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DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS AND HOMEOWNERS ASSOCIATION OF RIVER MEADOWS

THIS DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS AND HOMEOWNERS ASSOCIATION OF RIVER MEADOWS hereinafter "Declaration" is made this /// day of // day of /// 2008, by HIGH MEADOWS AT NEW RIVER, LLC. hereinafter referred to as "Declarant".

WITNESSETH

WHEREAS, Declarant is the owner of certain property in Grayson County, Virginia, known as RIVER MEADOWS which reference is made to deed dated June 12, 2007, which is recorded in the Grayson County Circuit Court Clerk's Office in Deed Book 480, at Page 770; and

WHEREAS, RIVER MEADOWS is more particularly described as "Property" under Article III below, to which reference is hereby made for a more complete description; and plat(s) for additional phases made a part of this subdivision may be recorded at a later date; and

WHEREAS, said property is divided into homesites which are so situated as to comprise a neighborhood unit and it is the intent and purpose of the owner to convey the aforesaid homesites to persons who will erect thereon residences to be used for family purposes, subject to the provisions hereinafter set forth; and

WHEREAS, Declarant has elected to establish a general plan of development as herein set out to restrict the use and occupancy of the property made subject to this Declaration for the benefit and protection of the property and for the mutual protection, welfare and benefit of the present and the future owners thereof; and

WHEREAS, Declarant desires to provide for the preservation of the values of RIVER MEADOWS made subject to this Declaration and for the preservation and maintenance of the Common Property established hereby and by any supplements hereto.

NOW, THEREFORE, in accordance with the recitals which by this reference is made a substantive part hereof, Declarant declares that all of the property described herein on above said recorded plat(s) is made subject to this Declaration and shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of RIVER MEADOWS as it now exists and is hereafter expanded and that such easements, restrictions, covenants and conditions shall burden and run with said property and be binding on all parties now or hereafter owning said real property and their respective heirs, successors and assigns, having any right, title or interest in the properties now or hereafter subjected to this Declaration, or any part thereof, and shall inure to the benefit of each owner thereof and their respective heirs, successors and assigns.

ARTICLE I PROPERTY SUBJECT TO THIS DECLARATION

- 1. Existing Property. The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, irrespective of whether there may be additions thereto as hereinafter provided, is located in Grayson County, Virginia, and is shown on plats recorded as Maps M-1838 and M-1839 in the Grayson County Circuit Court Clerk's Office, which reference is made to deed dated June 12, 2007, which is recorded in the aforesaid Clerk's Office in Deed Book 480, at Page 770.
- 2. Additions to Existing Property. Additional property may be brought within the scheme of this Declaration and the jurisdiction of the Association in the following ways:
- (a) Additional land may be annexed to the properties by Declarant and brought within the scheme of this Declaration and within the jurisdiction of the Association, in future stages of development without the consent of the Association or its members; provided, however, that said annexations, if any, must occur within ten (10) years after the date of this instrument.
- (b) Additional residential property and common area, consisting of not more than 200 acres may be annexed to the properties and brought within the scheme of this Declaration and the jurisdiction of the Association in future stages of development without the consent of the Association of its members; provided, however, that said annexations, if any, must occur within ten (10) years after the date of this instrument.
- (c) The additions authorized under subsections (a) and (b) shall be made by filing of record one or more Supplementary Declarations with respect to the additional properties which shall extend the scheme of this Declaration and the jurisdiction of the Association to such properties and thereby subject such additions to assessments for their just share of the Association's expenses. Said Supplementary Declarations may contain such complementary additions and modifications of this Declaration as may be necessary to reflect only the different character and density of housing planned on the added properties and as are not inconsistent with the provisions of this Declaration
- (d) Additional homesites can be added at a later date without the approval of the Homeowner's Association.
- (e) More homesites may be added within the additional lands (described above) without the approval of the Homeowner's Association.

ARTICLE II GENERAL USE RESTRICTIONS

Declarant does hereby covenant and agree with all persons, firms or corporations hereafter acquiring title to any portion of the Property, that the Property shown on the recorded plat(s) herein referred to, and all Property presently owned as part of RIVER MEADOWS Subdivision which plat(s) are to be recorded, and all Property which may be acquired in the future to be made a part of RIVER MEADOWS Subdivision, is hereby made subject to this Declaration as to the use thereof and does agree, publish and declare that the deeds hereinafter made by it to purchasers of the Property shall be made subject to the following Restrictions and all matters contained in this Declaration:

