hereby declare that the property described in Exhibit A attached hereto (the "Annexed Property") is hereby made subject to: (1) the 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, dated April 1, 1992, recorded April 13, 1992 in the Clerk's Office for the Circuit Court of Chesterfield County, Virginia in Deed Book 2221, Page 1952, as amended and supplemented; and (2) the Declaration of Covenants and Restrictions of The Highlands Community Association, Inc. and Oliver D. Rudy, Trustee Under the Provisions of a Trust Agreement Dated March 20, 1988 and Designated as the Nash Road/Woodpecker Road Trust Agreement, dated April 1, 1992, recorded April 13, 1992 in the aforesaid Clerk's Office in Deed Book 2221, Page 1973, as amended and supplemented.

2. Any property conveyed to the County of Chesterfield or to the Commonwealth of Virginia for roads or other public use shall not be subject to easements, covenants, conditions, restrictions or obligations created herein and any such easements, covenants, conditions, restrictions or obligations established herein shall be subordinate to any easements or other property rights existing or hereinafter conveyed to the County of Chesterfield or the Commonwealth of Virginia. This requirement cannot be deleted or amended without the prior written approval of the director of planning for the County of Chesterfield.
3. The Highlands Community Association, Inc. (the "Association"), which is the property owners' association established by the General Property Covenants and Association Declaration, shall not dissolve or dispose of any of the real property that is designated as Open Space or common area within the Annexed Property without the prior written approval of the director of planning for Chesterfield County, Virginia.
4. The Association shall be responsible for collecting sufficient assessments to cover the cost of taxes, and repairs, maintenance, or replacement of facilities located on the common area or other commonly held property, and to pay taxes.
5. The Association shall be responsible for ownership and maintenance of the Common Area or other commonly held property, and any easements containing private pavement, pedestrian access ways, or sidewalks that are not maintained by Chesterfield County or VDOT, and retaining walls requiring building permit approval.

WITNESS the following signatures and seals:

NASH ROAD/WOODPECKER ROAD, LLC, a  
Virginia limited liability company

[Signature]  
By:  
Its: Manager



COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Chesterfield

On this 13 day of June, 2018, before the undersigned, personally appeared George P. Emerson, Jr., Manager of Nash Road/Woodpecker Road, LLC, a Virginia limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to this instrument and acknowledged that he executed the same for the purposes contained herein.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[Signature]  
Notary Public

Notary registration #: 114238  
My commission expires: January 31, 2019

SMITHLAND COMPANY, LLC, a Virginia  
limited liability company

[Signature]  
By: Joshua Smith  
Its: MANAGER



COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Chesterfield

On this 13 day of June, 2018, before the undersigned, personally appeared Joshua L. Smith, as Manager of Smithland Company, LLC, a Virginia limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to this instrument and acknowledged that he executed the same for the purposes contained herein.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[Signature]  
Notary Public

Notary registration #: 114238  
My commission expires: January 31, 2019

Smithland Company, LLC is the maker of a note dated August 8, 2017, secured by, among other things, a deed of trust dated August 8, 2017 from Smithland Company, LLC, a Virginia limited liability company, to TBVAT, LLC, a Virginia limited liability company, Trustee, recorded in the Clerk's Office for the Circuit Court of Chesterfield County, Virginia on August 11, 2017 in Deed Book 11717, Pages 675, et seq. for the benefit of TowneBank (the "Deed of Trust"). TBVAT, LLC, Trustee, joins herein for the sole purpose of subordinating the lien, dignity and priority of the Deed of Trust to this Declaration. TowneBank joins herein for the sole purpose of consenting to the Trustee's action.

NOTEHOLDER:

BY: Tracey W. Jameson  
(PRESIDENT/VICE-PRESIDENT)  
TowneBank, a Virginia corporation

TRUSTEE:

Richard D. Dickinson  
TBVAT, LLC, a Virginia limited liability company

State of Virginia,  
City/County of Henrico, to-wit:

I, Adrienne M. Williams-Harris a Notary Public in and for the City/County and State aforesaid, do certify that Tracey W. Jameson, as Sec. Vice President of TowneBank, whose name is signed to the foregoing writing and acknowledged the same before me in my jurisdiction aforesaid.

