

Tax Map No. 117-F-1, 117-F-1A, and 117-F-1B

**DECLARATION OF COVENANTS
AND RESTRICTIONS
FOR
HERITAGE ESTATES, SECTION ONE**

THIS DECLARATION OF COVENANTS AND RESTRICTIONS ("Declaration") is made and entered this 8th day of June, 2005, by Heritage Estates, L.L.C., a Virginia limited liability company, hereinafter "Developer,"

WITNESSETH:

WHEREAS, Developer is the owner of real property located in the City of Harrisonburg, Virginia, and being the same property acquired by Deed dated October 16, 2003 and recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2379, Page 584, and by Deed dated June 22, 2004, and recorded in the aforesaid Clerk's Office in Deed Book 2511, Page 141. The property is more particularly described on a plat prepared by Barry E. Lotts, Land Surveyor, dated November 3, 2004, revised January 14, 2005, and entitled "Final Plat of Heritage Estates, Section One", recorded in the aforesaid Clerk's Office prior hereto.

WHEREAS, Rockingham Heritage Bank has a Deed of Trust, dated April

27, 2005, which is recorded in the aforesaid Clerk's Office in Deed Book 2659 page 512 on the property that is subject to this Declaration, Rockingham Heritage Bank and its Trustees, Stephen T. Heitz and J. Jay Litten, join in the Declaration to evidence their consent; and

WHEREAS, in order to provide for the preservation and enhancement of the property values, amenities, and opportunities in the community which will contribute to the personal and general health, safety, and welfare of residents, and for the maintenance of the land and improvements thereon, the Developer desires to subject the real property described above to the covenants, restrictions, easements, charges, and liens of this Declaration of Covenants and Restrictions, said covenants, restrictions, easements, conditions, and charges running with said real property and binding all persons or entities having or acquiring any right, title, or interest in said real property or any part thereof, and inuring to the benefit of each owner thereof; and

WHEREAS, to provide a means for meeting the purposes and intents herein set forth, the Developer has incorporated the Association under the laws of the Commonwealth of Virginia.

NOW, THEREFORE, Developer does hereby grant, establish, and convey

to each Owner mutual nonexclusive rights, privileges, and easements of enjoyment on equal terms in common with all other Owners in and to the use of the Common Area and facilities; and does hereby declare the above-described real property to be held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions, easements, conditions, charges, and liens (hereinafter referred to as "Covenants and Restrictions"), hereinafter set forth, which are for the purpose of protecting the value and desirability of, and shall run with, the real property and be binding on all parties having any right, title, or interest in the above-described real property or any portions thereof, their successors and assigns, and shall inure to the benefit of each Owner thereof.

AND FURTHER, the Developer hereby delegates and assigns to the Association the powers of owning, maintaining, and administering the Common Area, administering and enforcing the Covenants and Restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the recreation, health, safety, and welfare of the residents.

ARTICLE I

DEFINITIONS

Unless the context clearly indicates to the contrary, the terms listed below

shall be construed in accordance with the following definitions:

Section 1. "*Approval*" shall mean and refer to the issuance by any public agency of written approval, or any written waiver of approval rights, or a formal letter stating "no objection."

Section 2. "*Assessable Unit*" shall mean and refer to any real property within the Properties that is subject to assessments, as provided in Article V.

Section 3. "*Association*" shall mean and refer to Heritage Estates Homeowners' Association, Inc., a Virginia corporation, its successors and assigns.

Section 4. "*Book of Resolutions*" shall mean and refer to the document containing the rules and regulations and policies of the Association as they may from time to time be amended.

Section 5. "*Builder*" shall mean and refer to a person or entity that acquires a portion of the Properties for the purpose of improving such portion for resale to Owners or for lease to tenants.

Section 6. "*Common Areas*" shall mean and refer to all portions of the Properties and all interests therein, including easements and improvements thereon, owned or leased by the Association for the use and enjoyment of the Members.

Section 7. "*Declaration*" shall mean and refer to this Declaration of Covenants and Restrictions and all other provisions herein set forth in this entire document, as the same may, from time to time, be amended by Supplementary Declaration.

Section 8. "*Developer*" shall mean and refer to Heritage Estates, L.L.C., a Virginia limited liability company, its successors and assigns; provided, however, that no successor or assignee of the Developer shall have any rights or obligations of the Developer hereunder unless such rights and obligations are specifically assigned by Heritage Estates, L.L.C., a Virginia limited liability company by document recorded on these land records or unless said rights and obligations of the Developer inure to the successor of Heritage Estates, L.L.C., a Virginia limited liability company by operation of law. Unless otherwise set forth herein, the rights and obligations set forth herein of Developer, as Developer, shall cease when the last Lot is sold.

Section 9. "*Federal Mortgage Agencies*" shall mean and refer to those Federal Agencies that have an interest in the Properties, including but not limited to the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, and the Federal Home Loan Mortgage

Association, or successors to their interests.

Section 10. "*First Mortgage*" shall mean and refer to a Lender who holds the first deed of trust on a Lot or Living Unit.

Section 11. "*Founding Documents*" shall mean and refer to the Articles of Incorporation of the Association, this Declaration, the Supplementary Declarations, or amendments to this Declaration, and the Bylaws of the Association, all as initially drawn by the Developer and filed or recorded as the case may be, and all as may be duly amended from time to time.

Section 12. "*Governing Documents*" shall mean and refer collectively and severally to the Founding Documents and the Book of Resolutions, as such may be amended from time to time.

Section 13. "*Lender*" shall mean and refer to one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds, or business trusts, including but not limited to real estate investment trusts, any other lender regularly engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such a lender, or any private or governmental institution which has insured a loan of such a lender, a private person,

or any combination of any of the foregoing entities.

Section 14. "*Living Unit*" shall mean and refer to any structure or portion of a structure situated upon the Properties designed, intended, and with the appropriate approvals, including a residential use permit, for use and occupancy as a residence by a Single Family.

Section 15. "*Lot*" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Properties (with the exception of Common Area as heretofore defined).

Section 16. "*Members*" shall mean and refer to members of the Association, each of whom shall be the Owner of a Lot or the Occupant of a Living Unit.

Section 17. "*Notice*" shall mean and refer to (i) written notice delivered personally or mailed to the last known address of the intended recipient; or (ii) notices published at least once a week for two consecutive weeks in a newspaper having general circulation in Rockingham County, Virginia; or (iii) notice published in two consecutive issues of the newsletter of the Association which is delivered personally or mailed to the address of each occupied Living Unit.

Section 18. "*Occupant*" shall mean and refer to a resident of a Living Unit

who is the Owner, contract purchaser, or lessee or sublessee who holds a written lease having an initial term of at least twelve (12) months. There shall be only one Occupant per Living Unit for the purposes of this Declaration, although the Living Unit may house several individuals.

Section 19. "*Owner*" shall mean and refer to the record holder of the fee simple title to any Lot, whether referring to one person or entity or collectively to more than one person or entity who have joint ownership of a Lot, including contract Sellers; the term "Owner" shall exclude those having an interest merely as security for the performance of an obligation.

Section 20. "*Properties*" shall mean and refer to all real property that is hereby subjected to the Declaration, together with such other real property as may from time to time be annexed thereto in accordance with Article II hereof. At this time, the Properties consist of the real property described on the plat prepared by Barry E. Lotts, Land Surveyor, dated November 3, 2004 and revised January 14, 2005, and entitled "Final Plat of Heritage Estates, Section One," recorded in the aforesaid Clerk's Office immediately prior hereto

Section 21. "*Quorum of Members*" shall mean and refer to the representation at a duly called meeting of the Members by presence or proxy of

Members who hold at least fifteen percent (15%) of the outstanding Class A votes, and the representation by presence or proxy of the Class B Member, so long as it shall exist.

Section 22. *"Registered Notice"* shall mean and refer to any Notice which has been sent by Registered U.S. Mail, return receipt requested, to the last known address of the intended recipient and which has been signed for or has been certified by the U.S. Postal Service that delivery was attempted at the aforementioned address. Failure by refusal of an intended recipient to acknowledge or accept such Notice shall nevertheless constitute receipt.

Section 23. *"Single Family"* shall mean and refer to a single housekeeping unit which includes not more than two adults who are not legally related by marriage, blood, or adoption.

Section 24. *"Supplementary Declaration"* shall mean and refer to any declaration of covenants, conditions, and restrictions which may be recorded by the Developer, which expands the Properties beyond the land which is initially subjected to the Declaration and/or grants to a portion of the Properties separate Neighborhood status as is herein defined.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION
AND ADDITIONS THERETO

Section 1. *The "Properties."* The Properties are and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration.

Section 2. *Additions to the Properties.* Additional properties may become subject to this Declaration in the following manner:

Additions by Developer. Additional land, other than that land lying within the Properties, may be annexed thereto unilaterally by the Developer.

The Supplementary Declaration which subjects additional property to the Declaration shall describe the real property to be annexed to the scheme of this Declaration and shall state that it is being made pursuant to the terms of this Declaration for the purpose of annexing the property described in the Supplementary Declaration to the scheme of this Declaration and extending the jurisdiction of the Association to cover the real estate so described in such Supplementary Declaration. The Supplementary Declaration may contain such complementary additions and modifications to this Declaration as may be necessary to reflect the different character, if any, of the real property being annexed or the

various housing or community style characteristics and development approaches to which the annexed land or parts thereof may be subject, all of which may be significantly at variance with other portions of the Properties, but all of which shall be consistent in quality with the improvements constructed on the Properties.

