

CERTIFICATE OF THE PRESIDENT AND SECRETARY

The President of The Village At Highlands Association ("Association"), along with the Secretary, hereby certifies that the foregoing Amendment was consented to, agreed to, and approved by the requisite majority (at least two-thirds [2/3rds] of the votes) of the Lot Owners, by their votes and signed written ratifications and consents thereof. The Village At Highlands community is located in the County of Albemarle, Virginia, and this Amendment is an amendment to The Village At Highlands Declaration of Covenants recorded in the Clerk's Office on February 1, 2006. The President and Secretary also hereby certify that notice of the proposed Amendment was sent to the Membership on May 15, 2024 and that there are fifty (50) total Members and the results of the voting were: thirty-eight (38) votes in favor of the Amendment; ten (10) votes against the Amendment; and two (2) votes in abstention. The Amendment carried with the support of seventy-six percent (76%) of the Membership.

Date: AUGUST 7, 2024

By: Dennis Koziol
DENNIS KOZIOL, President

By: Betty Anne Dicken
BETTY ANNE DICKEN, Secretary

COMMONWEALTH OF VIRGINIA
CITY/COUNT OF Albemarle

On this 2nd day of August, 2024, before me, the undersigned notary public, personally appeared Dennis Koziol, the President of The Village At Highlands Owners Association, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing 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.

[Signature]
Notary Public

My Commission Expires: 12/31/2028
Notary Registration #: 8114800



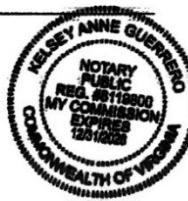
COMMONWEALTH OF VIRGINIA
CITY/COUNT OF Albemarle

On this 2nd day of August, 2024, before me, the undersigned notary public, personally appeared Betty Anne Dicken, the Secretary of The Village At Highlands Owners Association, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing 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.

[Signature]
Notary Public

My Commission Expires: 12/31/2028
Notary Registration #: 8114800



5

INSTRUMENT # 202400006572
E-RECORDED IN THE CLERK'S OFFICE OF
ALBEMARLE ON
AUGUST 8, 2024 AT 12:22PM

JON R. ZUG, CLERK
RECORDED BY: MEB

Commonwealth of Virginia
Land Record Instruments

Cover Sheet Form A

[ILS VLR Cover Sheet Agent 1.0.661]

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A
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C
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X

Date of Instrument: [2/11/2006]

Instrument Type: [DEC]

Number of Parcels [1]

Number of Pages [301]

City County [] County [] (Box for Deed Stamp Only)

Last Name [] First Name []

[Craig Enterprises] 11 1[] 1

[The Village at] 11 II

st Name [] First Name [] Middle Name or Initial []

[The Village at Highlands] 11 1f 11

Grantee Address (Name) [Craig Enterprises Inc]

(Address 1) (338 W. Rio Road)

(Address 2)

(City, State, Zip) [Charlottesville]

I [VA 1 [22901]

1 Assumption Balance [0.00]

Prior Instr. Recorded at: City 1:3 County [] Percent. In this Juris. [1001]
Book [] Page 1] Instr. No []

Parcel Identification No (PIN) [0000130] 1

Tax Map Num. (if different than PIN) [057A0 21300]

Short Property Description [The Village at Highlands] 1

1

Current Property Address (Address 1) [] 1

(Address 2) [] 1

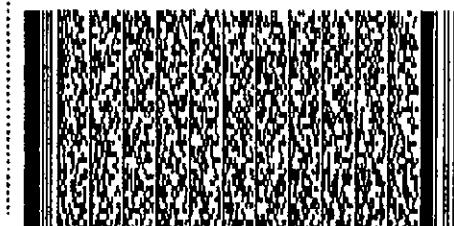
Instrument Prepared by [Fell, Pettit & Williams, PLC] 1

Recording Paid for by [Fell, Pettit & Williams, PLC] 1

Return Recording to (Name) [530 E. Main Street] 1

(Address 1) [Charlottesville] 1

Customer Case ID [2850.077/JPW] 1 [VA 3 [22902]



Village at Highlands

Declaration of Covenants

(Reprinted with all amendments through August 8, 2024)

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THE VILLAGE AT HIGHLANDS

DECLARATION OF COVENANTS

(Reprinted with all amendments through August 8, 2024)

THIS DECLARATION is made this 24th day of January, 2006 by CRAIG ENTERPRISES, INC., a Virginia corporation t/a Craig Builders, herein the "Declarant."

WITNESSETH:

WHEREAS, Declarant is the holder of legal title to certain real property (herein the "Property" located in the White Hall Magisterial District of Albemarle County, Virginia, which has been subdivided into open space, rights of way for roads and fifty (50) lots to be served by state maintained roads accessed from U.S. Route 240 as shown on the plat (herein the "Plat") captioned "Subdivision Plat Lots I Thru 50, Section 2B Highlands at Mechums River" by Roger W. Ray & Assoc., Inc. C.L.S., dated June 10, 1999, last revised May 21, 2002, which is recorded in the Clerk's Office of the aforesaid County in Deed Book 2263, beginning at page 373; and

WHEREAS the Property on the Plat may also be referred to as "The Village at Highlands"; and

WHEREAS, Declarant will convey the said Property, subject to certain covenants, conditions, restrictions, easements, reservations, liens and charges as hereinafter set forth.

NOW, THEREFORE, Declarant hereby declares that all of the Property described above (including any additional property added pursuant to Article II, Section 2) shall be held, sold and conveyed subject to the following covenants, conditions, restrictions, easements, reservations, liens and charges (and any valid amendments or supplements hereto), all of which are intended to enhance and protect the value, desirability and attractiveness of the Property and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit each owner thereof.

ARTICLE I DEFINITIONS

- 1) The following terms, when used in this Declaration, shall have the following meanings:
 - a) "Architectural Review Board" or "ARB" shall mean and refer to the board established herein for the purpose of regulating the external design, appearance, and use of the Open Space, Lots, and improvements thereon.
 - b) "Association" shall mean and refer to The Village at Highlands Owners Association, its successors and assigns.
 - c) "Board of Directors" shall mean and refer to the Board of Directors of The Village at Highlands Owners Association.

- d) "Declarant" shall mean and refer to Craig Enterprises, Inc. t/a Craig Builders and its successors and assigns as Declarant appointed by recorded instrument.
- e) "Declaration" shall mean and refer to the reservations, liens and charges and all other provisions herein set forth in this entire document, as the same may from time to time be amended or supplemented.
- f) "Dwelling" shall mean and refer to any single-family attached residential dwelling construction or within any Lot.
- g) "Lot" shall mean and refer to Lots I through 50 inclusive, as shown on the Plat and any other lots that are made subject to this declaration by Supplemental Declaration.
- h) "Member" shall mean and refer to every person or entity holding membership in the Association.
- i) "Open Space" shall mean and refer to the real property owned by the Declarant or the Association for the common use and enjoyment of the Members of the Association, as shown on any recorded subdivision plats of the property as Open Space or Common Area.
- ii) "Owner" shall mean and refer to the owner of record, whether one or more persons or entities of fee simple title to any Lot, including contract sellers but excluding those having such interest merely as security for the performance of an obligation.
- iii) "Property" shall mean and refer to that certain real property herein described on the Plat, and such additions thereto as may hereinafter be brought within the jurisdiction of the Association and made subject to this Declaration by Supplementary Declaration.
- l) "Roads" shall mean and refer to the entire right of way on the Plat for the streets, roads or circles on the Property that provide access between the Lots and the nearest state secondary road(s) and U.S. Route 240, as shown and described on the Plat.