- 1. Except as otherwise provided in this Declaration, the homesites shall be used for residential purposes only, and no structure shall be erected, placed, altered or permitted to remain on any homesite other than one detached, single-family dwelling and related structures incidental to the residential use of the homesite, such as garages which otherwise comply with this Declaration, except that Declarant reserves the exclusive right to construct a roadway over any homesite owned by it in order to grant access to other property acquired by Declarant and in such cases the remainder of any such homesite not used for the roadway shall still be subject to this Declaration.
- 2. Each single-family dwelling shall have an enclosed, heated living area (exclusive of open porches, garages, and other unheated spaces) of not less than 2200 square feet. Dwellings must not exceed two stories in height in addition to any daylight basement. The design, location, and construction of all improvements on each homesite (regardless of when such improvements are made) and the landscaping of each homesite must be approved in advance by the A.R.C., which is established below.
- 3. All improvements to the homesite must comply with Grayson County setback requirements. In addition, each homesite shall be assigned a building envelope, established by Declarant. All improvements shall be located within said building envelope. Variances for improvements proposed to be located, in whole or in part, outside the building envelope shall be within the discretion of the A.R.C..
- 4. More than one homesite (as shown on said plat(s)), or portions thereof, may be combined to form one or more homesites by (or with the written consent of) Declarant, its successors and assigns. No homesite may be subdivided by sale or otherwise, except by (or with the written consent of) Declarant, its successors and assigns. Upon combination or subdivision of homesites, the building line requirements prescribed herein shall apply and the easements reserved herein shall be applicable to the rear, side and front homesite lines of such homesite as combined or subdivided. The resulting building site and structures erected thereon must otherwise comply with this Declaration and the new property line of resulting building site shall be used to compute the set-back lines as set forth herein.

- 5. All connections of private driveways to the RIVER MEADOWS road system, and all connections of private easements and right-of-ways to that road system shall be constructed and maintained in accordance with the rules, regulations and specifications as approved by the A.R.C., which is established below.
- 6. There shall be no signs or parking permitted within the road right-of-way. All fencing, including fencing design, materials, and location, shall require the approval of the A.R.C..
- 7. No building, fence, wall, pool, outbuilding, driveway, or any other accessory feature to the dwelling or any other structure upon any homesite shall be commenced, erected, placed, maintained or altered on any homesite or combination of contiguous homesites until the Complete Constructions Plans (hereinafter "Plans") are approved in writing by the A.R.C. or its designated agents. The A.R.C.'s refusal or approval of plans may be based upon purely aesthetic considerations, which in its sole discretion the A.R.C. shall deem sufficient, but approval shall not unreasonably be withheld. One stamped copy of all plans and related data shall be furnished to the A.R.C. for its records.
- 8. Construction of new residential buildings only shall be permitted. Subject to the approval of the A.R.C. with regard to placement, size, and duration of placement, the homesite owner may install a temporary construction trailer for the owner's personal use during construction. The construction contractor may also place a temporary construction trailer on the homesite where new residential buildings are being constructed, subject to the approval of the A.R.C. with regard to placement, size, and duration of placement.
- With the exception of construction which is interrupted or delayed due to physical damage to the work in progress (such as damage due to fire, lightning, windstorm, hail, riot or civil commotion, explosion, or theft), any dwelling constructed upon a homesite must be completed within one (1) year subsequent to the commencement of construction, except with the written consent of Declarant, its successors or assigns, or, if the Declarant so designates, by the A.R.C.. The normal period of completion time for outbuildings or other improvements shall be presumed to be four (4) months from the issue date of the building permit. In the event that completion of the dwelling, outbuildings, or other improvements on any homesite is not completed within one year, and it is determined by the A.R.C. that construction progress has diminished to such an extent that completion of the dwelling, outbuildings, or other improvements is unlikely within an additional 120 days, the RIVER MEADOWS Homeowners Association, hereinafter referred to as the "Association," will be advised of this determination. The Association shall then have the right to give notice to the owner that the owner has the obligation, within 30 days, to complete the removal of all the construction work in progress. including without limitation, the foundation and all building improvements and all stored building materials, and fill and grade the homesite so that it is restored to its natural grade level, and the Association shall have the right to undertake this work upon owner's failure to do so and charge the cost to the owner and place a lien upon the homesite upon owner's failure to pay these charges.