The additions authorized herein shall be made by complying with the requirements of the applicable City Zoning Ordinances; by securing the Approval of the Federal Mortgage Agencies, if required; by recording on these land records one or more Supplementary Declarations of covenants and restrictions with respect to the additional property; and by filing with the Association the preliminary plat for such additions.

Section 3. *The Additional Property.*

- (a) *Purpose.* Developer's right to expand the Properties shall not bind the Developer to add to the Properties any land unless and until a Supplementary Declaration is filed by the Developer for such Properties that is the subject to this Declaration.

Section 4. *Merger.* In accordance with its Articles of Incorporation, the

real estate, personality, rights, and obligations of the Association may by operation of law be transferred to another surviving or consolidated association similar in corporate nature and purposes. Similarly, the real estate, personality, rights, and obligations of an association similar in corporate nature and purposes to the Association may by operation of law be added to the property, rights, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change, or addition to the Covenants established by this Declaration within the Properties except as hereinafter provided. Such merger or consolidation shall require the affirmative vote of sixty-six percent (66%) of the Class A Members and the approval of the Class B Member, if Class B membership has not ceased.

ARTICLE III
THE ASSOCIATION

Section 1. Organization.

(a) *The Association.* The Association is a nonprofit, nonstock corporation organized and existing under the laws of Virginia and charged with the duties and vested with the powers prescribed by law and set forth in the Governing Documents, as such may be amended from time to time, provided no other Governing Documents shall be amended for any reason or otherwise changed or interpreted so as to be inconsistent with this Declaration.

(b) *Institutional Plan.* As the operating responsibilities of the Association expand from those related to the Properties as originally constituted, to those required after the full development of the uses in the community in the Properties, this Declaration and the Governing Documents shall guide the controlled and orderly evolution of the Association.

(c) *Subsidiary Associations.* The Association shall have the right to form one or more subsidiary corporations for any purpose or purposes deemed appropriate by a majority vote of the Board of Directors. Without limiting the

generality of the foregoing, one or more subsidiary corporations may be formed for the operation and maintenance of any specific area or to perform any function within the Properties; however, such subsidiary corporation shall be subject to this Declaration and may not take any action to lessen or abate the rights of the Members.

Section 2. *Membership.*

(a) *Basis.* Membership shall be appurtenant to the Lot, Living Unit, or portion of the Properties giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except as provided in the Governing Documents.

(b) *Member's Rights and Duties.* Each Member shall have the rights, duties, and obligations set forth in the Governing Documents.

(c) *Voting Rights.* The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners except the Class B Member. Class A Members shall be entitled to one vote for each Lot owned.

Class B. The Class B Member shall be the Developer, or any successor or assignee to whom the Developer assigns any or all of its rights as Developer

pursuant to this Declaration by assignment recorded in the land records of Rockingham County, Virginia. Such assignment shall only operate as to the land which is owned by such successor or assignee and which is referenced specifically in the instrument of assignment. The Class B Member shall have three (3) votes for each Lot in which it holds the interest required for membership as set forth herein.

(d) *Exercise of Vote.* The vote for any membership which is held by more than one person may be exercised by any one of them, provided that no objection or protest by any other holder of such membership is made prior to the completion of a vote. If such protest is lodged prior to the completion of the vote, the vote for such membership shall not be counted, but the Member whose vote is in dispute shall be counted as present at the meeting for quorum purposes if the protest is lodged at such meeting.

Section 3. Board of Directors.

(a) *Composition.* The number of Directors and method of selection of Directors shall be as provided in the Bylaws; provided, however, that the Developer, until such time as all Lots are sold, shall be entitled to appoint the Directors.

(b) *Extent of Power.*

(1) The Board of Directors shall have all powers to conduct the affairs of the Association which are enabled by law or the Founding Documents and which are not specifically reserved to Members or the Developer by said Documents.

(2) The Board of Directors shall exercise its powers in accordance with the Governing Documents.

(c) *Powers and Duties.* By way of example and without limiting the generality thereof, the Board shall have the power and obligation to perform the following duties:

(1) *Real and Personal Property.* To acquire, own, hold, improve, maintain, manage, lease, pledge, convey, transfer, or dedicate real or personal property for the benefit of the Members in connection with the affairs of the Association, except the acquisition, mortgaging, or disposal of Common Area and/or improvements shall be subject to the provisions of Articles II and IV of this Declaration; and

(2) *Rule Making.* To establish rules and regulations for the use of property as provided in Articles IV and VI and to review, modify, and approve

Architectural standards adopted by the Architectural Review Board; and

(3) *Assessments*. To fix, levy, and collect assessments as provided in Article V; and

(4) *Easements*. To grant and convey easements over and across the Common Area as may become necessary and as provided in Article VII; and

(5) *Employment of Agents*. To employ, enter into contracts with, delegate authority to, and supervise such persons or entities as may be appropriate to manage, conduct, and perform the business obligations and duties of the Association; and

(6) *Mergers/Consolidations*. To participate in mergers and consolidations with other corporations as provided in Article II; and

(7) *Enforcement of Governing Documents*. To perform acts, as may be reasonably necessary or appropriate, including bringing suit, causing a lien to be filed or enforced, suspending membership, rights, or enforcing or effectuating any of the provisions of the Governing Documents;

(8) *Common Area*. To maintain and regulate the use of the Common Area, and to set reasonable fees for the use of the Common Area by Members

Section 4. *The Architectural Review Board.* All matters relating to Architectural Control shall be reserved to the Developer until assigned by Developer to the Association. When the Developer's rights as Developer cease, the Architectural Review Board shall consist of three or more persons who shall be appointed by the Board of Directors as provided in the Bylaws. At least one member of the Board of Directors shall serve on the Architectural Review Board.

(a) *Powers and Duties.* The Architectural Review Board shall regulate the external design, appearance, and location of improvements on the Properties in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography. In furtherance thereof, the Architectural Review Board shall:

(1) Review and approve, modify, or disapprove written applications of Owners and of the Association for improvements or additions to Lots, Living Units, or Common Areas. Notice of any disapproval of applications shall be by Registered Notice. Approvals shall be sent by regular mail.

(2) Monitor Lots for compliance with architectural standards and approved plans for alteration in accordance with the Bylaws and Book of Resolutions;

(3) Adopt Architectural Guidelines subject to the confirmation of the Board of the Association. The Developer may adopt Architectural Guidelines during the period of Developer's control. These Guidelines may be more restrictive than these Covenants, or any amended Covenants. However, the aforesaid Guidelines shall not be less restrictive than these Covenants nor shall the Guidelines allow any act or omission that is prohibited by these Covenants. Architectural Guidelines may be amended only by a vote of seventy-five percent (75%) of the members of the Architectural Review Board and a vote of seventy-five percent (75%) of the Board of the Association; and

(4) Adopt procedures for the exercise of its duties and enter them in the Book of Resolutions.

(a) **Failure to Act.** In the event the Architectural Review Board fails to approve, modify, or disapprove, in writing, a correctly filed application within forty-five (45) days, the Owner may give further written notice to the Board of Directors and the Architectural Review Board that its application has been ignored. In the event the Architectural Review Board fails to approve, modify, or disapprove, in writing, this application within thirty-five (35) days after its receipt of further written notice from the Owner as aforesaid, then approval will be

deemed granted. Notification of total or partial disapproval shall include the reasons for such disapproval. Failure of the Architectural Review Board or the Board of the Association to enforce the architectural standards or to notify an Owner of noncompliance with architectural standards or approved plans for any period of time shall not constitute a waiver by the Architectural Review Board or the Board of the Association of the enforcement of this Declaration at any later date.

Section 5. Insurance. The Association shall maintain hazard insurance policies for 100% of the replacement cost of any improvements on the Common Areas and a comprehensive policy of public liability insurance covering the Common Areas as required by the Federal Mortgage Agencies. In the event the Association shall fail to maintain insurance for the Common Areas or shall allow insurance coverage to lapse, one or more of the First Mortgagees shall have the right upon reasonable notice to the Association to obtain such insurance and to advance premiums on the behalf of the Association. The Association shall reimburse such First Mortgagees for premiums advanced.

ARTICLE IV

COMMON AREA

Section 1. *Obligations of the Association.* The Association, subject to the rights of the Members set forth in this Declaration, shall be responsible for the management and control for the benefit of the Members of the Common Areas conveyed to it, including private streets, and all improvements thereon (including street lights, furnishings, and equipment related thereto), and shall keep the same in good, clean, attractive, and sanitary condition, order and repair in compliance with standards contained in the Book of Resolutions, which shall include snow removal from private streets. The Association shall further be responsible for the maintenance of grass areas, pathways, sidewalks, and streetlights within the Common Areas and within public rights-of-way within the Properties and for garbage removal from the Property.

Section 2. *Easement of Enjoyment.*

(a) *Common Area.* Subject to the provisions herein, every Owner shall have a right and nonexclusive easement of enjoyment in and to the Common Areas, which shall be appurtenant to and shall pass with the title to every Lot, and every member shall have a right of enjoyment to the Common Areas.

Section 3. *Extent of Members' Easement.* The Members' easement of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to establish reasonable admission and other fees for the use of the Common Areas.