ARTICLE II PROPERTY SUBJECT TO DECLARATION

- 1) Existing Property. The real property, which at this time is and shall be held, transferred, sold, conveyed, given, leased, devised, inherited and occupied subject to the covenants, conditions, restrictions, easements, reservations, liens, and charges set forth in the Declaration is the Property as described by the attached Plat.
- 2) Additions to Existing Property. Declarant shall have the right (but not the obligation), without further consent of the Association or of other Owners, to bring within the plan and operation of the Declaration and the jurisdiction of the Association other real property in the

vicinity of the Property. To accomplish this, the Declarant shall first obtain the approval of the County of Albemarle, if required, and then shall record one or more Supplementary Declarations with respect to the real property being added. A Supplementary Declaration shall be executed by the Declarant and recorded in the Clerk's Office for the Circuit Court of Albemarle County, Virginia. A Supplementary Declaration shall extend the operation and effect of this Declaration and the jurisdiction of the Association to any added real property that may also be referred to as part of "Section 2B, Highlands at Mechums River".

ARTICLE III ASSOCIATION

- 1) Incorporation. Declarant will incorporate, or has incorporated, under the laws of the Commonwealth of Virginia a non-stock corporation to be known as The Village at Highlands Owners Association.
 - a) Seal. The Association shall have a corporate seal, which shall contain the corporate name of the Association, the year of its incorporation, and the word "Virginia." Such seal shall be in any form as may be approved by the Board of Directors.
 - b) Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December each year.
- 2) Powers. The Association shall be delegated the powers of;
 - a) Owning, maintaining and administering the Open Space including, but not limited to, storm water detention and runoff control.
 - b) Maintaining the Lots and Dwelling exteriors as set forth herein.
 - c) Administering the Declaration and the covenants, conditions, restrictions, easements and reservations set forth herein.
 - d) Collecting and disbursing the assessments and charges created herein; and
 - e) Promoting the health, safety, common good and general welfare of the residents of The Village at Highlands.
- 3) Membership. Every Owner of a Lot shall be a Member of the Association. In addition, Declarant shall be a Member of the Association so long as Declarant owns any Lot or any of the Property. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of a Lot (or Property in the case of the Declarant) shall be the sole qualification for membership.
- 4) Voting Rights. The Association shall have two classes of voting membership:

- a) Class A. Class A Members shall be Owners of Lots, with the exception of Class B Members. Class A Members shall be entitled to one vote for each Lot owned by the Class A Member. In the event that more than one person or entity holds an interest in any Lot, all such persons or entities shall be Members but the vote for such Lot shall be exercised as they determine among themselves. In no event shall more than one vote be cast with respect to any such Lot owned by a Class A Member.
- b) Class B. The Class B Member shall be the Declarant or his successors and assigns as Declarant appointed by recorded instrument. The Class B Member shall be entitled to three (3) votes for each Lot owned by the Class B Member. The Class B membership shall cease and be converted to Class A membership on the earlier of December 31, 2015 or the date on which the total number of votes of Class A Members equals or exceeds the number of total votes of the Class B Member.

5) Board of Directors. The Board of Directors of the Association shall be elected by majority vote of the Members as set forth in the Bylaws of the Association.

6) Powers and Duties of the Board of Directors. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association, as set forth in the Bylaws of the Association, and may take any such action on behalf of the Association except that required to be exercised or done by the Members of the association.

7) Powers and Duties of the Association. The powers and duties of the Association shall be those set forth in this Declaration, in the Bylaws of the Association, and in the Articles of Incorporation as same may be amended from time to time.

8) Powers and Duties of the Association. The powers and duties of the Association shall be those set forth in this declaration, in the Bylaws of the Association, and in the Articles of Incorporation as same may be amended from time to time.

ARTICLE IV OPEN SPACE AND ROADS

1) Composition of Open Space. The Open Space consists of all areas shown and described as Open Space or Common Area on the Plat or any recorded plat of any portion of Section 2B, Highlands at Mechums River and made subject to this declaration.

2) Title to Open Space. Declarant hereby declares that it will convey fee simple title to the Open Space to the Association free and clear of all liens and encumbrances, except those set forth herein. Conveyance of the Open Space by the Declarant may not be refused by the Association.

3) Members' Easements of Enjoyment in Open Space. Each Member, his immediate family, guests and tenants shall have a right and easement of enjoyment in and to the Open Space. Such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to this Declaration and further subject to the following provisions:

a) The right of the Association to limit the number of guests of members and to place other reasonable restrictions on the use of the Open Space.

- b) The right of the Association to limit the use of Open Space as needed to protect Members' rights to enjoyment of their individual Lots;
- c) The right of the association to charge reasonable admission and other fees for the use of any recreational facility, if any, situated on the open space, if the need arises.
- d) The right of the Association, in accordance with its Articles of Incorporation and Bylaws, to borrow money for the purpose of improving the Open Space and facilities and, in aid thereof, to mortgage said Open Space. The rights of such mortgagee in said properties shall be subordinate to the rights of the Members hereunder.
- e) The right of the Association to suspend the voting rights and right to use of the recreational facilities, if any, and/or services provided to a Member by the Association for any period during which any assessment against the Member's Lot remains unpaid; and
- f) The right of the Association to convey or transfer all or any part of the Open Space to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. Except for easements granted pursuant to Section 4 hereof, no such conveyance or transfer of Open Space shall be effective unless an instrument signed by members entitled to cast two-thirds (2/3) of the votes has been recorded, agreeing to such conveyance or transfer, provided written notice of the proposed action is sent to every Member not less than 10 days and not more than 30 days in advance.

4) Open Space Easements. The Declarant may grant, convey, locate or relocate any casements for utilities, drainage, or sight in the Open Space in addition to those shown on recorded subdivision plats.

5) Roads. Certain 50' rights of way (labeled Mechums River Road and Gate Post Lane) are shown on the subdivision Plat. These rights of way (herein referred to as "Roads") were dedicated to public use upon the recordation of the Plat. The Declarant shall cause the subdivision roads to be constructed within said rights of way with said roads to be built to Virginia Department of Transportation (VDOT) standards for secondary roads. Except as otherwise provided herein, the entire cost of the construction and maintenance of the Roads shall be borne by the Declarant or its successor until the Roads are accepted by VDOT into the State Secondary System of Highways for maintenance purposes. The Declarant may restrict the usage of the Road shoulders to enhance growth of vegetation pending acceptance of the Roads by VDOT. Until such time, each Owner shall have the right to use the Roads for ingress and egress to state secondary roads and U.S. Route 240 for himself, his family, invitees, guests, tenants, and successors or assigns.

ARTICLE V EASEMENTS

- a) Drainage and Utility Easements.
- b) Declarant reserves unto itself or its successors and assigns a perpetual, alienable and releasable easement and right of way on, above, and underground through all areas subject to this Declaration and Supplementary Declarations, whether within the boundaries of Lots or Open Spaces, excepting only such land upon which a Dwelling or other structure approved by the ARB is constructed. The purpose of such easement shall be to construct, maintain, inspect, regrade, replace, and repair vegetation, road shoulders, lines, wires, cables, conduits, sewers, pipes, water mains, and other suitable equipment and facilities for the conveyance of water, sewer, gas, telephone, electricity, television cable, exterior lighting, storm and surface water and other utilities and public conveniences, for any purpose required by the County of Albemarle or VDOT in conjunction with the acceptance of Roads into the state system for maintenance and for surface water drainage, including pipes, ditches, culverts, swales and other suitable facilities for the disposition of storm and surface water drainage, together with the right of ingress and egress to all such facilities and easements for the construction and maintenance thereof.
- c) The easements provided for herein shall include the right to cut any trees, brush, and shrubbery, dig or grade any soil and take any other similar action as reasonably necessary. The rights herein reserved may be exercised by any licensee of Declarant to provide or maintain or be responsible for the lapse or temporary interruption of services except as herein and otherwise provided. Any damage to the property resulting from the use of easements hereby reserved shall be promptly repaired at the expense of the party causing such damage.