Given under my hand this 18<sup>th</sup> day of June, 2018.

Adrienne M. Williams-Harris  
NOTARY PUBLIC

My commission expires: 8-31-19  
Registration Number: 284168



State of Virginia,  
City/County of Henrico, to-wit:

I, Adrienne M. Williams-Harris a Notary Public in and for the City/County and State aforesaid, do certify that Richard D. Dickinson, as Trustee of TBVAT, LLC, in its capacity as Trustee, whose name is signed to the foregoing writing and acknowledged the same before me in my jurisdiction aforesaid.

Given under my hand this 18<sup>th</sup> day of June, 2018.

Adrienne M. Williams-Harris  
NOTARY PUBLIC

My commission expires: 8-31-19  
Registration Number: 284168



**EXHIBIT A**

**SUBMITTED PROPERTY**

All that certain lot, piece or parcel of land, with improvements thereon and appurtenances thereto, belonging, lying and being situate in the Dale Magisterial District, Chesterfield County, Virginia, containing 102.16 acres, more or less, all as more particularly shown on: (1) a plat entitled "102.16 ACRES OF LAND SITUATED ON THE NORTH SIDE OF WOODPECKER ROAD DALE DISTRICT CHESTERFIELD COUNTY, VIRGINIA," prepared by Townes Site Engineers, dated July 6, 2017, a copy of which is recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia in Plat Book 249, Page 1; and (2) a certain plat of survey made by Townes Site Engineering, dated May 23, 2018, entitled "GLEN KILCHURN SECTION 2 DALE DISTRICT CHESTERFIELD COUNTY, VIRGINIA", a copy of which subdivision plat is or will be recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, to which plats reference is hereby made for a more particular description.

Being the same real estate conveyed to Smithland Company, LLC, a Virginia limited liability company, by deed from Nash Road/Woodpecker Road, LLC, a Virginia limited liability company, dated July 23, 2017, recorded August 11, 2017, in the Clerk's Office, Circuit Court, Chesterfield County, Virginia, in Deed Book 11717, Page 671.

7

INSTRUMENT # 180022706  
RECORDED CHESTERFIELD CIRCUIT COURT CLERK'S OFFICE  
Jun 21, 2018 AT 10:19 am  
WENDY S. HUGHES, CLERK by MLD  
BOOK 12816 PAGE 0348 - 00355



22.00  
SAG 22.00  
44.00

**VIRGINIA LAND RECORD COVER SHEET  
FORM A - COVER SHEET CONTENT**

Instrument Date: 11/12/2018  
Instrument Type: DEC  
Number of Parcels: 2 Number of Pages: 7  
 City  County

CHESTERFIELD

TAX EXEMPT? VIRGINIA/FEDERAL LAW

Grantor: \_\_\_\_\_

Grantee: \_\_\_\_\_

Consideration: \$0.00

Existing Debt: \$0.00

Actual Value/Assumed: \$0.00

**PRIOR INSTRUMENT UNDER § 58.1-803(D):**

Original Principal: \$0.00

Fair Market Value Increase: \$0.00

Original Book Number: \_\_\_\_\_ Original Page Number: \_\_\_\_\_ Original Instrument Number: \_\_\_\_\_

Prior Recording At:  City  County

Percentage In This Jurisdiction: 100%

**BUSINESS / NAME**

1  Grantor: NASH ROAD/WOODPECKER ROAD, LLC

2  Grantor: LAKEWOOD INVESTMENTS, LLC

1  Grantee: NASH ROAD/WOODPECKER ROAD, LLC

2  Grantee: LAKEWOOD INVESTMENTS, LLC

**GRANTEE ADDRESS**

Name: NASH ROAD/WOODPECKER ROAD, LLC

Address: 7319 ROSEMEAD LN

City: CHESTERFIELD State: VA Zip Code: 23838

Book Number: \_\_\_\_\_ Page Number: \_\_\_\_\_ Instrument Number: \_\_\_\_\_

Parcel Identification Number (PIN): PART OF 761643661 Tax Map Number: PART OF 76164366180000