(b) The right of the Association to suspend the right of a Member to use the recreational facilities for any period during which any assessment against his Lot or Living Unit remains unpaid for more than thirty (30) days after notice until such default has been remedied; the right of the Association to suspend the right of a Member to use the recreational facilities for a period not to exceed sixty (60) days for each other infraction of the Governing Documents;

(c) Until such time as the Common Area is conveyed by the Developer to the Association, nothing in this Declaration shall be construed to deny Developer the right to convey or encumber all or a portion of any Common Area to any person or entity for any reason without the consent of the owners and Developer hereby reserves such right.

(d) After the Common Area is conveyed to the Association by the Developer, the right of the Association to convey, or transfer, all or any part of the Common Areas, subject to the prior approval of City and the assent of sixty-six

percent (66%) of the Class A Members.

(e) The right of the Association to license portions of the Common Area to Members on a uniform, nonpreferential basis;

(f) The right of the Association to regulate the use of the Common Areas for the benefit of Members;

(g) The right of the Association to establish rules and regulations and fees for the use of the Common Areas;

(h) The right of the Developer or the Association, at any time or times, consistent with the then existing zoning ordinances of City of Harrisonburg pursuant to a recorded subdivision or re-subdivision plat, to transfer part of the Common areas to or at the direction of the Developer for the purpose of adjusting Lot lines or otherwise in connection with the orderly subdivision and development of the Properties.

Section 4. *Delegation of Use.* Any Member may delegate to the members of his family and to his guests his right of enjoyment to the Common Area and facilities subject to such general regulations as may be established from time to time by the Board of Directors, and included within the Book of Resolutions.

Section 5. *Title to Common Area.* The Developer hereby covenants that areas designated as open space, which the Developer conveys to the Association as Common Areas or to a governmental agency as parkland, shall be free and clear of liens and financial encumbrances at the time of conveyance. In the event a lien or encumbrance shall attach to all or a portion of the Common Areas, one or more of the lienholders and/or mortgagees shall have the right to discharge said lien or encumbrance after reasonable notice to the Association and to seek reimbursement for amounts paid to discharge the lien or encumbrance. Developer shall convey title to the Common Area to the Association after all Lots have been sold.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. *Creation of the Lien and Personal Obligation of Assessments.*

The Developer hereby covenants and each Owner of any Lot by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association such Annual and Special Assessments as are established herein and paid in the manner hereinafter provided.

All such assessments, together with interest thereon and costs of

collection thereof 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. Each such assessment, together with interest thereon and costs of collection thereof, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due and shall not pass as a personal obligation to his successors in title unless expressly assumed by them. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Living Unit or Lot.

Section 2. *Subordination of the Lien to Mortgage.* The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust. Sale or transfer of any Assessable Unit shall not affect the assessment lien. However, the sale or transfer of any Assessable Unit pursuant to foreclosure of a first mortgage or first deed of trust or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Assessable Unit from liability for any assessments thereafter becoming due or from the lien thereof.

Section 3. *Method of Assessment.* All assessments shall be levied by the Association against Assessable Units, and collected and disbursed by the Association. The Board of Directors shall fix the amount of the assessments as provided hereinafter and set the dates such assessments shall become due.

Section 4. *Annual Assessments.* Annual Assessments shall consist of General Assessments and shall be payable quarterly.

(a) *General Assessments.*

(1) *Purpose.* The General Assessment shall be used exclusively to promote the health, safety, and welfare of the Members of the Association as a whole and in particular to improve, maintain, and operate the Common Areas and facilities, and shall include the funding of appropriate reserves for future maintenance, repair, and replacement.

(2) *Basis for Assessment.* To fix, levy, and collect assessments as provided herein.

(b) *Method of Assessment.* By a vote of sixty-six percent (66%) of the Directors, the Board shall fix the General Assessments to be collected . In the event the Board fails to fix an assessment for any fiscal year, then each assessment established for the prior year shall automatically be continued until

such time as the Board acts.

(c) *Date of Commencement of Annual Assessments.* At least thirty (30) days prior to the annual meeting of the Association, the Board of Directors shall estimate the net charges to be paid during the following year (including a reasonable provision for contingencies and replacements and less any expected income and any surplus from the prior year's operation). Said "Common Expense Fund" shall be assessed to the Owner as provided in Section 5 of this Article. Developer will be liable for the amount of any assessments against completed units, which have been awarded a Certificate of Occupancy by the City of Harrisonburg, owned by the Developer; however, there shall be no assessment on unimproved Lots owned by Developer. If said sum estimated proves inadequate for any reason, including nonpayment of any Owner's assessments, the Board of Directors may at any time levy a further assessment, which shall be assessed to the Owners in like proportion unless otherwise provided herein. Each Owner shall be obligated to pay assessments made pursuant to this paragraph to the Board of Directors annually or in such other reasonable manner as the Board of Directors shall designate.

Section 5. *Special Assessments.* In addition to the annual assessments

authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying in whole or in part, the cost of any construction, or reconstruction, or unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment must be approved by sixty-six percent (66%) of the voting power. Voting for special assessments shall be in person or by proxy at a meeting duly called for this purpose, pursuant to the normal notice required for meeting as provided under the By-laws of the Association or under Virginia state law.

(a) *Restoration Assessment.* The Association may levy a Restoration Assessment upon any Lot whose Owner fails to maintain such Lot, as provided in Article VI, Section 2, or who fails to provide such maintenance funds as may be required by the Supplementary Declaration for such Lot. Restoration Assessments shall be limited to the amount necessary to meet the cost of restoration or deficiency in required funds and the cost of collection thereof.

Section 6. *Effect of Nonpayment of Assessments: Remedies of the Association.* Any assessment installment not paid within thirty (30) days after the

due date shall be delinquent. Thereupon, the Association shall provide Notice of such delinquency as provided by law and may (a) declare the entire balance of such Annual or Special Assessment due and payable in full; (b) charge interest from the due date at a percentage rate no greater than is permissible by law, such rate to be set by the Board for each Assessment period; (c) charge a penalty to be set by the Board of Directors; (d) give Notice to the Owner that in the event payment with accrued interest and penalties is not made within thirty (30) days from the date of such Notice, then the expressed contractual lien provided for herein shall be filed and/or enforced; and (e) upon Registered Notice to the Owner or Occupant of the Lot or Living Unit, suspend the right of such Owner or Occupant to vote or to use the recreational facilities until the assessment, accrued interest, penalties, and costs of collection are paid in full.

Section 7. *Exempt Property.* The following property subject to this Declaration shall be exempted from the assessments, charges, and liens created herein: (1) all properties to the extent dedicated and accepted by a public authority and devoted to public use; (2) all Common Areas; (3) all properties exempted from taxation by the state or county government upon the terms and to the extent of such legal exemption, provided that no property utilized for

residential purposes shall be exempt; (4) unimproved Lots owned by the Developer.

Section 8 *Purpose of Assessments.* The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety and welfare of the residents of the Property and in particular for the administrative costs of the Association and the improvement, maintenance, and repair of the common Area and other items as may be provided herein or as may be determined by the Association Board of Directors.

The Association shall use such assessments and levies for the general purposes stated above, and in addition thereto shall be required to maintain and operate the following:

(a) The Association shall provide maintenance and repairs on the Common Area, including improvements such as the walkways, the storm water system, and the covered shelter areas. If need for any repair is caused by the willful or negligent act or omission of an Owner, his family, guests, or tenants, the costs of such repair shall be added to and become a part of the assessment to which such Owner's Lot is subject.

(b) The Association shall be responsible for maintenance of all

Common Area amenities and all outdoor areas of the Common Area and Owners' Lots, including streets, driveways, parking areas, walkways and yards, mowing and trimming of grass, fall leaf removal and, trimming and pruning of plants and shrubs, snow removal for streets, driveways, parking areas and walkways, maintenance of signage and common lighting elements, and provision of weekly curbside trash removal. Association responsibility with respect to pruning of landscaping elements on Owners' Lots shall be limited to the entrance sides and street-facing sides of homes. Any gardens or additional landscaping elements added to any Lot by a Lot owner shall be the responsibility of the Lot owner to maintain.

(c) The Association shall also operate such recreational facilities as it deems proper for the use of the Members.

(d) The Association shall further be in charge of the general policing and control of the entire subdivision.

(e) Some automatic night lighting and street or community lighting or security elements may be electrically wired to the private electric service of some Lots and not others. Those owners whose electric service is supportive of community lighting or security elements shall be compensated by a

reduction in association fees as determined by the Developer or Association.

(f) At the sole discretion of and as determined by the Developer or Association Board of Directors, Association fees for unimproved Lots shall be lower than for improved Lots, taking into account services and benefits provided to improved Lots that are not provided to unimproved Lots.

ARTICLE VI

USE OF PROPERTY

Section 1. *Protective Covenants.*

(a) *Nuisances.* No nuisance shall be permitted to exist or operate upon any of the Properties so as to jeopardize property values or be detrimental to the well-being of Members.

(b) *Restriction on Further Subdivision.* No Lot upon which a Living Unit has been constructed shall be further subdivided or separated into smaller Lots by any Owner, and no portion less than all of any such Lot, nor any easement or other interest therein, shall be conveyed or transferred by an Owner, provided that this shall not prohibit deeds of correction, deeds to resolve boundary line disputes and similar corrective instruments, easements to public agencies or authorities, or for utilities.