2) Party Wall. Each wall, built as a part of the original construction of any Dwelling or other structure on the Property subject to this Declaration, which is placed on the dividing line between Lots shall constitute a party wall and both of the adjacent Lot Owners divided by the wall shall have the right to use equally for all purposes the party wall as their exterior building wall. The cost of reasonable repair and maintenance of the party wall shall be shared equally by the adjacent Lot Owners divided by, and making use of, the wall. If a party wall is destroyed or damaged by fire or other casualty, either Owner who has used the wall may repair and restore it and the other Owner who used the party wall shall thereafter contribute 50% to the cost of repair and restoration thereof, without prejudice, however, to the right of either such Owner to call for a larger contribution from the other owner under any theory regarding liability for negligent or willful acts of omission. The right of any Owner who used the party wall to a contribution from any other Owner who used such wall herein shall be appurtenant to and run with the land and therefore pass to such Owners' successors in title.

3) Shared Driveway Easement. The Declarant intends that each two adjacent Lots may be served by a single shared driveway. If a shared driveway is constructed initially, there is hereby created, for the benefit of both of the adjacent Lots served by the shared driveway, an appurtenant non-exclusive access easement providing vehicular and pedestrian ingress and egress between the Lots and the Roads for the benefit of the Owners of both of the adjacent Lots.

- a) The easement is for vehicular and pedestrian ingress and egress for the benefit of each Lot over the portion of the driveway shared by said Lots (the "Shared Driveway") that runs between the Road on which the Lot fronts and the private portion of the driveway located solely on such Lot. Neither Owner (nor the family, tenants or invitees of such Owner) shall park in or block the Shared Driveway in such a manner as to block the access to the other Lot that shares the Shared Driveway.
- b) The shared driveway easement is subject to the following provisions:
 - i) The owners of each Lot served by the Shared driveway shall be jointly and equally responsible for the cost of all repairs, maintenance, snow removal, and enhancements to the shared portion of the driveway, provided that both of such Owners agree to the repairs, maintenance, snow removal and /or enhancements to be undertaken:
 - ii) Both Lot Owners shall pay their share within 30 days after a bill for such services is received.
 - iii) If such a bill is not paid within this time, interest at 18% per annum and reasonable attorney's fees shall be added to the share due from the defaulting Lot Owner and the paying Lot Owner may bring an action at law to collect same. There shall be a continuing lien on each of the adjacent Lots to secure payment of their share of the proper charges associated with the Shared Driveway, which lien shall be subject to the lien of any deed of trust or Association lien unless and until there is a default in payment and a Notice of Lien is recorded in the Clerk's Office for the Circuit Court of Albemarle County. A recorded Notice of Lien may be foreclosed in the manner as if it were a memorandum of mechanic's lien; and
 - iv) Any Owner who causes (or whose family, tenants or invitees cause) damage to the Shared Driveway by extraordinary use or intentional act shall be solely responsible for the repair of such damage.
- c) Initially, the joint driveways will be paved with asphalt. Subject to approval by the ARB, this standard may be changed by agreement in writing signed by both of the adjacent Lot Owners served by the Shared Driveway and filed with the Association.

ARTICLE VI COVENANT FOR ASSESSMENTS

1) Creation of the Lien and Personal Obligation of Assessments.

- a) For each Lot to be created within the Property, the Declarant hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or conveyance, is deemed to covenant and agree to pay to the Association:

- i) Community assessments or charges for operating and maintenance expenses as hereinafter provided (herein "Community Assessments"), to be collected on a basis established by the Board of Directors;
 - ii) Special assessments for community or general capital improvements (herein "Special Assessments"), to be fixed, established, and collected from time to time as hereinafter provided; and
 - iii) Assessments for correction of noncompliance with this Declaration and the implementation of such corrections by the Association (herein "Correction Assessments"), to be fixed, established, and collected from time to time as hereinafter provided.
- b) All of the above categories of assessments may be referred to collectively as "Assessments". Assessments, together with such interest and charges thereon and costs and reasonable attorney's fees, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such Assessment is made in the manner as hereinafter provided, and subject to certain prior liens on the Property as herein provided in Section 14 of this article. Each Assessment, together with such interest and charges thereon and costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of such Property assessed at the time when the Assessment fell due. The personal obligation shall not pass to such Owner's successors in title unless expressly assumed by them in writing.

2) Community Assessments. Community Assessments levied by the Association shall be used, as deemed fit by the Board of Directors but, in general, for promoting the general enjoyment, health, safety, and welfare of the residents in the Property and for maintaining and enhancing The Village at Highlands. In particular, Assessments shall be used to:

- a) Defray the costs of managing the Association.
- b) Maintain, repair, improve, and enhance Open Space and common facilities (whether located on Open Space or Lots), including common drainage facilities for runoff control or storm water detention, signs, fences, exterior lighting, sprinkler systems, and services and facilities devoted to this purpose and related to the general use and enjoyment of the Property.
- c) Provide grounds maintenance services for individual Lots and Open Space, as provided for hereinafter.
- d) Provide exterior maintenance services for Dwellings on individual Lots, as provided for hereinafter.
- e) Provide for other services or purchases authorized by the Board of Directors.

f) Establish adequate reserves for capital components and projected exterior maintenance of dwellings on individual Lots and common structures/facilities on Open Space, as required by the Virginia Property Owners Association Act.

g) Provide for the Association's share of maintenance of Open Space common to all subdivisions at Highlands at Mechums River.

3) Special Assessments.

a) In any Assessment year, the Association by the Board of Directors may levy a Special Assessment applicable to that year only for all Lots, for the purpose of defraying, in whole or in part:

- i) An unexpected or unusually large or anticipated expense, the cost of which would ordinarily be borne by Community Assessments.
- ii) The cost of any construction or reconstruction, an unexpected repair or replacement of a capital improvement on the Open Space, including the necessary fixtures and personal property related thereto; or
- iii) For any other reason found by the Board of Directors to be in the best interests of the Association except as set forth herein,

b) The Association shall provide to each Owner, at the property address or the Owner's last known address on file with the Association, written notice of the Special Assessment and the date or dates on which it shall be due and payable.

c) A Special Assessment can be rescinded or reduced by a majority of votes cast, in person or by proxy, at a meeting of the membership convened in accordance with the Association's Bylaws within 60 days of promulgation of the notice of special assessment. No director or officer of the Association shall be liable for failure to perform his fiduciary duty if a Special Assessment necessary for the director or officer to perform his fiduciary duty is rescinded by the Owners. The Association shall indemnify such director or officer against any damage resulting from any claimed breach of fiduciary duty arising therefrom.

4) Basis of Community Assessments. The Community Assessment will consist of three components:

- a) An Operating Budget component, for expenses identified in Article VI (2) (a-c) above;
- b) A Maintenance Reserve component, for expenses identified in Article VI (2) (f) above; and
- c) A Highlands at Mechums River component, for expenses identified in Article VI (2) (g) above.