- 10. No trailer, truck, van, mobile home, tent, camper, barn, garage, or other outbuilding or temporary structure parked or erected on homesites in this Subdivision shall at any time be used as a residence, temporarily or permanently, nor shall any structure of a temporary character be used as a residence; provided, however, that this prohibition shall not apply to shelters used by the contractors during the construction of the main dwelling house, it being clearly understood that these temporary shelters will not be permitted to remain on any homesite after completion of construction. The A.R.C. shall have the right to approve or disapprove these temporary construction shelters or vehicles. The A.R.C., upon approval of a temporary construction shelter or vehicle, will issue a letter stating the length of time such shelter will be allowed to remain upon such homesite and where such shelter is to be located upon such homesite.
- 11. All homes constructed in RIVER MEADOWS must be supplied with water for normal domestic use from individual privately-drilled wells, or from a public utility company, if available. Each individual owner shall locate the well drilled on such owner's homesite so as to comply with all the governmental regulations regulating the minimum distance between such well and septic fields proposed or approved for owner's homesite and all homesites adjoining such owner's homesite.
- 12. Exposed exterior walls composed of the following materials shall be prohibited from RIVER MEADOWS: concrete block, imitation asphalt brick siding, imitation asphalt stone siding, tar paper, aluminum siding, vinyl siding and/or imitation wood siding; however, the A.R.C. shall have the authority to issue variances from this requirement on a case-by-case basis, which variances must be obtained prior to any construction utilizing said materials.
- 13. Declarant shall be permitted to erect one mobile office on any homesite that it owns for the purpose of maintaining a sales information center and construction office.
- 14. No noxious or offensive trade or activity shall be carried on upon any homesite, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. No animals or poultry of any kind may be kept or maintained on any of said homesites, except a reasonable number of dogs and cats and other indoor household pets. All of the owner's dogs shall be kept on the owner's property unless leashed. No dogs shall be permitted to roam the property. The Association may have strays and unleashed dogs which are found off their owner's homesite picked up by governmental authorities. The throwing or dumping of trash, garbage, and waste materials shall be not permitted. The interference of any stream or future waterways so as to cause pollution or stagnation in these waterways is prohibited. There shall be no excavation which does not pertain to the building or construction of a home. Bottled gas containers and oil tanks shall be protected from vehicle impact and buried or otherwise hidden from public view in a manner determined by the A.R.C. Any swimming pools must be in-ground.
- 15. No portion or part of any homesite shall be used or maintained as a dumping ground for rubbish or other refuse. Trash, garbage, or other waste shall not be kept, except in

sanitary containers screened from view from all roads, all other homesites, and from the Common Property.

- 16. In addition to the easements that are shown on the recorded plats of RIVER MEADOWS, easements ten (10) feet in width along the homesite lines of all homesites are reserved by Declarant for installation, repair, replacement and maintenance of all utilities, including the right to keep said easements free and clear of all obstructions. An easement of forty (40) feet in width is reserved for such purposes along all main roads within the Subdivision. An easement of twenty (20) feet in width is reserved for such purposes along the rear lines of all homesites that do not adjoin other homesites or properties within RIVER MEADOWS along said rear lines. As between the easements reserved by this Declaration and the easements that are located in the same areas as shown on the record maps, the easements that are greater in width shall be the easements that are in effect.
- 17. No outside clotheslines shall be permitted. No satellite dishes shall be permitted which exceed thirty (30) inches in diameter. The design of such dishes must be approved prior to erection by the A.R.C. Mailboxes shall be of a design, color and choice of materials as designated by the Declarant or, if the Declarant so designates, by the A.R.C., and may not violate Virginia Department of Transportation standards as to location.
- 18. There shall be no junk automobiles, junk of any sort, unserviceable vehicles, or salvage vehicles or items stored or placed or allowed to remain on or in any portion of this Subdivision. Unless located within enclosed garages, no large boat and/or boat trailer, travel trailer, motor home, tractor trailer truck, or any other such vehicle shall be kept or maintained or located upon any homesite unless and except with prior approval of the A.R.C.. Other four wheelers and motorcycles must be stored inside. No vehicles that are disabled or under repair shall be kept upon any homesite unless located within enclosed garages. Unlicensed automobiles, including antique cars, if present, must be stored inside a garage. Large trucks shall not be parked on a regular basis within this Subdivision. Large truck shall be defined as any non-passenger vehicle larger than a pick-up truck. No homesite shall be used for storage of building materials prior to the issuance of a building permit for the Primary Residence.
- 19. No billboards or signs of any description shall be displayed upon any homesite with the exception of those approved by the Declarant or if the Declarant designates, by the A.R.C.. The Declarant reserves the right to place and maintain appropriate development signs at the entrance to this Subdivision. Declarant also reserves the right to erect and maintain signs designating streets, recreational areas, and any other sign that will aid in the development of RIVER MEADOWS. For Sale signs shall be permitted, with the size, form, and placement of same being subject to the approval of the Declarant or if the Declarant designates, the A.R.C..
- 20. Except within the building site or within 20 feet of the main dwelling, no live trees of any kind in excess of 6 inches in diameter at ground level may be removed from any homesite without prior approval of the A.R.C.
 - 21. No motorized vehicles (four-wheelers, dirt bikes, model airplanes, etc.) are

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allowed in the common area or on any road in the Subdivision. Such vehicles are only to be used as utility vehicles on property owner's own homesite. No recreational use of such vehicles is permitted. Notwithstanding same, golf carts, operated by licensed drivers, are permitted to operate upon the roads of the Subdivision as a means of transportation within the Subdivision. Any person using said roads shall, by their use thereof, be deemed to have accepted and assumed all risks associated with the use of same. The acceptance of a copy of these Declarations shall be deemed to be an express waiver of all claims against the Association and the Declarant arising from the use of said roads.