(c) *Conditions for Architectural Control.* No improvements, alterations, repairs, change of paint colors, excavations, changes in grade, or other work which in any way alters the exterior of any Lot or Common Area or the improvements located thereon from its natural or improved state, existing on the date such property was first subject to this Declaration, shall be made or done without the prior approval of the Architectural Review Board. No building, residence, or other structure, fence, wall, or landscaping in lieu thereof shall be commenced, erected, maintained, improved, altered, made, or done on such property without the prior written approval of the Architectural Review Board.

(d) *Rules.* From time to time the Board of Directors shall adopt general rules, including, but not limited to, rules to regulate potential problems relating to the use of property and the well-being of Members, such as keeping of animals, storage and use of all vehicles, storage and use of machinery, use of outdoor drying lines, antennas, satellite dishes, solar panels, signs, trash and trash containers, maintenance and removal of vegetation on the Properties, and the type and manner of application of fertilizers or other chemical treatments to the Properties in accord with non-point source pollution control standards. All such general rules and any subsequent amendments thereto shall be placed in the Book of

Resolutions and shall be binding on all Members, except where expressly provided otherwise in such rule.

(e) *Exceptions.* The Board of Directors may issue temporary permits to except any prohibitions expressed or implied by this section, provided that Board can show good cause and acts in accordance with adopted guidelines and procedures. So long as the Developer or Builders are engaged in developing or improving any portion of the Properties, such persons shall be excepted from Rules affecting movement, disposition, and storage of building materials and equipment, erection and maintenance of directional and promotional signs, and conduct of sales activities, including maintenance of model Living Units. Such exemption shall be subject to such rules as may be established by the Developer to maintain reasonable standards of safety, cleanliness, and general appearance of the Properties.

Section 2. *Maintenance of Property.*

(a) *Owner Obligation.* To the extent that exterior maintenance is not provided by the Association, each Owner shall keep all Lots owned by him or her, and all improvements therein or thereon, in good order and repair, free of debris, all in a manner and with such frequency as is consistent with good property management.

(b) Owners are individually responsible for all maintenance to their homes, including, but not limited to, any porches, roofs, railings, steps, decks, doorways and doors, windows, skylights, walls, siding, soffits, trim, lighting, plumbing, electrical, heating and air conditioning apparatus.

c) *Failure to Maintain.* In the event an Owner of any Lot in the Properties shall fail to maintain the premises and the improvements situated thereon as provided herein, the Association, after Notice to the Owner and approval by sixty-six percent (66%) vote of the Board of Directors, shall have the right to enter upon said Lot to correct drainage and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon. All costs related to such correction, repair, or restoration shall become a Restoration Assessment upon such Lot and as such shall be regarded as any other assessment with respect to lien rights of the Association and remedies provided herein for nonpayment.

Section 3. *Resale of Lots.*

(a) *Reference to Declaration.* The deed or instrument transferring title to any Lot shall contain a provision incorporating by reference the Covenants and Restrictions set forth in this Declaration as well as any applicable Supplementary Declaration.

(b) *Notification.* Further, the contract seller of a Lot shall notify the Board of Directors of the contract purchaser and the scheduled date and place conveyance will be accomplished. The contract purchaser shall be notified of the Covenants and Restrictions set forth in this Declaration and shall be provided a copy of this Declaration and any amendments or modifications thereto pursuant to §§55-511 and 55-512 of the Code of Virginia, 1950, as amended.

Section 4. *Limitation on Use of Lots and Common Area.* The Lots and Common Area shall be occupied and used as follows:

(a) All housing shall be for active adult, age-restricted population in Accordance with Virginia Code Section 36-96.7as amended, and shall be used for Single Family residential purposes only.

(b) No Owner shall occupy or use his Lot, or permit the same or any part thereof to be occupied or used, for any purpose other than as a residence for the Owner and the Owner's family or the Owner's lessees or guests.

(c) There shall be no obstruction of the Common Area. Nothing shall be stored in the Common Area without the prior written consent of the Association.

(d) Nothing shall be done or kept in any Lot or in the Common Area which will increase the rate of insurance on the Common Area, without the prior written consent of the Board of Directors. No Owner shall permit anything to be done or kept in his Lot or in the Common Area which will result in the cancellation of insurance on any Lot or any part of the Common Area, or which would be in violation of the law. No waste will be committed in the Common Area.

(e) No sign of any kind shall be displayed to the public view on or from any Lot or the Common Area, without the prior written consent of the Developer or the Association except that signs advertising the sale or rent of homes shall not be prohibited but may be regulated as to number and size by the Developer or Association. All homes in Heritage Estates shall be used for residential purposes exclusively, provided, however nothing in this paragraph shall restrict the Developer from using one or more homes as model lots for the purpose of selling its real estate products. The use of a portion of a home as an office by the owner or tenants thereof shall be considered a residential use if such use does not create customer or client traffic to and from the home.

(f) No animals, livestock or poultry of any kind shall be raised, bred,

or kept in any Lot or in the Common Area; except that 2 dogs, cats, or other commonly accepted household pets may be kept on a Lot, for non-commercial purposes, subject to rules and regulations adopted by the Board of Directors. No animal shall be tied or caged outside of a Unit. All animals that are kept on any Lot, in accordance with this paragraph, shall be maintained in such a manner so as to insure that the animal does not make noise that is bothersome to other Owners, their guests, tenants, or invitees. Dogs outside must be restrained on a leash or kept behind invisible electronic fencing. Further, anyone who has an animal on any Lot or Common Area shall be responsible for the immediate removal of any waste deposited on such area by the animal.

(g) No noxious or offensive activity shall be carried on in any Lot or in the Common Area, nor shall anything be done therein which may be or become an annoyance or nuisance to the other Owners.

(h) Nothing shall be altered or constructed in, or removed from, the Common Area, except upon the written consent of the Association. No enclosed structure shall be erected, altered, placed or permitted to remain on any Lot, other than one single-family dwelling with an attached garage, unless approved by the Developer or Association.

(i) Garbage receptacles, fuel tanks, water tanks or similar storage receptacles, electric and gas meters, air-conditioning equipment, and other unsightly objects must be placed or stored to conceal them from view from the road and adjacent properties. Plans for such screened area (other than those already provided by the Developer) delineating the size, design, texture, appearance and location must be approved by the Developer or Architectural Review Board prior to construction. Decorative fencing may be used for the purpose of screening unsightly objects, but fencing-in yards or sections of yards and/or patios or fencing for any other purpose shall not be permitted. Clotheslines shall not be placed on any home or Lot at any time.

(j) Parking must be off street and is allowed only in driveways, garages or garage areas, and there shall be no on-street or road shoulder parking, except during occasional overflow situations, such as private parties or special neighborhood events, and during such events, guests and attendees may park along the streets and travel ways in the areas and on the surfaces designated for such occasional use. Owners, the Association, and/ or the Developer may enforce the parking rules as set forth herein. Any Owner, the Association and / or the Developer may have any car, which is parked in

violation of these parking rules, towed at the expense of the car owner. Further, the Association may promulgate additional enforcement mechanisms, such as fines, additional assessments, etc. in furtherance of the enforcement of these parking rules.

(k) There shall be no violation of rules for the use of the Common Area and Lots adopted by the Board of Directors and furnished in writing to the Owners, and the Board of Directors is authorized to adopt such rules.

(l) No mobile home, motor home, trailer, or other similar temporary out-building or structure shall be placed or stored on any Lot or home at any time, either temporarily or permanently, provided, however, that this prohibition shall not apply to shelters or temporary structures used by the contractor during the construction of the main dwelling house, it being clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the Lot after completion of construction.

(m) No television antenna, radio receiver or sender or other similar device shall be attached to or installed on the exterior portion of any Home or Lot except as specifically permitted under regulations promulgated by the Federal Communications Commission, and as agreed to by Developer or

Association. No satellite dish or satellite receiving apparatus shall be attached to or installed on the exterior portion of any Home or Lot.

(n) No private motorcycles, motor bikes, commercial vehicles, motor homes or ATV's (all terrain vehicles) or other similar means of transportation shall be operated or stored on any Lot or Home, except with the Board's permission.

(o) Nothing in the Declaration shall be construed to deny the right hereby reserved to the Developer for a period of five years following the recordation of this Declaration to maintain sales offices anywhere on the Common Area or on any Lot of which the Developer is the Owner.

(p) No trees or other tall-growing plants, structures or other objects, which would be or which would reasonably be expected to become obstructive of neighbors' views and vistas of the golf course and Massanutten, may be placed upon or planted on any lot or within the Common Areas unless written approval is first obtained from all the lot owners whose lots are located within five hundred (500) feet of the proposed placement and whose views of the golf course and Massanutten would be affected. The Association Board or its duly appointed committee shall be responsible for review and approval or

disapproval of such a request and polling the potentially affected Lot Owners accordingly. The Association's Board of Directors may veto any proposed planting or placement with or without polling of Lot owners.

(q) Every Owner agrees and consents to the installation, use and maintenance of a web-cam and/or similar system for security and general surveillance, which will be accessible to all Owners and other appropriate, authorized persons as determined by the Developer or Board of Directors, and further, every Owner agrees and consents that images of Owners' property and people coming and going and residing within the community will be accessible via this system.