5) Initial Maximum Community Assessments for Improved Lots. The initial maximum Community Assessment for Lots improved by a dwelling for which a certificate of occupancy has been issued (herein "Improved Lots") shall be assessed on a monthly basis as follows:

a) Operating Budget Component:	\$102.00 per Lot per month
b) Maintenance Reserve Component:	\$47.00 per Lot per month
c) Highlands at Mechums River Component:	\$3.00 per Lot per month
Total Community Assessment:	\$152.00 per Lot per month

6) Initial Maximum Community Assessment for Unimproved Lots. The initial maximum Community Assessment for lots that have been platted subject to this Declaration but for which no certificate of occupancy has been issued (herein "Unimproved Lots") shall be assessed, on a monthly basis, at 5% of the Improved Lot Operating Budget Component plus the Highlands at Mechums River Component, as follows:

a) Operating Budget Component:	\$5.00 per Lot per month
b) Highlands at Mechums River Component:	\$3.00 per Lot per month
Total Community Assessment:	\$8.00 per Lot per month

This provision shall not be amended so long as Declarant owns any of the Property.

7) Community Assessment Increases. The Board of Directors may increase Community Assessments by as much as 10% per year effective January 1 each year (commencing January 1, 2007) without a vote of the Members after due consideration of current and projected costs and needs of the Association. Such increases shall not be rescinded or reduced by a vote of the Members.

8) Uniform Rate of Assessments. All Assessments must be fixed at a uniform rate for all Improved Lots and at a separate uniform rate for all Unimproved Lots.

9) Notice of Assessments. The Board of Directors should fix the amount of the annual Assessments against each Lot no later than November 30 of the year preceding the fiscal year in which the Assessments will apply. Once the Assessment is set, written notice of the Assessment amount, together with the annual Budget for the Assessment period, shall be mailed or e-mailed no later than 15 days prior to the effective date to every Owner subject thereto at the property address or a last known address of the Owner on file with the Association.

10) Date of Commencement of Community Assessments.

a) Community Assessments provided for herein shall commence for all Lots on the first day of the month following the initial conveyance of an Improved Lot to an Owner. The first year's Assessment shall be prorated according to the number of months remaining in the calendar year.

b) Assessments shall be prorated where a sale of an Improved Lot occurs between the annual January 1 reassessment dates. Upon receipt of a written request by an Owner at any time, the Association shall furnish a certificate, in writing and signed by an officer of the Association, setting forth whether the Assessments on a specified Lot have been paid. Such certificate shall be conclusive evidence of payment of any Assessment stated therein to have been paid. The Association may make a reasonable charge for issuing these certificates.

11) Refund of Assessments. No assessment, or any part thereof or interest thereon, shall be refunded to an Owner upon the sale or transfer of a Lot.

12) Collection of Assessments.

- a) Assessments shall be due in advance in twelve (12) monthly installments or in four (4) quarterly installments, as established by the Board of Directors.
- b) Assessment bills shall be mailed or e-mailed to each Owner at the Property address or last known address of the Owner on file with the Association no later than the fifteenth (15th) day of the month preceding the month in which the Assessment is due.
- c) Assessments shall be due by the tenth (10th) day of the month in which the Assessment is due. If not paid on or by the due date, the owner shall be delinquent, and the Assessment shall bear a five percent (5%) late payment fee.
- d) A delinquent assessment that is not paid within 30 days of the due date shall bear interest from the date of delinquency until paid at eighteen percent (18%) per annum and all costs of collection, including reasonable attorney's fees.
- e) The Association may bring an action at law against the Owner personally obligated and/or may foreclose the lien against the Lot if a delinquent assessment is not paid within 30 days of the date of delinquency.
- f) No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Open Space or abandonment of his Lot.

13) Lien for Payment of Assessments and Subordination of Lien to First and Second Mortgages.

- a) In order to secure the payment of the Assessments (including interest, late payment fees, costs of collection and reasonable attorney's fees) provided for under this Declaration, there shall be a continuing lien on the Lots herein. However, such lien shall be subject to and subordinate to any first and second deeds of trust placed on the Lot at any time prior to perfection of the lien by filing in the Clerk's Office for the Circuit Court of Albemarle a verified Memorandum of Lien in accordance with §55-516 of the Code of Virginia.

- b) Prior to filing a Memorandum of Lien, at least ten (10) days written notice of the Association's intent to file such a Memorandum shall be given to the Owner by certified mail at his last known address on file with the Association. The Association may thereafter perfect its lien by filing a Memorandum of Lien in the Clerk's Office aforesaid prior to the expiration of twelve (12) months from the time the delinquent Assessments became due and payable. After the lien is perfected, it shall have priority over all subsequent liens and encumbrances except as set forth in §55-516 of the Code of Virginia.
- c) No suit to enforce any lien shall be brought after thirty-six (36) months from the time when the Memorandum of Lien was recorded as set forth in §55-516(E). A statement from the Association showing the balance due on any Assessment shall be *prima facie* proof of the current Assessment balance due and delinquency, if any, due on a particular Lot.

14) Exempt Property. The following property subject to this Declaration shall be exempt from the Assessments created herein:

- a) All properties dedicated to and accepted by a local utility or public authority, such as Dominion Virginia Power, VDOT, Sprint, Albemarle County Service Authority or Rivanna Water and Sewer Authority;
- b) The Open Space; and
- c) All properties (except Lots) owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Virginia. However, no land or improvements devoted to dwelling use shall be exempt from said Assessments.

15) Correction Assessments. The Association or the ARB may impose non-uniform Correction Assessments upon any Lot and its Owner in the manner set forth in Article X or Article XI.

16) Annual Statements and Budget. The Board of Directors, President, Treasurer or such other officer having custody of the funds of the Association shall prepare annually a statement showing the actual assets and liabilities of the Association at the close of the fiscal year, together with a statement of revenues and expenses and a budget that shows the anticipated Assessments, income and expenses for the following fiscal year. Such statement and the budget shall be made available to the Members at the annual meeting of the Association and shall be furnished to any member, upon written request, within a reasonable time.

ARTICLE VII ARCHITECTURAL CONTROL

1) Purpose. An Architectural Review Board (herein "ARB") shall regulate the external design, appearance, color, use, location and maintenance of Dwellings, improvements and landscaping on any Lot or the Open Space, other than Dwellings or improvements constructed or landscaping done by Declarant, its agents, contractors or subcontractors, in such a manner as to:

- a) Maintain a harmonious relationship among structures and the natural vegetation and topography; and

- b) Preserve the general character and color, tone and architectural compatibility of the area as originally constructed. To further this purpose, dwellings or other buildings on adjacent Lots which are separated by party walls shall be painted the same color for siding and trim and shall have the same roof shingle color and window type.

2) Composition of the ARB. For so long as Declarant owns any Lot or Property, the ARB shall consist of one to three persons appointed by Declarant. Such persons may, but need not, be Members of the Association. Thereafter, the power to appoint members of the ARB shall be transferred to the Association which shall appoint three of its Members to the ARB. The members of the ARB shall serve at the pleasure of the entity that appointed them and may be replaced at any time for any reason whatsoever.

3) Approval for Commencement of Work.

- a) No exterior improvements, alterations, repairs, change of paint or stain color, change of roof color, excavations, changes in grade, clearing, major landscaping or other work which in any way alters any Lot from its natural or improved state on the date when said Lot was first conveyed in fee by Declarant shall be made or done upon the Property without the prior written conditional approval signed by each member of the ARB, except as otherwise provided herein. No building, fence, exterior wall, residence or other structures or exterior changes to any existing structures upon the Property shall be commenced or made until given prior written conditional approval signed by each member of the ARB, except as otherwise provided herein.
- b) Notwithstanding the above, Declarant shall not be required to seek or obtain the consent or approval (either conditional or final) of the ARB or of the Association for any work, including but not limited to any improvements, changes, repairs, alterations, painting, construction, grading or landscaping performed by Declarant, its agents, contractors or subcontractors.
- c) The ARB reserves the right to pre-approve various exterior plan versions, color schemes and material selections proposed by the builder of the initial improvements on the Lots without requiring that said designated builder make the individual Lot submittals as otherwise required herein. A pre-approval by the ARB as contemplated herein shall allow the designated builder to select the location and shall be as effective as a final approval upon issuance of a final certificate of occupancy.