- 22. All exterior lights must be approved by the A.R.C.. All exterior lights must be of low illumination and concentrated and shining in a downward path so as to minimize artificial lighting.
- 23. Declarant, or its successors or assigns, may designate a right-of-way to the Association which will provide access for homesite owners to trails, streams, springs, or other amenities which will be maintained by the Association. Declarant may, if permitted by Grayson County or Virginia Department of Transportation, provide a security gate across the entrance road, to be maintained by the Association.
- 24. As provided for herein (see Article I of "Property Subject to This Declaration"), it is understood that Declarant, its successors and assigns, may develop, subdivide or sell additional tracts or parcels of land. Declarant reserves the right for its successors or assigns to connect such additional property to this Subdivision and to grant easements to use the roads and community access of the Subdivision and allow use of any common areas within same.
- 25. Nothing herein contained shall be construed as imposing any covenants and restrictions on any property of the owner of this Subdivision other than the Property that is subjected to this Declaration.
- 26. Enforcement of this Declaration may be at law or in equity against any person or persons violating or attempting to violate any covenant, condition or restriction herein contained. In the event of enforcement of this Declaration at law or in equity and a violation hereof is judicially determined, then the violator shall be assessed with the costs of such action, including without limitation reasonable attorneys fees and court costs.
- 27. Declarant reserves the right to assign its rights to a successor who also assumes the Declarant's responsibilities.
- 28. No hunting by any means whatsoever (whether by firearm, bow and arrow, ancient or historical weapons, snare, trap or any other means whatsoever) shall be allowed within the subdivision, whether on individual homesite or homesites, or within any Common Area. Further, no firearm of any nature, whether cartridge, black powder or otherwise, may be discharged within the subdivision.
 - 29. No home-based business involving visits to any home within the Subdivision by

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said business' customers, clients, delivery trucks (including overnight courier services), and/or suppliers may be operated within the Subdivision. Home-based businesses which are conducted strictly within the home, which do not involve said visits and which do not otherwise interfere with the quiet and orderly atmosphere of the Subdivision are permitted.

- 30. Any trees hereinafter planted on any homesite shall require the approval of the ARC, in advance, with regard to placement and variety, so as to minimize the impact on the views from other homesites.
- 31. Judicial invalidation of one or more of the provisions hereof shall not adversely affect the remainder hereof which shall remain in full force and effect.

ARTICLE III DEFINITIONS

"Association" shall mean and refer to RIVER MEADOWS Homeowners Association, its successors and assigns.

"A.R.C." shall mean the Architectural Review Committee established by the Declarant for the purpose of administering control over architectural, landscaping, and related matters, as provided in Article VII below.

"Common Property" shall mean all property owned by the Association for the common use and enjoyment of all or a designated class of members. Common Property includes without limitation all existing and future roads and right-of-ways including the easement from the subject property to the public road and all greenways, median strips, cul-de-sac centers, planting areas, and recreational areas, and facilities, open space, walking trails, and easements that are developed on the Common Property (it being understood that this enumeration is by way of description of the type of facilities that may be developed and in no way shall bind or obligate the Declarant to provide any of the described facilities) and all entry way, directional, and informational signs (and the areas set aside for their location) and any other property as may be purchased or provided for the common use and benefit of the Declarant, the Owners, and any member in the Association, including without limitation such Common Property as may be shown on the recorded plat(s) of the Property. Except by the Declarant, the Common Property shall not be used for public commercial purposes, but may be used for the enjoyment of the Association's members for fund-raising activities to support the purposes of the Association.

"Declarant" shall mean High Meadows at New River, LLC, and its successors and assigns if such successors and assigns acquire two or more undeveloped homesites from the Declarant for the purpose of development and if the rights and obligations of the Declarant hereunder are expressly assigned to and assumed by such successors and assigns.

"Dwelling Unit" shall mean and refer to the completed single family home located upon a Homesite.

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"Homesite" shall mean and refer to any improved or unimproved building homesite shown upon any recorded subdivision plat of this Subdivision. The terms "homesite" and "lot" shall be equivalent.

"Owner" shall mean and refer to any contract buyer and/or the record owner, whether one or more persons or entities, of a fee simple title to any homesite which is a part of any of the Property made subject to this Declaration, but excluding those having such interest merely as security for the performance of an obligation, provided however, the Declarant shall not be deemed an Owner.