(r) There shall be no fencing of any Lot except for the screening of trash receptacles, heating/cooling units and other electrical/ mechanical apparatus, as approved by the Developer or the Architectural Review Board.

(s) Every residence constructed on any of the Lots shall contain a minimum of 1900 square feet of fully enclosed floor space devoted to living purposes (exclusive of porches, decks, terraces, garages or outbuildings).

Section 5. *Automated Driveway Gates.* Subject to approval by the Developer or the Architectural Review Board, Owners may install automated driveway gates.

ARTICLE VII

EASEMENTS

Section 1. *Utility Easements.* There is hereby created an easement upon, across, over, through, and under the Properties for ingress, egress, installation, replacement, repair, and maintenance of utilities, service lines and systems. By virtue of this easement, it shall be expressly permissible for the Developer or the providing utility or service company with the consent of the Developer to install and maintain facilities and equipment on the Properties, to excavate for such purposes, and to affix and maintain wires, circuits, and conduits on, in, and under the roofs and exterior walls of Living Units, provided such company restores as nearly as is practicable all disturbed areas to the condition in which they were found. Further, there is a 10' Utility Easement inside all exterior property lines and centered on all interior lot lines as is more particularly described on the plat prepared by Barry E. Lotts, L.S., dated November 3, 2004, revised January 14, 2005, entitled "Final Plat of Heritage Estates, Section One" recorded

immediately prior hereto.

Section 2. *Developer's Easements to Correct Drainage.* For a period of five (5) years from the date of submission of each Lot to this Declaration, the Developer reserves an easement and right on, over, and under the ground within each Lot to maintain and to correct drainage of surface water in order to maintain reasonable standards of health, safety, and appearance. Such right expressly includes the right to cut any trees, bushes, or shrubbery, to perform any grading of the land, or to take any other similar action reasonably necessary, following which the Developer shall restore the affected property to its original condition as nearly as is practicable. The Developer shall give reasonable notice of intent to take such action to all affected Owners, unless in the opinion of the Developer an emergency exists which precludes such notice.

Section 3. *Construction Easements and Rights.* Notwithstanding any provision of this Declaration or of any Supplementary Declaration, so long as the Developer or Builders are engaged in developing or improving any portion of the Properties, the Developer and Builders and their employees, agents, and assigns shall have an easement of ingress, egress, and use over any portion of the Properties not conveyed as a Lot to an Owner for occupancy for (1) movement

and storage of building materials and equipment, (2) erection and maintenance of directional and promotional signs, and (3) conduct of sales activities, including maintenance of model Living Units. Such easement shall be subject to such rules as may be established by the Developer to maintain reasonable standards of safety, cleanliness, and general appearance of the Properties.

Section 4. *Easement to Inspect.* There is hereby created an easement in favor of the Association for ingress and egress on any Lot (a) to inspect such property for alleged violations of the Governing Documents, based on formal, written complaints, and/or compliance with architectural standards and/or approved plans for alterations and improvements and (b) to perform such maintenance as is required by this Declaration or the Supplementary Declaration for such Lot, provided the Owner of such Lot is given written notice of the purpose and time of inspection at least three (3) days in advance thereof and such inspection is performed during reasonable hours.

Section 5. *Easement for Governmental Personnel.* A right of entry on any Lot or Common Area is hereby granted to law enforcement officers and fire and rescue personnel as is needed to carry out their duties, including enforcement of cleared emergency vehicle access.

Section 6. *Easement for Landscaping, Signs, and Related Purposes.* There shall be and is hereby reserved to the Developer, for so long as it retains its rights as Developer, a nonexclusive easement over all Lots and Common Areas for the purpose of erecting and maintaining street intersection signs, directional signs, temporary promotional signs, plantings, street lights, entrance features and/or "theme areas," lighting, stone, wood, or masonry wall features, and/or related landscaping. Exercise of this easement will be with the consent of the Owner of the affected Lot, or the Architectural Review Board if the said Owner does not consent.

Section 7. *Private Access Easement.* The Developer hereby grants and conveys to the Association, its successors and assigns, and the Owners, their heirs, successors, assigns, a Private Access easement over all Lots and Common Area for the purpose of ingress and egress to and from each Lot and Common Area. Said Private Access Easement is more particularly described on the plat prepared by Barry E. Lotts, L.S., dated November 3, 2004, revised January 14, 2005, entitled "Final Plat of Heritage Estates, Section One" recorded immediately prior hereto. This Private Access Easement shall be appurtenant to each Lot.

Section 8. *Easement Reserved to Developer and Association.* The Developer hereby reserves to itself, its successors and assigns, and to the Association, its successors and assigns, an easement over all Lots and Common Area for the purpose of carrying out its duties and obligations as set forth herein.

Section 9. *Easement Reserved to Heritage Estates, L.L.C.*

Heritage Estates, L.L.C., a Virginia limited liability company, hereby reserves for itself, an **exclusive** easement over, under, across and upon the Properties, together with the right to further convey any easements as Heritage Estates, L.L.C., in its sole discretion, deems appropriate, for the purpose of:

- (a) Completing the construction of all improvements on the Properties;
- (b) Placing and maintaining signs on the Common Area;
- (c) Installing, maintaining, repairing and delivering telecommunications, telephone, data, Internet and television programming transmission and reception services, appertaining infrastructure, systems and utilities;
and
- (d) Any other lawful purpose.

This easement shall be perpetual and **exclusive** to Heritage Estates, L.L.C.

Section 10. Cemetery Easement. Pursuant to Section 57-27.1 of the Code of Virginia, as amended, Declarant hereby conveys an easement for ingress and egress over the roadway leading to the Cemetery located in Heritage Estates Section One to the family members and descendants of deceased persons buried there; and to any cemetery plot owner; and to any person engaging in genealogy research, who has given reasonable notice to the President of the Association. Any person using this easement shall be responsible for conducting himself/herself in a manner that does not damage the private lands, the cemetery or gravesites and shall be liable to the Association or Owner for any damages caused as a result of his/her actions.

Section 11. Exclusive Sanitary Sewer Easement. The Developer does hereby convey to the Owners, their heirs, successors and assigns, and the Association, it's successors and assigns an Exclusive Sanitary Sewer Easement across, over and under, all Lots and Common Area as shown on the plat prepared by Barry E. Lotts, L.S., dated November 3, 2004, revised January 14, 2005, entitled "Final Plat of Heritage Estates, Section One" recorded immediately prior hereto.

Section 12. Exclusive Water Easement. The Developer does hereby

convey to the Owners, their heirs successors and assigns, and the Association, it's successors an Exclusive Water Easement across, over and under, all Lots and Common Area as shown on the plat prepared by Barry E. Lotts, L.S., dated November 3, 2004, revised January 14, 2005 entitled "Final Plat of Heritage Estates, Section One" recorded immediately prior hereto.

Section 13. *Water Service Easement.* All individual water service lines and water meters that are installed for Harrisonburg, Virginia water service from the City water mains as designated on the original subdivision plat shall be governed by Section 7-2-21 of the Harrisonburg City Code.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. *Duration.* The Covenants and Restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of twenty (20) years, unless the Covenants and Restrictions are expressly terminated by an instrument signed by not less than seventy-five percent (75%) of the Class A Members and by the Class B Member (if

existent). A termination must be approved by the City of Harrisonburg and be recorded in the land records of Rockingham County, Virginia, in order to become effective.

Section 2. *Amendment.* For a period of five (5) years after the recording of this Declaration, the Developer may make any amendment unilaterally. After such five (5) year period, any amendment shall be accompanied by a document signed by not less than sixty-six percent (66%) of the Class A Members, the Class B Member, and the Association. Any amendment must be recorded in the land records of Rockingham County in order to become effective.

Section 3. *Enforcement.* The Association, the Developer, any Owner, or the City of Harrisonburg, Virginia, as their interests may appear, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration and of Supplementary Declarations. Failure to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. *Management Contracts.* Until such time as the Class B membership expires, the Developer shall have the right to enter into professional

management contracts for the management of the Properties

Section 5. *Limitations.* As long as the Developer has an interest in developing the Properties as defined in Article I hereof, the Association may not use its financial resources to defray any costs of opposing the development activities of the Developer. Nothing in this Section shall be construed to limit the rights of Members to act as individuals or in affiliation with other Members or groups.

Section 6. *Severability.* Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 7. *Conflict.* In the event of conflict among the Governing Documents, this Declaration shall control, then Supplementary Declarations, then the Articles of Incorporation of the Association, then the Bylaws, then the Book of Resolution; except that in all cases where the Governing Documents are found to be in conflict with statute, the statute shall control.

Section 8. *Interpretation.* Unless the context otherwise requires, the use of the singular shall include the plural and vice versa; the use of one gender shall include all genders; and the use of the term "including" shall mean "including,

without limitation." This Declaration shall be liberally construed in favor of the party seeking to enforce the provisions hereof to effectuate the purpose of protecting and enhancing the value, marketability, and desirability of the Properties by providing a common plan for the development thereof. The headings used herein are for indexing purposes only and shall not be used as a means of interpreting or construing the substantive provisions hereof.

ARTICLE IX

DISSOLUTION OF THE ASSOCIATION

The Association may be dissolved with the written consent of seventy-five percent (75%) of the Class A Members and the consent of the Class B Member, if any. Prior to the dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be offered for dedication to the City of Harrisonburg. In the event that such dedication is refused acceptance, upon dissolution such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to similar purposes.