4) ARB Approval Procedure.

- a) None of the improvements, changes or other work described in detail in Article VII, Section 3 above shall be started until plans and specifications therefor showing the nature, size, kind, shape, height, materials, colors and location of the same shall have been submitted to the ARB and conditionally approved in a writing signed by each member of the ARB after consideration of the details of the submission and the purpose of the ARB as set forth herein.

- b) In addition to the items set forth herein, the ARB may adopt additional procedures or standards as to the information it requires to be submitted to it with any request for approval.
- c) The ARB may make available to Members of the Association architectural and landscaping guidelines and a standard procedure to be followed by Lot Owners who seek ARB approval for improvements, changes, or other work on their Lots.
- d) The Board of Directors may set a fee payable to the Association for reviews by the ARB associated with requests for conditional and final approvals.

5) Conditional Approval Presumption. In the event that the ARB fails to approve, modify or disapprove in writing a request for approval required herein within 60 days after plans, specifications or other appropriate materials have been submitted in writing to it, the submitted plans and specifications shall be deemed to have been conditionally approved. The burden shall be upon the Owner to show the date of the submission and that the plans and specifications were properly submitted to the ARB.

6) Conditional and Final Approval. Preconstruction approvals granted by the ARB herein shall be deemed to be conditional approvals. They may become final approvals upon the ARB's inspection of the actual completion of the changes or improvements or repairs and finding them to be as set forth in the plans and specifications submitted to it. In the event that the actual completed changes, improvements or repairs do not, in the judgment of the ARB, conform to the plans and specifications approved by it, then the ARB's approval, whether given in writing or by presumption, may be withdrawn. It shall be incumbent upon the Owner to notify the ARB in writing within 30 days after the completion of work that he requests final approval. The ARB shall then have 30 days to inspect and grant or refuse final approval in writing. If final approval is refused, the Owner shall make changes and resubmit until final approval is obtained.

7) Final Approval Presumption. In the event that appropriate equitable action, together with the filing of a lis pendens, has not been commenced by the Declarant or any Owner within 180 days after the completion of any construction, improvements or alterations, it shall be conclusively presumed that such construction, improvements or alterations have received final approval by the ARB.

8) Changes Made or Started Without ARB Approval. Should an Owner commence any work which requires ARB approval without its conditional approval or complete or conclude any work without seeking ARB final approval within 30 days of completion, the ARB, the Association or any Member may take appropriate legal or equitable action and may cause a lis pendens to be filed against such Owner's Lot, except as set forth herein. Furthermore, the ARB or the Association has the right (but not the obligation) to correct any violation and impose Correction Assessments as set forth in Article X.

ARTICLE VIII FUNCTIONS AND SERVICES OF THE ASSOCIATION

- 1) General Control of Property. The Association shall be in charge of the general control of the Property, and shall make any reasonable regulations consistent with the purposes stated herein for the control of such and the prevention of nuisances.
- 2) Ownership and Maintenance of Property. The Association shall be authorized to own and maintain Open Space and the equipment, furnishings, and improvements devoted to, but not limited, to the following:
 - a) Landscaped entrances, entrance easements, entrance signs, and street, section and directional signs throughout the Property.
 - b) Open Space signs, fencing, lighting, landscaping, and sprinkler systems.
 - c) Roadway medians and cul-de-sac islands throughout the Property.
 - d) Bike/pedestrian trails, sidewalks, walking or jogging paths, pedestrian underpasses, and bridle paths throughout the Property.
 - e) Storm water detention or runoff control facilities not publicly owned.
 - f) Other purposes set out in the deed by which Open Spaces are conveyed to the Association, provided that such purposes shall be approved by the Members of the Association.
- 3) Minimum Level of Functions and Services. This Article defines the minimum level of functions and services for which the Association shall be responsible. So long as the Declarant is engaged in the development of the Property and the sale of Lots, the Association shall not reduce this minimum level of functions and services without the Declarant's written consent.
- 4) Administrative Services. The association shall:
 - a) Provide or procure the administrative services necessary to carry out the Association's obligations and business under the terms of this Declaration, the Articles of Incorporation and the Bylaws, including but not limited to legal, accounting, financial and communications services.
 - i) Administer and enforce the covenants, conditions, restrictions, easements, reservations, liens and charges established in this and subsequent Declarations, including, but not limited to, the following:
 - ii) Setting, levying, and collecting assessments and notifying the Members of such Assessments.
 - iii) Preparing and maintaining accurate Member lists and records.

- iv) Giving proper notice of, and holding, annual and special meetings as required, including election of directors, preparing Annual Statements and Annual Budgets and making the financial books of the Association available for inspection by members upon request and at reasonable times.
- 5) Communications Services. The Board of Directors shall establish a reasonable, effective, and free method, appropriate to the size of the Association, for Owners to communicate among themselves and with the Board of Directors regarding any matter concerning the Association.
- 6) Grounds Maintenance Services. For Open Space and individual Lots, the Association shall provide the following grounds maintenance services as it deems necessary:
 - a) Shrub/Tree Maintenance: The Association shall maintain shrubbery and trees planted on Lots as part of the original landscaping but shall not be responsible for maintaining any shrubs/trees planted by Owners. The Association shall provide the following shrub/tree maintenance services, when and as it deems necessary:
 - i) spring and fall cleanup.
 - ii) edging of shrub/tree beds.
 - ii) mulching of shrub/tree beds.
 - iv) weed control.
 - v) fertilizing.
 - vi) pruning of shrubs/trees as appropriate; and
 - vii) pest control, as needed.
 - b) Shrub/Tree Replacement. The Association may, in its discretion, replace dead or diseased shrubs/trees that are part of the original landscaping. The Association shall not have any responsibility for watering shrubs/trees and shall not be responsible for extensive replacement of shrubs/trees in cases where such plantings on a Lot have obviously been neglected by the Lot Owner.
 - c) Turf Management: The Association shall provide the following turf management services, when and as it deems necessary:
 - i.) Mowing.
 - ii.) pre-emergent weed control/fertilizing in spring.
 - iii.) post-emergent weed control.
 - iv.) lime application (pH control) as needed.
 - v.) core aeration and overseeding; and
 - vi.) fall fertilizing.

7) Exterior Dwelling Maintenance Services. For Dwellings on individual Lots, the Association shall provide the following exterior maintenance services associated with normal wear and tear, when and as it deems necessary:

- a) power washing- of Dwelling exterior to remove stains/mildew and to prolong paint life.
- b) siding- (caulking of joints, painting).
- c) trim- (painting).
- d) shutters- (painting).
- e) garage doors- (painting).
- f) front Doors- (refinishing).
- g) privacy fences- (painting and repair).
- h) Post lights- (painting, replacement of bulbs and photocells, repair of wiring from photocells to post lights).
- i) mailboxes- (painting and repair of mailbox structures, repair/replacement of boxes).

The Association shall not be responsible for repair or maintenance of driveways, sidewalks, windows/glass, fences other than privacy fences, or that required by intentional action or casualty loss. The Association shall not be responsible for cleaning of leaves or debris from gutters.

- 8) Snow Removal. Declarant shall provide snow removal from the Roads until such time as they are accepted into the State Secondary Road System for maintenance. Thereafter, the Association shall not have any responsibility for snow removal within the Property.
- 9) Insurance. The Association shall maintain an insurance policy that provides liability insurance for Open Space, Director and Officer (DOL) liability insurance, and loss/damage insurance for Open Space improvements.
- 10) Taxes. The Association shall pay any and all tax on the Open Space titled in its name as levied by an appropriate jurisdictional agency.
- 11) Reserves for Maintenance and Capital Expenditures. The Board of Directors shall:

- a) Conduct an initial study to determine the needs and schedule for repair, replacement, and/or restoration of capital components and for exterior building maintenance required by this declaration. The Board of Directors shall review and update this study annually to determine if reserve funds are sufficient.