"Property" shall mean and refer to that certain property shown on plats recorded as Map M-1838 and M-1839 in the Office of the Clerk of the Circuit Court for Grayson County, Virginia and any additional property which Declarant may make a part of this Subdivision. The terms "Property," "Subdivision," and "RIVER MEADOWS" are interchangeable.

ARTICLE IV RIGHTS AND DUTIES OF THE ASSOCIATION AND PROPERTY OWNERS ASSESSMENTS

Section 1. Owner's Easements of Enjoyment. The Declarant and, to the extent provided by this Declaration, every Owner shall have a right and easement of ingress, egress, and regress over the Common Property and over the roads within the Property, to be used in common with others, for the purpose of providing access to homesite(s) owned or dwelling unit(s) owned by the owner for himself, his family, agents, licensees and invitees, and for his and their non-exclusive use and enjoyment of the Common Property, subject however to the limitations on such use and enjoyment of the Common Property, as provided for in this Declaration. It is understood that the private roads may be used to gain access to and behind the phases in the development if the same is not developed by the Declarant. Every Owner, and the members of such Owner's family who reside with such Owner or are overnight guests of such Owner, shall have the right to use the Common Property, subject however to such Owner paying when due the dues and assessments of the Association and abiding by all rules and regulations of the Association, including without limitation those governing the use of the Common Property. Non-Owners shall only be entitled to use the recreational areas on such terms and conditions as the Association may select.

Section 2. Annual Assessments

(a) The Association shall have the duty to repair, replace and maintain all recreational areas and improvements located thereon, and all streets, roads, road right-of-ways, and other Common Property. The Association shall have the right, from time to time, to establish a reasonable assessment, which assessment shall be paid by each Owner in such periodic installments, as the Association may determine, to be used to pay: (1) the operating and administrative expenses of the Association; (2) the costs of maintenance, upkeep, replacement

and repair of all recreational areas, and improvements located thereon, and all streets, roads, right-of-ways, and other Common Property; and (3) other expenses necessary or useful to maintain and operate the Association and the recreational facilities (including, without limitation, the procuring, maintenance and paying the costs of insurance related to the Common Property and of surety and other bonds related to the management of the Common Property and the Association). It is understood (by way of example and without limitation) that the assessment funds shall be used for such matters concerning Common Property as the following: maintenance, repair and replacement of improvements within the recreational areas, the seeding and re-seeding road right-of-ways and Common Areas, erosion control, repairing of road shoulders, surfacing, patching and resurfacing of parking lot and road pavement, placement of gravel, and planting and maintenance of shrubs, trees and seasonal flowers.

- (b) The annual assessment may also be used by the Association for the purpose of adding to the recreational facilities.
- (c) The initial annual assessment payable by each Owner shall be Six Hundred Fifty Dollars (\$650.00). The annual assessment shall be due and payable on January 15th of each year, commencing January 15, 2009, provided the board of directors may elect to permit payment in such installments and at such times as it shall determine. This assessment shall be deferred as to any homesite purchased by a builder with the intent to build a house for resale to the public at large. This assessment will be payable as to any homesite purchased by a builder who purchases a homesite for the purpose of building a custom home under contract with the ultimate residents. This assessment will be prorated on a calendar year basis from the date title to each homesite for which an assessment is payable is transferred to the Owner. The assessment will be due though construction may be ongoing and not get completed.
- (d) The annual assessment may be increased or decreased by the board of directors of the Association without a vote of the membership to any amount not more than fifteen percent (15%) in excess of the annual assessment for the previous year. A majority vote of each class of voting members of the Association must approve an increase or decrease in the yearly assessment if the increase or decrease exceeds the assessment for the previous year by more than fifteen percent (15%).
- (e) Annually the board of directors of the Association shall have determined and shall have given written notice to each Owner of the annual assessment affixed against each owner for the immediately succeeding calendar year.

Section 3. Special Assessments.

(a) In addition to the assessments specified hereinabove, the Association may levy special assessments for the purpose of supplementing the annual assessment if the same are inadequate to pay the reasonable maintenance expenses and operating costs of the Association as described in Section 2 hereof, provided that any such special assessments shall have the assent of a majority of each class of the voting members of the Association at a duly called meeting.