IN WITNESS WHEREOF, the Developer, Heritage Estates, L.L.C., a Virginia limited liability company, has caused this Declaration to be duly

executed this _____ day of June, 2005.

HERITAGE ESTATES, L.L.C.,
a Virginia limited liability company

BY: _____ (SEAL)
Jesse B. McCoy, Manager

ROCKINGHAM HERITAGE BANK,
Note holder

By: _____ (Seal)
GERALD A. HOPKINS,
Senior Vice President

STEPHEN T. HEITZ, Trustee (Seal)

J. JAY LITTEN, Trustee (Seal)

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of June, 2005, by Jesse B. McCoy, Manager of Heritage Estates, L.L.C., a Virginia limited liability company, on behalf of the company.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of June, 2005, by Gerald A. Hopkins, Senior Vice President of Rockingham Heritage Bank.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of
June, 2005, by Stephen T. Heitz, Trustee.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of
June, 2005, by J. Jay Litten, Trustee.

My commission expires: _____

NOTARY PUBLIC

Tax Map No. Portion of 117-F-2

**DECLARATION OF COVENANTS AND RESTRICTIONS
FOR HERITAGE ESTATES, SECTION TWO
CITY OF HARRISONBURG, VIRGINIA**

This Declaration of Covenants and Restrictions (“Declaration”) is made this 19th day of June, 2006, by Heritage Estates, L.L.C., a Virginia limited liability company, hereinafter “Developer,”

WITNESSETH

WHEREAS, Developer is the owner of certain property in the City of Harrisonburg, Virginia, which consists of two (2) Lots, being developed as Heritage Estates, Section Two and being more particularly described on a plat prepared by Barry E. Lotts, Land Surveyor, entitled “Final Plat of Heritage Estates, Section Two,” dated September 27, 2005. Said plat is recorded in the Office of the Clerk of the Circuit Court of Rockingham County, Virginia in Deed Book 2774, page 1; and

WHEREAS, Lots A and B inclusive, as shown on the aforesaid plat, are to be sold subject to the Declaration of Covenants and Restrictions of Heritage Estates, Section One dated June 8, 2005, recorded in the Clerk’s Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2681, at Page 352, in order to insure purchasers of said lots a uniform mode of development; and

WHEREAS, Rockingham Heritage Bank has a Credit Line Deed of Trust on the property that is subject to this Declaration, dated June 2, 2005, recorded in the aforesaid Clerk’s Office in Deed Book 2678, page 364. Further Rockingham Heritage Bank has an additional Credit Line Deed of Trust on the property that is subject to this Declaration, dated April 18, 2006, recorded in the aforesaid Clerk’s Office in Deed Book 2847, page 755. Rockingham Heritage Bank by Gerald A. Hopkins, Senior Vice President, and its Trustee, Stephen T. Heitz, join in the Declaration to evidence their consent; and

NOW, THEREFORE, Developer covenants and agrees for itself, its successors and assigns that Lots A and B inclusive, as shown on the plat of Heritage Estates, Section Two shall be sold and held by the purchasers thereof, their heirs, successors, devisees, and assigns, **subject to the Declaration of Covenants and Restrictions of Heritage Estates, Section One recorded in the aforesaid Clerk's Office in Deed Book 2681, at Page 352** and also to the covenants, conditions, restrictions and easements contained herein and all easements as shown on the aforesaid Plat which is recorded in the aforesaid Clerk's Office in Deed Book 2774, page 1. Provided, that the dwelling that exists on Lot A at the date of the signing of this Declaration, shall not be subject to the rules, regulations and guidelines of the Heritage Estates Architectural Review Board. In the event that said dwelling, as it presently exists on Lot A, does not contain the requisite square footage as required by the Declaration of Covenants and Restrictions of Heritage Estates, Section One recorded in the aforesaid Clerk's Office in Deed Book 2681, at Page 352, it shall be deemed to comply with said square footage requirements. However, all changes, additions, or alterations to said dwelling, made after Lot A is owned by a person or entity other than the Developer, shall be subject to the approval of the Heritage Estates Architectural Review Board and shall comply with the rules and regulations thereof.

Developer hereby grants and conveys to the Lot Owners, their heirs, successors and assigns, in Heritage Estates, Section One and Heritage Estates, Section Two and Heritage Estates, Section Three, and any additional properties that are later added to Heritage Estates, and the Heritage Estates Homeowners' Association, Inc., a Virginia Corporation, its successors and assigns, an easement for ingress and egress over all Lots in Heritage Estates, Section Two in the areas labeled as "Private Access Easement" as shown on the plat prepared by Barry E. Lotts, Land Surveyor, entitled "Final Plat of Heritage Estates, Section Two," dated September 27, 2005. Said plat is recorded in the aforesaid Clerk's Office in Deed Book 2774, page 1.

Invalidation of any of the provisions of this instrument by judgment or Court Order shall in no way affect any of the other provisions and shall remain in full force and effect.

WITNESS the following signatures and seals:

HERITAGE ESTATES, L.L.C.
A Virginia Limited Liability Company

By: _____
JESSE B. MCCOY, Manager

ROCKINGHAM HERITAGE BANK, Noteholder

By: _____
GERALD A. HOPKINS, Senior Vice President

AND

STEPHEN T. HEITZ, Sole Acting Trustee

STATE OF VIRGINIA AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of
June, 2006, by JESSE B. MCCOY, Manager on behalf of HERITAGE
ESTATES, L.L.C.

NOTARY PUBLIC

My commission expires _____.

STATE OF VIRGINIA AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of June, 2006, by GERALD A. HOPKINS, Senior Vice President of Rockingham Heritage Bank.

Notary Public

My commission expires _____.

STATE OF VIRGINIA AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of June, 2006, by STEPHEN T. HEITZ, Trustee.

Notary Public

My commission expires _____.

Tax Map No. 117-F-1, 117-F-1A, and 117-F-1B

**DECLARATION OF COVENANTS AND RESTRICTIONS
FOR HERITAGE ESTATES, SECTION THREE
CITY OF HARRISONBURG, VIRGINIA**

This Declaration of Covenants and Restrictions (“Declaration”) is made this 27th day of December, 2006, by **ZU YAN ZHANG**, hereinafter “Developer,”

WITNESSETH

WHEREAS, Developer is the owner of certain property in the City of Harrisonburg, Virginia, which consists of nine (9) Lots and Common Area, being developed as Heritage Estates, Section Three and being more particularly described on a plat prepared by Barry E. Lotts, Land Surveyor, entitled “Final Plat of Heritage Estates, Section Three and Redivision of Lot 8, Heritage Estates, Section One,” dated May 17, 2006, and Revised December 12, 2006. Said plat is recorded immediately prior hereto; and

WHEREAS, Heritage Estates, LLC, a Virginia Limited Liability Company, is the developer of Heritage Estates, Section One and Heritage Estates, Section Two. Heritage Estates, LLC has entered into an Agreement with Zu Yan Zhang to assist in the development of Heritage Estates, Section Three. In order to provide for the preservation and enhancement of the property values, amenities and opportunities in the community which will contribute to the personal and general health, safety, and welfare of the residents, and for the maintenance of the land and improvements thereon, Heritage Estates, LLC, as the developer of Heritage Estates Sections One and Two, in accordance with Article II, Section 2 of the Declaration of Covenants and Restrictions for Heritage Estates, Section One, recorded in the aforesaid Clerk’s Office in Deed Book 2681, page 352, does hereby consent to the

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File No. 05-1225 LSE

annexation of Heritage Estates Section Three to Heritage Estates, Section One and Two. As an Addition to Heritage Estates Section One and Two, the Owners of Lots in Heritage Estates, Section Three shall be subject to the aforesaid Declaration of Covenants and Restrictions for Heritage Estates, Section One and also shall be subject to the following: (1) Declaration of Covenants and Restrictions for Heritage Estates, Section Two which is recorded in the aforesaid Clerk's Office as Instrument No. 2006-00021099, (2) the First Amended Declaration of Covenants and Restrictions for Heritage Estates recorded in the aforesaid Clerk's Office as Document Number 2006-00032154, and (3) the Second Amended Declaration of Covenants and Restrictions for Heritage Estates recorded in the aforesaid Clerk's Office as Document Number 2006-00034186. Further, as Additional Properties, all Lots and Common Area in Heritage Estates, Section Three shall be granted and conveyed together with the all easements shown on the Final Plat of Heritage Estates, Section One recorded in the aforesaid Clerk's Office in Deed Book 2681, page 346 and the Final Plat of Heritage Estates, Section Two recorded in the aforesaid Clerk's Office in Deed Book 2774, page 1. Heritage Estates, LLC, as the developer of Heritage Estates Section One and Two, by its endorsement of this document, evidences its consent to the annexation of Heritage Estates Section Three to Heritage Estates Section One and Two as is more specifically set forth herein.