- b) Prepare a long-term projection of the amount of reserve funds required to meet the repair, replacement, restoration and maintenance requirements defined by the study, and the amount of the Maintenance Reserve component of the Community Assessment needed to provide such reserve funds. The Board of Directors shall review and update this projection as necessary, on an annual basis.
- c) Prepare an explanation of the procedures used for the projection and accumulation of reserve funds and the extent to which the Association is funding the reserve obligations determined by the long-term projection.
- d) Make any Assessment and Budget adjustments deemed necessary to maintain reserve funds at an adequate level.
- e) As of the beginning of each fiscal year, report to the Members on the current amount of accumulated cash reserves, the amount of the budgeted contribution to the reserve fund for that year, and the projected reserve fund expenditures for that year.

12) Additional Authorized Services. In addition to the minimum list of functions and services set forth herein, the Association shall be authorized, but not required, to provide such additional services deemed necessary or desirable by the Board of Directors to carry out the Association's obligations and business under the terms of this Declaration.

ARTICLE IX USE RESTRICTIONS

- 1) Residential Use. All Lots shall be used for residential purposes, recreational purposes incidental thereto, and for customary accessory uses.
 - a) Home Office. The use of a portion of a dwelling on a Lot as a home office by the Owner thereof shall be considered a residential use, provided that the Owner obtains from the County of Albemarle and maintains a "Class A Home Occupation Permit" or if not available under then current county ordinances, a permit for the least intensive home occupation use of the Lot and also provided that the use of the Lot does not, as determined by the Declarant in its sole discretion, create undue customer, client or delivery traffic to and from the Lot.
 - b) Model Home or Sales Office. The provisions of this paragraph shall not prohibit the Declarant, or any builders permitted by the Declarant to use any house or other dwelling unit on a Lot as a model home or as a sales office for homes in The Village at Highlands (Section 213, Highlands at Mechums River).
- 2) Single Family Dwellings. No structure, except as herein provided, shall be erected, altered, placed or permitted to remain on any of the Lots other than one attached single-family Dwelling and one one-story accessory building which may include a detached garage, storage building or guest suite without kitchen facilities. Accessory buildings may be designed to have

a party wall with an accessory building of an adjacent Lot. All such buildings require ARB approval, unless constructed by Declarant.

- 3) Exterior Completion. The exterior of each structure must be completed within one year (and yard/landscaping must be completed within 15 months) after the commencement of construction of same, 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 calamity. Declarant may require the funding of an escrow to insure completion of the landscaping. The failure to complete the exterior or any improvements or landscaping required herein in a timely manner may be enforced by the Declarant or by the ARB by means of a Correction Assessment.
- 4) Boundary Revisions. No Lot may be subdivided, or its boundary lines changed except with the prior written consent of the Declarant. The Declarant expressly reserves to itself, its successors and assigns, the right to replat any Lot owned by it and shown on any subdivision plat of the Property in order to create a modified building Lot or Lots and to take such other steps as are reasonably necessary to make such re-platted Lot suitable and fit as a building site, including but not limited to, the relocation of easements, walkways, rights of way, bike/pedestrian trails and other amenities to conform to the new boundaries of said re-platted Lot. The provisions of this paragraph shall not prohibit the combining of two or more contiguous Lots into one larger Lot. Following the combining of two or more Lots into one larger Lot, only the exterior boundary lines of the resulting larger Lot shall be considered in interpreting these covenants, particularly with respect to easements and building setbacks.

5) Nuisance.

- a) No noxious, boisterous or offensive activity shall be carried on upon any Lot, the Open Space or any recreational facilities, nor shall anything be done thereon which may be or may become an annoyance or nuisance to any other Owner or a fire hazard or safety hazard to any other Owner or to any improvement.
- b) No Owner shall permit anything to be done or kept in his Lot or in the Open Space which will result in increased rates or the cancellation of insurance on any Lot or any part of the Open Space, or which would be in violation of any law.
- c) The Board of Directors shall have the authority to determine in writing whether any activity conducted upon any Lot or any part of the Open Space constitutes a nuisance upon the submission to it of a complaint in writing by any Owner regarding such activity. The Association is given full authority and power to abate any nuisance found to exist after giving the Owner ten (10) days prior written notice specifying the nature of the nuisance provided that the Owner has failed to abate said nuisance within a reasonable time after notice.
- d) Construction and land development activities of the Declarant shall not be considered a nuisance.

6) Garbage Receptacles and Pick-Up.

- a) Garbage Receptacles. Garbage receptacles shall be stored in a screened area or storage bin that conceals the receptacles from adjacent Lots and public view, except on Lots that have garages, garbage receptacles may be stored in the garage.
- b) Garbage Pick-up. Garbage pick-up shall take place at such locations as are approved or designated by the Declarant. If street-side pick-up is approved, Owners shall place the garbage receptacles at the collection point no earlier than 5:00 PM on the day before pick-up and shall return them to storage within 12 hours after pick-up. Initially, garbage pick-up shall be contracted for privately by Owners. The Declarant reserves the right to designate from time to time one or more companies and/or individuals authorized to provide garbage pick-up service.

7) Clothes Drying. No clothing, laundry or wash shall be aired or dried on any portion of a Lot exposed to view from any other Lot, the Open Space, any of the Roads or any public road.

8) Vehicles. The following use restrictions shall apply to vehicles:

- a) Inoperable Vehicles. No inoperable vehicle shall remain on the Property for more than 48 hours. The Association may conclusively define an "inoperable motor vehicle".
- b) Unlicensed/Unregistered Vehicles. Vehicles of any kind or description that do not have a current license, and a valid inspection sticker shall not be kept or maintained on any Lot or in the Open Space. The maximum number of vehicles that may be maintained or stored on any Lot (including those stored in garages) shall be three (3).
- c) Recreational and Other Vehicles. No mobile home, trailer, camper, bus, recreational vehicle, dune buggy, tow truck, tractor, backhoe, boat, trailer or truck over 3/4 ton rated capacity shall be placed, stored or parked on any Lot or Open Space in the Property or adjacent thereto, either temporarily or permanently. Additionally, the Association shall have the power to regulate or prohibit the placement, storage or parking, whether temporary or permanent, within the Property of any vehicle which, in the opinion of the majority of the Board of Directors, detracts from the general aesthetic character and harmony of The Village at Highlands by reason of:
 - i) The general disrepair or dilapidated state of such vehicle,
 - ii) The types or quantities of materials or items stored on or within such vehicle,
 - iii) The unusual or tasteless exterior appearance of such vehicle.
- d) Construction Vehicles. The provisions of this section shall in no way limit or proscribe the rights of Declarant, its agents, contractors and subcontractors to park vehicles related to construction activities upon the Property.