Short Property Description: 82.28 ACRES, MORE OR LESS

Current Property Address: LAKE MARGARET SECTION 4

City: CHESTERFIELD State: VA Zip Code: 23838

Instrument Prepared By: CASSIE R CRAZE Recording Paid By: RUDY, COYNER & ASSOCIATES

Recording Returned To: RUDY, COYNER & ASSOCIATES

Address: 9910 WAGNERS WAY PO BOX 58

City: CHESTERFIELD State: VA Zip Code: 23832



**VIRGINIA LAND RECORD COVER SHEET**

**FORM C - ADDITIONAL PARCELS**

Instrument Date: 11/12/2018

Instrument Type: DEC

Number of Parcels: 2 Number of Pages: 7

City  County

CHESTERFIELD

**PARCELS IDENTIFICATION OR TAX MAP**

Prior Recording At:  City  County

Percentage In This Jurisdiction: 100%

Book Number: \_\_\_\_\_ Page Number: \_\_\_\_\_

Instrument Number: \_\_\_\_\_

Parcel Identification Number (PIN): PART OF 764641772C

*(Area Above Reserved For Deed Stamp Only)*

Tax Map Number: PART OF 764641772000000

Short Property Description: 82.28 ACRES, MORE OR LESS

Current Property Address: LAKE MARGARET SECTION 4

City: CHESTERFIELD State: VA Zip Code: 23838

Prior Recording At:  City  County

Percentage In This Jurisdiction: \_\_\_\_\_

Book Number: \_\_\_\_\_ Page Number: \_\_\_\_\_

Instrument Number: \_\_\_\_\_

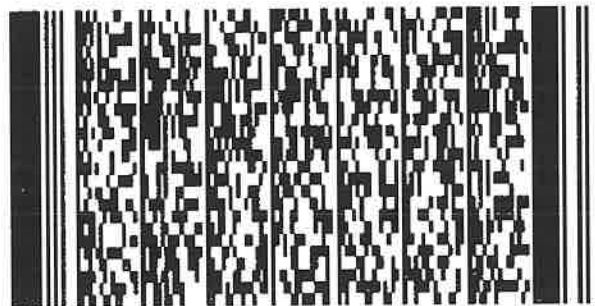
Parcel Identification Number (PIN): \_\_\_\_\_

Tax Map Number: \_\_\_\_\_

Short Property Description: \_\_\_\_\_

Current Property Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_



Prepared by  
Cassie R. Craze, VSB #70054  
P.O. Box 1654  
Midlothian, VA 23113

Parcel Id #: 761-643-6618-00000 (part) & 764-641-7720-00000 (part)

SUPPLEMENTAL DECLARATION OF RIGHTS, RESTRICTIONS,  
AFFIRMATIVE OBLIGATIONS, AND CONDITIONS  
TO ADD  
LAKE MARGARET SECTION 4

THIS SUPPLEMENTAL DECLARATION OF RIGHTS, RESTRICTIONS,  
AFFIRMATIVE OBLIGATIONS, AND CONDITIONS TO ADD LAKE MARGARET  
SECTION 4 is entered into the 12<sup>th</sup> day of, November, 2018 by NASH  
ROAD/WOODPECKER ROAD, LLC, a Virginia limited liability company, and LAKEWOOD  
INVESTMENTS, LLC, a Virginia limited liability company (both "Grantor" and "Grantee" for  
indexing purposes);

WITNESSETH:

WHEREAS, by Declaration of Covenants and Restrictions Affecting All Property  
Known as The Highlands, dated April 1, 1992, recorded April 13, 1992, in the Clerk's Office of  
the Circuit Court of Chesterfield County, Virginia ("Clerk's Office"), in Deed Book 2221, Page  
1952 (the "General Property Covenants"), the Covenants and Conditions set forth in said General  
Property Covenants were imposed upon the property described therein (Section One of The  
Highlands); and

WHEREAS, by Declaration of Covenants and Restrictions of The Highlands Community  
Association, Inc. and Developer, dated April 1, 1992, recorded April 13, 1992, in the aforesaid  
Clerk's Office in Deed Book 2221, Page 1973 (the "Association Declaration"), the Covenants

and Conditions set forth in said Association Declaration were imposed upon the property described therein (Section One of The Highlands); and