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Section 4. Removal of Obstructions and Unsightly Growth, Debris, and Materials

- (a) The Association may remove any obstructions of any nature located within road right-of-ways or other Common Property (including but not limited to trees, shrubs and mailboxes) which, in the opinion of the Association might produce a hazard.
- (b) The Association shall have the right, in its sole discretion, to charge back the actual cost to it of removing obstructions against the Owner who directly, or throughout his agents, contractors or invitees caused or permitted the obstruction to be placed in the road right-of-way or other Common Property, and such Owner shall indemnify and save the Association harmless from all liability, claims, damages and expense imposed upon the Association, at law or in equity, caused by or resulting from the placement of the obstruction in the road right-of-ways or other Common Property. In the event the Owner responsible for such charge or liability as aforesaid fails and refuses after demand by the Association to pay said charge or liability, then the Association shall have a lien against his homesite thereon and may enforce collection of the charge or liability, together with reasonable attorneys' fees, by any and all remedies afforded by law or in equity, including without limitation, the filing of a notice of lien and perfecting the same as by law provided, to the owners and that such charge or liability shall become a charge against the said homesite or dwelling unit.
- (c) If the Association, in its sole discretion, determines that any homesite has become unsightly due to grass or weeds that have not been mown, or due to debris of any nature having accumulated on the homesite, then the Association shall have the right from time to time to enter the said homesite for the purpose of mowing the grass or removing the debris. At least ten (10) days prior to entering a homesite for said purpose, the Association shall advise the Owner by letter, sent to his last known address, of the action to be taken if the Owner does not remedy the problem with the said ten (10) day period. The Association will assess a charge when such action is necessary. The Association shall take reasonable steps to avoid damage to any trees planted on such homesite, to the extent that the Association has been put on written notice in advance by the Owner of the approximate location on a chart or map of such homesite showing the location of the planted trees to be avoided.

Section 5. Duty to Make Repairs.

- (a) The obligation for the repairs, maintenance and improvements of the roads as shown the aforesaid plat(s) or any other common property shall be the responsibility of the Association with the Owner of each homesite except as provided herein, being responsible for payment of the assessments levied by the Association, which assessments shall be the personal obligation of the Owner of each homesite.
- (b) The decision to expend Association funds to repair and maintain the roads or other Common Property shall be made by a majority of the board of directors of the Association. By such vote, the board may delegate such authority to any committee of the board. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of his homesite.

- (c) Not withstanding the foregoing, each Owner of a homesite shall be solely responsible for any repairs to a road right-of-way or other Common Property caused by the negligent act or acts of said Owner, his or her invitees, agents, licensees, or guests. For these purposes, it shall be a negligent act for any building material to be unloaded on any road or road right-of-way.
- (d) In addition, the Association shall be responsible for the upkeep and maintenance, including, but not limited to, snow removal and road and ditchline maintenance, for that portion of the Virginia portion of the public road serving the Subdivision from the North Carolina state line to the boundary line of the Subdivision. Reference is made to the attached Virginia Department of Transportation letter attached hereto for the rights and obligations regarding said public road, which are hereby assigned to the Association. The cost of the upkeep and maintenance of same shall be included in the annual assessment addressed above.

Section 6. Late Charges and Interest on Unpaid Assessments. Any assessment not paid within thirty (30) days after the due date shall be subject to such late charges and shall bear interest at a rate per annum as shall be determined by the board of directors of the Association, which interest rate shall not exceed the highest rate of interest allowed by law. The initial late charge imposed for late payment of any assessment is \$25.00 and shall be charged as to any assessment that is not paid within 30 days of its due date. The initial interest rate for late payment is 18% per year (1.5% per month) which shall commence to accrue on any assessment or other account balance that is not paid within thirty (30) days of the due date. The initial date upon which liens may be filed for failure to make payment of assessments and other charges is thirty (30) days after the due date. The board of directors may change the initial late charge, interest rate, due dates and lien assessment date by majority vote of the directors.

Section 7. Lien for Unpaid Assessments.

- (a) In the event the Owner of any homesite fails and refuses, after demand by the Association, to pay any annual or special assessment then the Association shall have a lien against said homesite and may enforce collection of said assessment in law or in equity, including without limitation, the filing of a notice of lien and perfecting the same as by law provided to the end that such unpaid assessment together with the costs and expenses of collection, including without limitation, reasonable attorneys' fees, shall be a charge and lien against the said homesite.
- (b) To secure the payment of the annual and special assessments as are levied by the Association, together with the cost of collection including attorney's fees, all such charges shall be a continuing lien upon the homesite against which the assessments are made. Such charges shall also be their personal obligation of the person(s) who were the owner or owners of such homesite at the time the assessment came due. Their personal obligation shall remain a lien upon the homesite upon transfer of title but shall not become the personal obligation of the purchasers thereof unless expressly assumed by them.

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(c) Neither the assessments not the costs of collection shall be a lien upon any Common Property nor shall the lien upon any homesite for such charges be senior to any first lien mortgage or first lien deed of trust regardless of the fact the lien arose prior to the date and time of recording of any such first lien mortgage or deed of trust.

ARTICLE V MEMBERSHIP, VOTING RIGHTS, OFFICERS AND MEETINGS

Section 1. Membership. Every owner of a homesite which is subject to this Declaration shall be a member of the Association. Membership is appurtenant to and may not be assigned. If and when Declarant develops additional phases in the Subdivision the Owners of those homesites shall be members of the Association. The Declarant shall also be a member so long as it owns property within the Subdivision. The Declarant shall have the sole power to call the organizational meeting for the Association, specifying the date, time, and location of said meeting.