- e) Parking of Vehicles. Vehicles parked on Roads throughout the property shall be parked only on paved surfaces. Vehicles shall not be parked on grass verges (shoulders) of Roads.
- 9) Signs. No sign of any kind (including "For Sale" signs and information boxes) shall be displayed to the public view on or from any Lot, Street, the Open Space, or on or from within any structure (including in windows) located on any Lot, except:
 - a) Those signs approved in writing by the ARB;
 - b) Those signs used by the Declarant, its marketing agents, or the Association for street name signs, directional signs, Lot number signs, model signs, model home signs, subdivision and section signs, construction signs, Declarant "For Sale" or marketing signs and building permit signs, or
 - c) "For Sale" or marketing signs by the builder of the initial improvements on Lots sold to such builder by Declarant or the marketing agents of such builders.
- 10) Temporary Structures. No structure of temporary character, mobile home, tent or trailer shall be used on any Lot or the Open Space at any time as a residence.
- 11) Drainage. due to natural terrain contours and Lot construction features, surface water will inevitably drain from some Lots on to other Lots. No Owner shall interfere unreasonably with the natural drainage of surface water on his Lot to the detriment of any other Lot.
- 12) Post Lights. A post light is provided on each Lot for safety and security reasons and shall remain illuminated during the time it is turned on by the "dusk-to-dawn" photo cell.
 - a) Owners shall bear the cost of the electricity consumed by the post lights.
 - b) Owners shall advise the Association promptly if a post lamp is not functioning.
 - c) Owners shall not:
 - i) Turn a post light off during the period of illumination controlled by the photocell; or
 - ii) Remove any bulbs from a post light to reduce the level of illumination.
- 13) Mailboxes. No mailbox shall be erected or maintained, and the exterior appearance of any mailbox shall not be altered, on or adjacent to any Lot unless the proposed mailbox is of a design pre-approved by the AR13 until the proposed mailbox design, color and location have been approved in writing signed by the ARB. Real estate sales information boxes shall not be mounted on mailboxes.

14. Antennas, Satellite Dishes, etc. No more than one antenna or satellite dish shall be attached to any structure on any lot, notwithstanding the street side of the dwelling, such that they require approval from the ARB before installing such.

To the extent that the Covenants and this plan and limits the installation of photovoltaic panels, those limitations do not apply to solar panels installed by the Highlands Owners Association.

- 15) Shared Driveways. No Owner shall block access to a Shared Driveway by an adjacent Owner who is entitled to access to such driveway.
- 16) Pets. No animals, livestock or poultry of any kind shall be raised, bred, or kept in any Lot or in the Open Space, except that dogs, cats or other domesticated household pets (collectively "Household Pets") may be kept on Lots, subject to rules and regulations adopted by the Association. The following restrictions shall apply to Household Pets:
 - a) Number of Dogs. Due to the close proximity of homes at The Village at Highlands, not more than two (2) dogs shall be permitted on any Lot.
 - b) Barking Dogs. Barking dogs that may be, or become, an annoyance to any other Owner may be considered a nuisance subject to action by the Board of Directors in accordance with Section 5 of this Article.
 - c) Pet Control. No Household Pet shall be permitted off the Lot occupied by such Household Pet's owner except on a leash. Owners of Household Pets shall promptly clean up and properly dispose of said pet's feces wherever deposited on the Property (including Open Space).
 - d) Pit Bull Breeds. No pit bull dogs or dogs having any percentage of pit bull breed in them shall be permitted upon any Lot or Open Space.

- 17) Fences in Front Yards. No fence may be erected upon any Lot in the front yard. In cases of demonstrated hardship, this restriction on front yard fences may be waived by a written waiver signed by the ARB. The "front" shall be that side of the dwelling on a Lot facing, or most nearly facing, a Road. Should a question arise about the location of the front, side or rear yard, it shall be determined conclusively by the Board of Directors.
- 18) Fences in Rear Yards. If approved by the ARB, fences may be erected in the side and/or back yards of Lots, provided that no fence extends closer to a Road than the front corners of the dwelling on the Lot except on corner Lots. The design and construction of such fences must be approved by the ARB.
- 19) Trees The following restrictions apply to trees on the Property:
 - a) Any dead or diseased tree on any Lot may be cut down or removed without ARB permission.
 - b) No living tree with a diameter greater than two inches measured at three feet from the ground upon any Lot may be cut down or removed after the initial conveyance of the Lot from the builder of the initial improvements without the prior written permission of the ARB. A landscape plan shall be submitted with the plans and specifications for cutting, such plan to show existing trees and shrubs and to clearly indicate those to be removed.
 - c) Regardless of size, trees planted by Declarant or the agents, contractors or subcontractors of it in any Albemarle County designated buffer areas, Open Space, or landscape easement may not be cut down or removed without prior express written permission of the ARB.
- 20) Woodstoves. No woodstove or wood burning fireplace (including free standing and fireplace insert) shall be installed, maintained or used on any Lot.
- 21) Firewood. No firewood shall be stored on any Lot at any time.
- 22) Propane Gas Tanks. Except for small propane tanks enclosed in outdoor grills, propane or other liquid gas tanks on any Lot shall be limited to underground tanks provided for gas fireplaces or appliances.
- 23) Exterior Appearance. Every Owner shall be responsible for a well-maintained exterior appearance of his Lot and improvements thereto.
 - a) Decks, Porches, and Patios. Each Owner shall maintain all decks, porches and patios in a neat, orderly and well-maintained fashion and shall not use them for storage.
 - b) Garage Doors. For aesthetic reasons, garage doors on Lots shall be kept open only for reasonably short periods. Every Owner is encouraged to comply voluntarily with this restriction. Declarant reserves to itself and to the Association the right to adopt a specific use restriction limiting the time that garage doors may be left open.

- c) Toys, Bicycles, Equipment. All toys, bicycles, tricycles, motorcycles, lawn and garden implements, machines, equipment and the like shall be kept and stored out of sight from other Lots or Streets from sunset to sunrise each day.
- d) Seasonal/Holiday Decorations. Seasonal/holiday decorations shall be removed from Dwellings and/or Lots no later than 15 days after the end of the season/holiday for which they are intended.

24) Recreational Equipment. Swing sets and similar recreational equipment may be set up in back yards. No such equipment shall be set up in front yards or driveways.

25) Garage/Yard Sales. Garage/yard sales shall not be held on individual Lots or by individual owners on Opens Space. The Association may conduct community garage/yard sales one or more times per year but such sales shall be held on Open Space in a location that will minimize the effect of traffic and vehicle parking on nearby Owners.

26) Open Space Use. There shall be no obstruction of the Open Space. Nothing shall be stored in the OpenSpace without the prior consent of the Association. Nothing shall be altered or constructed in or removed from the Open Space, except upon the written consent of the Association. No waste will be permitted in the Open Space. Notwithstanding the above, Declarant, Declarant's designated builder and their contractors and subcontractors may use, obstruct or store personal property, materials or vehicles on the Open Space during such time as they may be engaged in construction on the Property.

ARTICLE X FINES, CORRECTION ASSESSMENTS AND REMEDIES

- 1) Liability for Fines or Correction Assessments. In the event that any Owner (including an Owner's family member, tenant or invitee) shall violate, or fail to comply with, the Architectural Control provisions set forth in Article VII or violate, or fail to comply with, any one or more of the Use Restrictions set forth in Article IX (herein collectively the "Violations"), such Owner may be liable for fines or Correction Assessments provided that such Owner shall have been sent prior written notification by the ARB, or Association or their agents, employees, or attorneys.
- 2) Written Notification. In the first instance, the written notification of a Violation shall take the form of a "Courtesy Letter" that shall be hand delivered or sent by registered or certified mail to the property address or the Owner's last known address on file with the Association. in this Courtesy Letter, the Association shall advise the Owner of the nature of the Violation and specify a time period for its correction. If the Violation is not corrected within the specified time period, the Association shall hand deliver or send by registered or certified mail to the property address or the owner's last known address on file with the Associations a formal written notification advising the Owner that an appropriate fine will be applied, or Correction Assessment action will be taken, if the Violation is not corrected within a specified period.