WHEREAS, Part V, Paragraph 4 of the General Property Covenants and Article II, Section 2 of the Association Declaration provide that additional property may be brought within the plan and operation of the such documents by or with the consent of the Developer and Proprietor by recording a Supplementary Declaration of Rights, Restrictions, Affirmative Obligations and Conditions; and

WHEREAS, several Supplemental Declarations have been recorded to subject additional property to the General Property Covenants and Association Declaration;

WHEREAS, pursuant to the definitions as set forth in the General Property Covenants and the Association Declaration, the Developer of The Highlands is The Nash Road/Woodpecker Road Trust Agreement or its successors and assigns and the Proprietor is Oliver D. Rudy, Trustee and his successors and assigns; and

WHEREAS, Oliver D. Rudy, Trustee is now deceased, The Nash Road/Woodpecker Road Trust has been dissolved, and all assets of such Trust have been transferred to the Nash Road/Woodpecker Road, LLC;

WHEREAS, by deed dated December 18, 2001, and recorded in the Clerk's Office on December 19, 2001 in Deed Book 4344, Page 900, The Nash Road/Woodpecker Road Trust Agreement conveyed certain real property within The Highlands to the Nash Road/Woodpecker Road, LLC for the purposes of continued development of The Highlands;

WHEREAS, the Nash Road/Woodpecker Road, LLC is the successor to The Nash Road/Woodpecker Trust Agreement and Oliver D. Rudy, Trustee as Developer and Proprietor under the General Property Covenants and the Association Declaration;

WHEREAS, Lakewood Investments, LLC is the owner of certain real property to be known as "Lake Margaret Section 4" and wishes to subject such real property to the General Property Covenants and the Association Declaration;

WHEREAS, Nash Road/Woodpecker Road, LLC and Lakewood Investments, LLC desire to submit the real property located in Lake Margaret Section 4, as further described in Exhibit A, which exhibit is incorporated herein and made a part hereof by this reference, to the General Property Covenants and the Association Declaration.

NOW, THEREFORE:

1. Nash Road/Woodpecker Road, LLC and Lakewood Investments, LLC hereby declare that the property described in Exhibit A attached hereto (the "Annexed Property") is hereby made subject to: (1) the 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, dated April 1, 1992, recorded April 13, 1992 in the Clerk's Office for the Circuit Court of Chesterfield County, Virginia in Deed Book 2221, Page 1952, as amended and supplemented; and (2) the Declaration of Covenants and Restrictions of The Highlands Community Association, Inc. and Oliver D. Rudy, Trustee Under the Provisions of a Trust Agreement Dated March 20, 1988 and Designated as the Nash Road/Woodpecker Road Trust Agreement, dated April 1, 1992,

recorded April 13, 1992 in the aforesaid Clerk's Office in Deed Book 2221, Page 1973, as amended and supplemented.

2. Any property conveyed to the County of Chesterfield or to the Commonwealth of Virginia for roads or other public use shall not be subject to easements, covenants, conditions, restrictions or obligations created herein and any such easements, covenants, conditions, restrictions or obligations established herein shall be subordinate to any easements or other property rights existing or hereinafter conveyed to the County of Chesterfield or the Commonwealth of Virginia. This requirement cannot be deleted or amended without the prior written approval of the director of planning for the County of Chesterfield.
3. The Highlands Community Association, Inc. (the "Association"), which is the property owners' association established by the General Property Covenants and Association Declaration, shall not dissolve or dispose of any of the real property that is designated as Open Space or common area within the Annexed Property without the prior written approval of the director of planning for Chesterfield County, Virginia.
4. The Association shall be responsible for collecting sufficient assessments to cover the cost of taxes, and repairs, maintenance, or replacement of facilities located on the common area or other commonly held property, and to pay taxes.
5. The Association shall be responsible for ownership and maintenance of the Common Area or other commonly held property, and any easements containing private pavement, pedestrian access ways, or sidewalks that are not maintained by Chesterfield County or VDOT, and retaining walls requiring building permit approval.