WHEREAS, Lots 33-41 inclusive, and the Common Area as shown on the aforesaid plat, are to be sold subject to the following: (1) the Declaration of Covenants and Restrictions of Heritage Estates, Section One dated June 8, 2005, recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2681, at Page 352, and (2) the Declaration of Covenants and Restrictions of Heritage Estates, Section Two dated June 19, 2006, recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, as Instrument Number 2006-00021099, (3) the First Amended Declaration of Covenants and Restrictions for Heritage Estates recorded in the aforesaid Clerk's Office as Document Number 2006-00032154, and (4) the Second Amended Declaration of Covenants and Restrictions for Heritage Estates recorded in the aforesaid Clerk's Office as

Document Number 2006-00034186 in order to insure purchasers of said Lots a uniform mode of development; and

WHEREAS, ROCKINGHAM NATIONAL BANK, has a lien on the property that is subject to this Declaration, ROCKINGHAM NATIONAL BANK, and its Trustee join in the Declaration to evidence their consent; and

NOW, THEREFORE, Developer covenants and agrees for itself, its successors and assigns that Lots 33-41 inclusive, and the Common Area as shown on the plat of Heritage Estates, Section Three shall be sold and held by the purchasers thereof, their heirs, successors, devisees, and assigns, **subject to the Declaration of Covenants and Restrictions of Heritage Estates, Section One recorded in the aforesaid Clerk's Office in Deed Book 2681, at Page 352, the Declaration of Covenants and Restrictions of Heritage Estates Section Two recorded in the aforesaid Clerk's Office in Instrument Number 2006-00021099, the First Amended Declaration of Covenants and Restrictions for Heritage Estates recorded in the aforesaid Clerk's Office as Document Number 2006-00032154, and the Second Amended Declaration of Covenants and Restrictions for Heritage Estates recorded in the aforesaid Clerk's Office as Document Number 2006-00034186** and also to the covenants, conditions, restrictions and easements contained herein and all easements as shown on the aforesaid Plat which is recorded immediately prior hereto. Provided, however, that Developer herein will be liable for the amount of any assessments against completed units, which have been awarded a Certificate of Occupancy by the City of Harrisonburg, owned by the Developer; however, there shall be no assessment on unimproved Lots owned by Developer.

Developer hereby grants and conveys to the Lot Owners, their heirs, successors and assigns, in Heritage Estates, Section One, Heritage Estates, Section Two, Heritage Estates, Section Three and the Heritage Estates Homeowners' Association, Inc., a Virginia Corporation, its successors and assigns, and any Additions that are later added to Heritage Estates and the Heritage Estates Homeowners' Association, Inc. an easement for ingress and

egress over all Lots and Common Areas in Heritage Estates, Section Three in the areas labeled as “Private Access Easements” as shown on the plat prepared by Barry E. Lotts, Land Surveyor, entitled “Final Plat of Heritage Estates, Section Three and Redivision of Lot 8, Heritage Estates, Section One,” dated May 17, 2006 and Revised December 12, 2006. Said plat is recorded immediately prior hereto. Further, the Lot Owners, their heirs, successors and assigns, in Heritage Estates Section One, Two and Three shall have the right to access and use all amenities placed upon the Common Areas of Heritage Estates, Section Three, provided the Owner has complied with all requirements established by the aforesaid Declarations of Covenants and Restrictions and any policies or regulations established by the Heritage Estates Homeowners’ Association, Inc.

Invalidation of any of the provisions of this instrument by judgment or Court Order shall in no way affect any of the other provisions and shall remain in full force and effect.

WITNESS the following signatures and seals:

ZU YAN ZHANG

HERITAGE ESTATES, LLC,
A Virginia Limited Liability Company

BY: _____
JARED S. SCRIPTURE, Manager

ROCKINGHAM NATIONAL BANK, Noteholder

By: _____
_____, Senior Vice President

AND

_____, Sole Acting Trustee

STATE OF VIRGINIA AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2006, by Zu Yan Zhang.

NOTARY PUBLIC

My commission expires _____.

STATE OF VIRGINIA AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by HERITAGE ESTATES, LLC, a Virginia Limited Liability Company by JARED S. SCRIPTURE, Manager.

Notary Public

My commission expires _____.

STATE OF VIRGINIA AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, Senior Vice President of Rockingham National Bank.

Notary Public

My commission expires _____.
STATE OF VIRGINIA AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, Trustee.

Notary Public

My commission expires _____.

Tax Map No. 117-F-1, 117-F-1A, and 117-F-1B

**FIRST AMENDED DECLARATION
OF
COVENANTS AND RESTRICTIONS
FOR
HERITAGE ESTATES**

THIS FIRST AMENDED DECLARATION, made on the date hereinafter set forth by **HERITAGE ESTATES, L.L.C.**, a Virginia limited liability company, hereinafter referred to as “Developer.”

W I T N E S S E T H :

WHEREAS, **Heritage Estates, L.L.C.** and **Rockingham Heritage Bank**, by Gerald A. Hopkins, Senior Vice President, lender, and **Stephen T. Heitz**, **Trustee** for Rockingham Heritage Bank, all to be indexed as GRANTORS;

WHEREAS, Developer caused certain Declaration of Covenants, and Restrictions for Heritage Estates, Section One, hereinafter referred to as “Declaration One,” to be recorded in the Clerk’s Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2681, at Page 352 on the 8th day of June, 2005; and

WHEREAS, Developer has recorded the Final Plat of Heritage Estates, Section One, in the aforesaid Clerk’s Office in Deed Book 2681, at Page 346, which contained thirty-two (32) lots; and

WHEREAS, as of the signing of this Amendment, two (2) of the original thirty-two (32) Lots of the Section One have been sold. Specifically, Heritage Estates, LLC conveyed Lot 8 of Heritage Estates, Section One to Jared Scripture by deed recorded in the aforesaid Clerk’s Office in Deed Book 2761 page 608. Lot 8 of Heritage Estates, Section One is encumbered by the following: (1) Deed of Trust in favor of Wells Fargo, dated October 25, 2005 and recorded in the aforesaid Clerk’s Office in Deed Book 2761, page 611 and (2) a Deed of Trust for the benefit of Wells Fargo dated October 25, 2005 and recorded in Deed

Book 2761, page 631. Wells Fargo and its Trustee have endorsed this Amendment to evidence their consent thereto; and

WHEREAS, Heritage Estates, LLC conveyed Lot 2 of Heritage Estates to JEEC, LLC, a Virginia Limited Liability Company, by deed recorded in the aforesaid Clerk's Office in Deed Book 2740 page 743. JEEC, LLC, by its Manager, Joe Behl, has endorsed this Amendment to evidence its consent thereto; and

WHEREAS, Developer caused certain Declaration of Covenants, and Restrictions for Heritage Estates, Section Two, hereinafter referred to as "Declaration Two," to be recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, as Instrument Number 2006-00021099 on the 27th day of June, 2006. Declaration Two subjected Heritage Estates Two to Declaration One; and

WHEREAS, Developer has recorded the Final Plat of Heritage Estates, Section Two, in the aforesaid Clerk's Office in Deed Book 2774 at page 1, adding another two lots to the development; and

WHEREAS, as of the signing of this agreement, none of the original two (2) lots of Heritage Estates, Section Two, have been sold; and

WHEREAS, as of the date of the recording of this Amendment, Declaration One may be amended, during the first five years after the recording of Declaration One, in accordance with Article VIII, Section 2 thereof by the Developer unilaterally recording an Amendment instrument among the land records of Rockingham County, Virginia. Likewise, Declaration Two may also be amended as aforesaid; and,

WHEREAS, Rockingham Heritage Bank holds liens on the single family project as follows: (1) Credit Line Deed of Trust dated April 27, 2005, recorded in the aforesaid Clerk's Office in Deed Book 2659, at Page 519. The Trustee under the aforesaid Deed of Trust is Stephen T. Heitz and J. Jay Litten; (2) Credit Line Deed of Trust on Heritage Estates, Section Two, dated June 2, 2005, recorded in the aforesaid Clerk's Office in Deed Book 2678, page 364; and (3) Credit Line Deed of Trust on Heritage Estates, Section Two, dated April 18,

2006, recorded in the aforesaid Clerk's Office in Deed Book 2847, page 755. Rockingham Heritage Bank by J. Jay Litten and Stephen T. Heitz, Trustees, join in the Declaration to evidence their consent to this Amendment; and

NOW, THEREFORE, pursuant to and in compliance with Article VIII, Section 2, of Declaration One, Developer hereby amends the Declaration One and Declaration Two, as follows:

1. ARTICLE VI, USE OF PROPERTY, Section 1, Protective Covenants, shall hereby be amended to add the following paragraph as paragraph (f) thereof:

(f) *Fences*. Unless otherwise approved by the Architectural Review Board, all fences shall be of a visually open style, such as classic wrought iron; however, owing to the propensity of wrought iron to rust quickly, alternative materials such as extruded aluminum with black epoxy or vinyl coating shall be acceptable materials for fencing. Said fences shall not exceed five (5) feet in height. Further, all fences shall be located in the rear yard only, and shall not be installed closer than ten (10) feet to any property boundary line, thus permitting the passage of a typical power riding mower around all sides of all homes. No fence shall be installed until the style, materials and location have been approved by the Architectural Review Board.

In order to preserve the aesthetics of the community and keep grounds maintenance costs to a minimum, Lot Owners with fences shall, at their own expense be individually responsible for the maintenance of their fences and yard maintenance within their own fenced-in areas, including areas immediately adjacent to and/or under such fences.

Except as modified by this Amendment, all the terms and provisions of the Declarations One and Declaration Two are hereby expressly ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the Developer has caused this Amendment to be executed by JARED S. SCRIPTURE, Manager of HERITAGE ESTATES, L.L.C., Gerald A. Hopkins, Senior Vice President of Rockingham Heritage Bank, and Stephen T. Heitz, Trustee for Rockingham Heritage Bank, on this ____ day of _____, 2006.