- 3) Fine(s) Versus Correction Assessment Action. The Board of Directors shall decide whether a fine(s) or Corrective Assessment action is appropriate to a particular Violation. Typically, Correction Assessment action should be considered a "last resort" approach.
- 4) Fine(s). The Board of Directors shall have the authority to impose a fine(s) on any Owner if such Owner, his family members, tenants or invitees violates, or fails to comply with, the Architectural Control provisions set forth in Article VII or violates, or fails to comply with, any one or more of the Use Restrictions set forth in Article IX, provided that such Owner shall have been sent prior written notification by the ARB, or Association or their agents, employees, or attorneys as defined in Section 2 of this Article. Such a fine may take the form of a specified amount per day for each day the Violation continues or a one-time fine for the Violation.
 - a) The Board of Directors may define conclusively "Minor Violations" and "Major Violations" as they apply to violations of, or failure to comply with, the Architectural Control provisions set forth in Article VII or violations, or failure to comply with, any one or more of the Use Restrictions set forth in Article IX and may also establish a schedule of fines for such Minor and Major Violations. The schedule of fines shall be promulgated as a Regulation and shall be distributed to all Members of the Association.
 - b) Imposition of fines shall be subject to the requirements of Virginia Code §55-513 (B).
- 5) Correction Assessments and Remedies. In the event that any Owner shall violate, or fail to comply with, the Architectural Control provisions set forth in Article VII or violate, or fail to comply with, any one or more of the Use Restrictions set forth in Article IX, such Owner may be liable for Correction Assessments provided that such Owner shall have been sent prior written notification by the ARB or Association or their agents, employees, or attorneys in accordance with Section 2 of this Article.
 - a) In the event such Violation(s) is not stopped, halted or corrected (within the time set forth in such written notification) and continues, then, without further notice, the ARB or Association (or their agents, contractors or employees) are hereby irrevocably granted permission to come upon the Lot of said Owner and may cause such Violation(s) to be fully or partially stopped, halted or corrected, without liability for so doing, and may cause any and all costs incurred (including interest and attorneys' fees) in connection therewith to be charged as a Correction Assessment to such Owner.
 - b) The ARB or the Association shall have the right (but not the obligation) to correct the Violation(s) or in their discretion to partially correct such Violation(s). Correction Assessments may be collected as other Assessments in any of the manners specified in Article VI hereof, including suit at law or in equity or by filing a notice of assessment lien as herein provided. The remedy herein provided shall be in addition to any other remedy provided or allowed by law or in equity and shall not be deemed an exclusive remedy. Election of one remedy (whether herein specified or allowed or otherwise) shall not act as a bar to the subsequent or concurrent use of other available remedies.

ARTICLE XI - CASUALTY DAMAGE TO LOTS

- 1) Obligation to Rebuild. In the event that any structure, or any portion thereof, on any Lot shall be damaged or destroyed by fire, windstorm, or other casualty, the Owner of such Lot shall be responsible for and shall bear the cost of the rebuilding, reconstruction and/or restoration of such structure to the same standards, condition, appearance and specifications, including color and grade of wood, as existed prior to its damage or destruction. The rebuilding, reconstruction and/or restoration of any damaged and/or destroyed structure shall be commenced within ninety (90) days of such damage and/or destruction, and once commenced shall be diligently pursued to completion, and in any case shall be completed within eight (8) months from date of commencement thereof. In the event that such Owner shall fail to so reconstruct, rebuild and/or restore all or portion of such damaged or destroyed structure for which he or it is responsible in a manner satisfactory to the Board of Directors, the Association after thirty (30) days prior written notice to such Owner at the property address or the Owner's last known address on file with the Association and upon affirmative vote of a majority of the Board of Directors shall have the right (but not the obligation) to reconstruct, rebuild and/or restore all or portion of such damaged or destroyed structure to the same standards, condition, appearance and specifications as existed prior to its damage or destruction, and the cost thereof (including interest and attorney's fees) shall be assessed against the Owner of such structure as a Correction Assessment.
- 2) Insurance. The Owner of each Improved Lot or Lot on which a dwelling is under construction shall maintain in full force and effect an "all risk" hazard or homeowners insurance policy covering the improvements on said Owner's Lot against loss or damage due to fire, explosion, windstorm, casualty or other insurable cause to the full replacement cost of such improvements. Each Owner shall provide and maintain a valid certificate of such insurance in favor of the Association. In the event that any Owner fails to maintain such insurance on the improvements on their Lot or fails to provide the Association with such a certificate, the Association, after five days written notice, shall have the right, but not the obligation, to procure such insurance in the name of the Owner and assess the direct charges therefor together with an administrative fee of \$250.00 against the Owner as a Correction Assessment.

ARTICLE XII - GENERAL PROVISIONS

- 1) Enforcement. The Association shall have the right to enforce, by any proceeding at law or in equity, all covenants, conditions, restrictions, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or Supplementary Declaration and may seek damages for violations of such provisions. Before the Association seeks injunctive relief against any Owner, the Owner shall be given the opportunity for a hearing before the Board of Directors. Fourteen (14) days prior written notice of a hearing shall be given to the Owner by hand delivery or certified mail return receipt requested to the property address or the Owner's last known address on file with the Association. An Owner may also seek to enforce provisions of the Declaration against another Owner in a court of competent jurisdiction. Failure by the Association or by any Owner to enforce any covenant, condition, restriction, lien or charge herein contained shall in no event be deemed a waiver of the right to do so thereafter.

- 2) Fees and Costs. The Association, in seeking enforcement of the provisions of this Declaration or damages due to violation thereof, shall be awarded court costs and reasonable attorney's fees, if it substantially prevails.
- 3) Severability. Invalidation of any one or more of the provisions of this Declaration by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.
- 4) Prohibited Discrimination. The Declarant and every Owner agree that no transfer of any interest or offer to acquire any interest in any Lot shall be refused by Declarant or Owner or agent thereof to any person because of race, color, religion, sex or national origin, nor shall Declarant or any Owner make unavailable or deny the use or any interest in the Property to any person because of race, color, religion, sex or national original. No provision of this Declaration shall be used to discriminate against any person by reason of such person's race, color, religion, sex or national origin and any such use is hereby declared illegal, void, and unenforceable and is specifically disclaimed.
- 5) Amendment. The covenants, conditions, restrictions and reservations of this Declaration may be modified or amended by:
 - a) An instrument signed by Declarant and any other Members constituting more than two-thirds (2/3) of the total number of votes of Members; or
 - b) An instrument signed by the President and Secretary of the Association after being approved by more than two-thirds (2/3) of the votes available to be cast by Members who are voting in person or by proxy at a meeting duly called and noticed for this purpose. Any modification or amendment must be properly recorded, stating the modification or amendment, the effective date and relevant information (date, notice, quorum, number of votes for and against) about the meeting at which it was approved.
- 6) Duration. The covenants, conditions, restrictions and reservations of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said Declaration shall be automatically extended for successive periods of ten (10) years unless modified, amended or rescinded.

WITNESS the following duly authorized signature and seal:

CRAIG ENTERPRISES, INC.

By 
SAMUEL D. CRAIG, III, PRESIDENT

STATE OF VIRGINIA

CITY OF CHARLOTTESVILLE, to-wit:

The foregoing instrument was acknowledged before me this 1st day of February, 2006 by
Samuel D. Craig, Ill, President, Craig Enterprises, Inc.

My commission expires: 0-00


Jane C. Jett
Notary Public

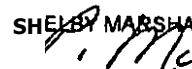
RECORDED IN CLERKS OFFICE OF
ALBEMARLE ON

February 01,2006 AT 12:40:00 PM

\$0.00 GRANTOR TAX PD

AS REQUIRED BY VA CODE 856.1-802
STATE: \$0.00 LOCAL: \$0.00
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