WITNESS the following signatures and seals:

NASH ROAD/WOODPECKER ROAD, LLC, a Virginia limited liability company

[Signature]  
By:  
Its: Manager

COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Chesterfield

On this 12<sup>th</sup> day of November, 2018, before the undersigned, personally appeared George P. Emerson, Jr., Manager of Nash Road/Woodpecker Road, LLC, a Virginia limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to this instrument and acknowledged that he executed the same for the purposes contained herein.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Jennifer Brane  
Notary Public

Notary registration #: 7746740  
My commission expires: 05/31/2021



LAKWOOD INVESTMENTS, LLC, a Virginia limited liability company

[Signature]  
By:  
Its: Manager

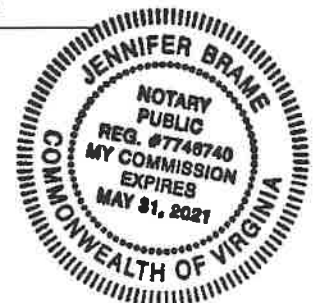
COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Chesterfield

On this 12<sup>th</sup> day of November, 2018, before the undersigned, personally appeared George P. Emerson, Jr., as Manager of Lakewood Investments, LLC, a Virginia limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to this instrument and acknowledged that he executed the same for the purposes contained herein.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Jennifer Brane  
Notary Public

Notary registration #: 7746740  
My commission expires: 05/31/2021



Lakewood Investments, LLC is the maker of a note (as defined in the Deed of Trust described herein), secured by, among other things, a deed of trust dated November 29, 2017 from Lakewood Investments, LLC, a Virginia limited liability company, to TBVAT, LLC, Trustee, recorded in the Clerk's Office for the Circuit Court of Chesterfield County, Virginia on November 30, 2017 in Deed Book 11830, Pages 865, et seq. for the benefit of TowneBank (the "Deed of Trust"). TBVAT, LLC, Trustee, joins herein for the sole purpose of subordinating the lien, dignity and priority of the Deed of Trust to this Declaration. TowneBank joins herein for the sole purpose of consenting to the Trustee's action.

NOTEHOLDER:

TRUSTEE:

BY: Tracey W. Jameson  
(PRESIDENT/VICE-PRESIDENT)  
TowneBank, a Virginia corporation

[Signature]  
TBVAT, LLC, a Virginia limited liability company

State of Virginia  
City/County of Henrico, to-wit:

I, Donna B Hadley, a Notary Public in and for the City/County and State aforesaid, do certify that Tracey W Jameson, as Sr. Vice President of TowneBank, whose name is signed to the foregoing writing, acknowledged the same before me in my jurisdiction aforesaid.  
Given under my hand this 8<sup>th</sup> day of November, 2018.

Donna B Hadley  
NOTARY PUBLIC



My commission expires: 5/31/2022  
Registration Number: 220337

State of Virginia  
City/County of Henrico, to-wit:

I, Donna B Hadley, a Notary Public in and for the City/County and State aforesaid, do certify that Richard D. Dickinson, as manager of TBVAT, LLC, in its capacity as Trustee, whose name is signed to the foregoing writing, acknowledged the same before me in my jurisdiction aforesaid.  
Given under my hand this 8<sup>th</sup> day of November, 2018.

Donna B Hadley  
NOTARY PUBLIC



My commission expires: 5/31/2022  
Registration Number: 220337



**EXHIBIT A****SUBMITTED PROPERTY**

All that certain lot, piece or parcel of land, with improvements thereon and appurtenances thereto, belonging, lying and being situate in the Matoaca Magisterial District, Chesterfield County, Virginia, containing 82.28 acres, more or less, all as more particularly shown on a certain plat of survey made by Townes Site Engineering, dated June 13, 2018, entitled "LAKE MARGARET SECTION 4 MATOACA DISTRICT CHESTERFIELD COUNTY, VIRGINIA", a copy of which subdivision plat is recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia in Deed Book 259, Page 88-93, to which plat reference is hereby made for a more particular description.

Being the same real estate conveyed to Lakewood Investments, LLC, a Virginia limited liability company, by deed from Lake Margaret, LLC, a Virginia limited liability company, recorded in the Clerk's Office, Circuit Court, Chesterfield County, Virginia, on November 30, 2017 in Deed Book 11830, Page 860.