Section 2. Class Membership Voting. The Association shall have two (2) classes of membership:

Class A

Class A members shall be all homesite Owners with the exception of Declarant, and shall be entitled to one vote for each homesite owned. When more than one (1) person owns an interest in a homesite all such persons shall be members but the vote for such homesite shall be exercised as they, among themselves, shall determine in writing, which writing shall be filed with the Secretary of the meeting prior to voting, but in no event shall more than one vote be cast with respect to any homesite.

Class B

- (a) Class B members shall be entitled to vote ten (10) votes for each homesite owned. Class B membership shall consist of the Declarant, or its successors or assigns, until the happening of either of the following events whichever occurs earlier.
- 1. The earlier of four months after ninety percent (90%) of all the homesites and undeveloped land in the Subdivision are sold as well as all adjacent undeveloped acreage sold and conveyed by the Declarant to unrelated third parties; or
 - 2. Twelve (12) years from date of recordation of this Declaration; or
- 3. At such time as Declarant voluntarily relinquishes Majority control of the Association by a duly recorded instrument.
 - (b) Upon the happening of the earlier of either the three above described events,

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Class B membership shall cease and terminate and shall be converted to Class A membership.

Section 3. Board of Directors; Officers. There shall be three (3) members of the board of directors of the Association who shall serve until such time as their successors are duly elected and agree to serve. Directors of the Association shall be elected at the organizational meeting and at each annual meeting and shall forthwith appoint a president for the Association to oversee the day-to-day activities of the Association. The directors shall have annual meetings for the election of directors and for such other business as may be appropriate, and other such meetings as may be called at the request of the president of the Association or by any two (2) directors. In addition to the president of the Associations, the directors shall establish the number and titles of any other officers, if any, for the Association, and shall install such persons as the directors deem fit to so serve and shall grant, or withdraw, such powers as said directors may deem appropriate at any time.

Section 4. Suspension of Voting Rights. The Association shall have the right to:

- (a) Suspend the voting rights (if any) of an Owner for any period during which assessment on his homesite remains unpaid and enforce collection of the same; and
- (b) Suspend the voting rights (if any) of each Owner who is a contract buyer for any period of time during which payments to the Declarant pursuant to terms of said contract are delinquent, during which period of time the Declarant shall succeed to the voting rights of said contract buyer.

ARTICLE VI CONVEYANCE OF COMMON PROPERTY

Within twelve (12) years from the date of recording of this Declaration, Declarant will convey by deed its right, title, and interest in and over the road right-of-ways and any other Common Property within the Subdivision to the Association. Declarant reserves the right to convey a conservation easement to an entity acceptable to the local, state, and/or federal government for purposes of protecting a portion of the property located within the Subdivision.

ARTICLE VII ARCHITECTURAL CONTROL

(a) In order to control design and location of the houses and other improvements to be constructed, erected, placed on installed (hereinafter "improvements") upon the homesites in the Subdivision, the Declarant hereby creates an Architectural Review Committee (hereinafter "A.R.C.") for the purpose of reviewing, approving, suggesting changes to, and rejecting plans and specifications for such improvements (regardless of when such Improvements are made), and the landscaping of each homesite. This A.R.C. is also created for the purpose of reviewing, approving, suggesting changes to, and rejecting swimming pools, out buildings, driveways.

enclosures for satellite dishes, and if Declarant so desires, for mailbox design. The A.R.C. will be responsible for the control of size, color, materials, and content of rental and sales signs in this Subdivision, and for the approval or disapproval of boats, boat trailers, house trailers, motor homes, tractor trailer trucks, or any other such vehicle, that are kept or maintained or located upon any homesite unless located within enclosed garages. The A.R.C. will also be responsible for the control of temporary construction shelters or vehicles in this Subdivision.

- (b) The A.R.C. shall consist of three persons designated or appointed from time to time by the Declarant, its successors or assigns, who shall be appointed from among the homesite owners. After 90% of homesites and undeveloped land in the subdivision are sold by the Declarant, its successors or assigns, said A.R.C. shall be elected by a majority vote of the Board of Directors; provided, however, Declarant, its successors or assigns, shall be entitled to at least one A.R.C. member until all of its homesites in this Subdivision have been sold.
- (c) Except with the building site (unless within 20' of the main dwelling), no trees of any kind in excess of 6 inches in diameter at ground level may be removed from any homesite without prior approval of the A.R.C.. No building, fence, wall, outbuilding, or any other accessory feature to the dwelling or any other structure upon any homesite shall be commences, erected, placed, maintained, or altered on any homesite or combination of contiguous homesites until the Complete Construction Plans (hereinafter "Plans") are approved in writing by the A.R.C. or its designated agents.
- (d) The Plans include the complete construction plans, the plot plan (showing proposed location and elevation, both front and rear, of such building, fences, walks, drives, parking area, etc.) proposed building plans and specifications, exterior color, finish, and materials. The areas over which the approval shall be required shall include but shall not be limited to the size and plan of the principal residential structure, and all accessory buildings, structures and improvements on the homesite, the location of the well, the size and plan of the garage or carport, location and manner of construction of each driveway, swimming pool, utility building, patio, tennis court, and other improvements for athletic, recreational, and gymnastic purposes, and all other exterior improvements, the composition and color of raw and finished materials used on the exterior of all structures, and the location and type of any landscaping, shrubbery and other plantings.
- (e) The A.R.C. or its designated agents shall have thirty (30) days after physical receipt of the plans to accept or reject the same in whole or in part. If no response by the A.R.C. has been made in writing within said 30 days, the plans shall be deemed to be approved as submitted. After the plans are approved and after the A.R.C. gives written permission for construction to begin, the actual construction shall be commenced and completed in accordance with the approved Plans, together with the requirements of this Declaration, and, in this regard each Owner shall provide the A.R.C. with the foundation survey as soon as it is made. The A.R.C. shall have the right to grant variances to building envelope violations when the remedial costs of correcting such violation, in the A.R.C.'s sole opinion, would impose undue hardship upon the violator.

(f) The actual construction shall be the responsibility of the Owner of the homesite and his builder. Any permission granted for construction under this covenant and any designation of approved licensed contractors shall not constitute or be construed as an approval, warranty or guaranty, expressed or implied, by the Declarant or the A.R.C. or its designated agent of the structural stability, design or quality of any building or other improvement or of the contractor who constructs such buildings or other improvements.

ARTICLE VIII CAPTIONS, ENFORCEMENT AND INVALIDATION

- Section 1. Whenever the context and construction so require, all words used in the singular number herein shall be deemed to have been used in the plural, and vice versa, and the masculine gender shall include the feminine and neuter and the neuter shall include the masculine and feminine.
- Section 2. The captions herein are inserted only as a matter of convenience and for reference an in no way define, limit or describe the scope of this Declaration nor the intent of any provisions hereof.
- Section 3. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages. In the event it is necessary to enforce this Declaration by appropriate legal or equitable proceedings, the party or parties violating or attempting to violate the same shall be liable for the cost of such proceedings including reasonable attorneys' fees.
- Section 4. Invalidation of any one or more of these covenants by judgment or court shall not adversely affect the balance of this Declaration, which shall remain in full force and effect.
- Section 5. The Declarant reserves the right to amend this Declaration from time to time without joinder of any of the Owners for the following purposes:
 - (a) To clarify the meaning of or to correct clerical errors in this Declaration.
 - (b) To correct grammar, spelling, capitalization and other matters of syntax.

All other amendments to this Declaration shall require an affirmative vote of at least sixty-six percent (66%) of the homesite owners and the vote of the Declarant, its successors, and assigns.

ARTICLE IX THIS DECLARATION RUNS WITH THE LAND

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This Declaration composes the general plan of development for the Property herein described and runs with the land and shall benefit and be binding on all parties and persons (and their respective heirs, representatives, successors and assigns) claiming title to any of the Property herein described for a period of thirty (30) years from the date this Declaration is recorded, after which time this Declaration shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by a sixty-six percent (66%) or greater majority of the then owners of the homesites and the Declarant (or Declarant's successors and/or assigns) has been recorded agreeing to change said document in whole or in part. This Declaration may be amended by the affirmative vote of the owners representing sixty-six percent (66%) or greater of the homesites and the Declarant (or Declarant's successors and/or assigns) as of the time of the vote.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be duly executed this the $\frac{1}{2}$ day of $\frac{2008}{2}$.

HIGH MEADOWS AT NEW RIVER, LLC

STATE OF NORTH CAROLINA-

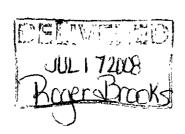
I, Shern R. Bailey, a Notary Public of the County and State aforesaid, certify that Robert R. Stafford, personally came before me this day and acknowledged that he is the Manager of HIGH MEADOWS AT NEW RIVER, LLC, and that by authority duly given and as the act and deed of the said company the foregoing instrument was signed in its name by him as its Manager.

Witness my hand and seal this 14th day of July 2008.

Notary Public

My commission Expires; 01-13-2012 17

My Commission expires:	
Registration Number:	



INSTRUMENT #080001898 RECORDED IN THE CLERK'S OFFICE OF GRAYSON ON JULY 17, 2008 AT 11:16AM

SUSAN M. HERRINGTON, CLERK RECORDED BY: SAH