HERITAGE ESTATES, L.L.C., a
Virginia limited liability company

By: _____ (SEAL)
JARED S. SCRIPTURE, Manager

ROCKINGHAM HERITAGE BANK

By: _____ (SEAL)
GERALD A. HOPKINS, Senior Vice
President

ROCKINGHAM HERITAGE BANK

By: _____ (SEAL)
STEPHEN T. HEITZ, Trustee

JARED S. SCRIPTURE

JEEC, LLC
a Virginia Limited Liability Company

By: _____ (SEAL)
JOE BEHL, Manager

WELLS FARGO BANK, N.A.

By: _____ (SEAL)

WELLS FARGO BANK, N. A.

By: _____ (SEAL)
Samuel I. White, Trustee

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____ 2006, by Jared S. Scripture, Manager of Heritage Estates, L.L.C., a Virginia limited liability company, on behalf of the company.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____, 2006, by Gerald A. Hopkins, Senior Vice President of Rockingham Heritage Bank, on behalf of the Bank.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____, 2006, by Stephen T. Heitz, Trustee of Rockingham Heritage Bank, on behalf of the Bank.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid
jurisdiction this _____ day of _____, 2006, by Jared S. Scripture.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid
jurisdiction this _____ day of _____, 2006, by JOE BEHL, Manager, on
behalf of JEEC, LLC.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____, 2006, by _____ of Wells Fargo Bank, on behalf of the Bank.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____, 2006, by Samuel I. White, Trustee of Wells Fargo Bank, on behalf of the Bank.

My commission expires: _____

NOTARY PUBLIC

Tax Map No. 117-F-1, 117-F-1A, and 117-F-1B

**SECOND AMENDED DECLARATION
OF
COVENANTS AND RESTRICTIONS
FOR
HERITAGE ESTATES**

THIS SECOND AMENDED DECLARATION, made on the date hereinafter set forth by **HERITAGE ESTATES, LLC**, a Virginia limited liability company, hereinafter referred to as “Developer.”

W I T N E S S E T H :

WHEREAS, **Heritage Estates, LLC** and **Rockingham Heritage Bank**, by Gerald A. Hopkins, Senior Vice President, lender, and **Stephen T. Heitz, Trustee** for Rockingham Heritage Bank, all to be indexed as GRANTORS;

WHEREAS, Developer caused certain Declaration of Covenants and Restrictions for Heritage Estates, Section One, hereinafter referred to as “Declaration One,” to be recorded in the Clerk’s Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2681, at Page 352 on the 8th day of June, 2005; and

WHEREAS, Developer has recorded the Final Plat of Heritage Estates, Section One, in the aforesaid Clerk’s Office in Deed Book 2681, at Page 346, which contained thirty-two (32) lots; and

WHEREAS, Developer has recorded the First Amended Declaration of Covenants and Restrictions for Heritage Estates in the aforesaid Clerk’s Office in Deed Book 2956, page 505; and

WHEREAS, as of the signing of this Amendment, two (2) of the original thirty-two (32) Lots of the Section One have been sold. Specifically, Heritage Estates, LLC conveyed Lot 8 of Heritage Estates, Section One to Jared Scripture by deed recorded in the aforesaid Clerk’s Office in Deed Book 2761 page 608. Lot 8 of Heritage Estates, Section One is encumbered by the following: (1) Deed

of Trust in favor of Wells Fargo, dated October 25, 2005 and recorded in the aforesaid Clerk's Office in Deed Book 2761, page 611 and (2) a Deed of Trust for the benefit of Wells Fargo dated October 25, 2005 and recorded in Deed Book 2761, page 631. Wells Fargo and its Trustee have endorsed this Amendment to evidence their consent thereto; and

WHEREAS, Heritage Estates, LLC conveyed Lot 2 of Heritage Estates to JEEC, LLC, a Virginia Limited Liability Company, by deed recorded in the aforesaid Clerk's Office in Deed Book 2740 page 743. JEEC, LLC, by its Manager, Joe Behl, has endorsed this Amendment to evidence its consent thereto; and

WHEREAS, Developer caused certain Declaration of Covenants and Restrictions for Heritage Estates, Section Two, hereinafter referred to as "Declaration Two," to be recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, as Instrument Number 2006-00021099 on the 27th day of June, 2006. Declaration Two subjected Heritage Estates Section Two to Declaration One; and

WHEREAS, Developer has recorded the Final Plat of Heritage Estates Section Two in the aforesaid Clerk's Office in Deed Book 2774 at page 1, adding another two lots to the development; and

WHEREAS, as of the signing of this agreement, none of the original two (2) lots of Heritage Estates Section Two have been sold; and

WHEREAS, as of the date of the recording of this Amendment, Declaration One may be amended, during the first five years after the recording of Declaration One, in accordance with Article VIII, Section 2 thereof by the Developer unilaterally recording an Amendment instrument among the land records of Rockingham County, Virginia. Likewise, Declaration Two may also be amended as aforesaid; and,

WHEREAS, Rockingham Heritage Bank holds liens on the single family project as follows: (1) Credit Line Deed of Trust dated April 27, 2005, recorded in the aforesaid Clerk's Office in Deed Book 2659, at Page 519. The Trustee under the aforesaid Deed of Trust is Stephen T. Heitz or J. Jay Litten; (2) Credit

Line Deed of Trust on Heritage Estates, Section Two, dated June 2, 2005, recorded in the aforesaid Clerk's Office in Deed Book 2678, page 364; and (3) Credit Line Deed of Trust on Heritage Estates, Section Two, dated April 18, 2006, recorded in the aforesaid Clerk's Office in Deed Book 2847, page 755. Rockingham Heritage Bank by Gerald A. Hopkins, Senior Vice President, and Stephen T. Heitz, Trustees, join in the Declaration to evidence their consent to this Amendment; and

NOW, THEREFORE, pursuant to and in compliance with Article VIII, Section 2, of Declaration One, Developer hereby amends the Declaration One, Declaration Two, and Declaration Three as follows:

1. ARTICLE VI, USE OF PROPERTY, Section 4, Limitation on Use of Lots and Common Area, paragraph (s), shall hereby be revised to state as follows:

(s) Every residence constructed on any of the Lots shall contain a minimum of 1600 square feet of fully enclosed floor space, on the main floor, devoted to living purposes (exclusive of porches, decks, terraces, garages or outbuildings).

Except as modified by this Amendment, all the terms and provisions of the Declarations One and Two are hereby expressly ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the Developer has caused this Amendment to be executed by JARED S. SCRIPTURE, Manager of HERITAGE ESTATES, LLC, Gerald A. Hopkins, Senior Vice President of Rockingham Heritage Bank, and Stephen T. Heitz, Trustee for Rockingham Heritage Bank, on this 4th day of October, 2006.

HERITAGE ESTATES, LLC, a
Virginia Limited Liability Company

By: _____ (SEAL)
JARED S. SCRIPTURE, Manager

ROCKINGHAM HERITAGE BANK

By: _____ (SEAL)
GERALD A. HOPKINS,
Senior Vice President

ROCKINGHAM HERITAGE BANK

By: _____ (SEAL)
STEPHEN T. HEITZ, Trustee

JARED S. SCRIPTURE (SEAL)

JEEC, LLC
a Virginia Limited Liability Company

By: _____ (SEAL)
JOE BEHL, Manager

WELLS FARGO BANK, N.A.

By: _____ (SEAL)
Lorna L. Slaughter, Vice President

SAMUEL I. WHITE, P.C.

By: _____ (SEAL)
William Adam White, President

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____ 2006, by Jared S. Scripture, Manager of Heritage Estates, LLC, a Virginia limited liability company, on behalf of the company.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____, 2006, by Gerald A. Hopkins, Senior Vice President of Rockingham Heritage Bank, on behalf of the Bank.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____, 2006, by Stephen T. Heitz, Trustee of Rockingham Heritage Bank, on behalf of the Bank.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid
jurisdiction this _____ day of _____, 2006, by Jared S. Scripture.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid
jurisdiction this _____ day of _____, 2006, by JOE BEHL, Manager, on
behalf of JEEC, LLC.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF MARYLAND,
CITY OF FREDERICK, to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____, 2006, by Lorna L. Slaughter, V.P., of Wells Fargo Bank, N. A., on behalf of the Bank.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF VIRGINIA BEACH, to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____, 2006, by William Adam White, President of Samuel I. White, P.C., a Virginia Corporation, on behalf of the Corporation.

My commission expires: _____

NOTARY PUBLIC

**THIRD AMENDED DECLARATION
OF
COVENANTS AND RESTRICTIONS
FOR
HERITAGE ESTATES**

THIS THIRD AMENDED DECLARATION, made on the date hereinafter set forth by **HERITAGE ESTATES, LLC**, a Virginia limited liability company, hereinafter referred to as “Developer,” **ATHENA PROPERTY DEVELOPMENT, INC.**, a Virginia corporation, hereinafter referred to as “Athena.”

WITNESSETH:

WHEREAS, **Heritage Estates, LLC** and **Athena Property Development**, are all to be indexed as GRANTORS;

WHEREAS, Developer caused certain Declaration of Covenants and Restrictions for Heritage Estates, Section One, hereinafter referred to as “Declaration One,” to be recorded in the Clerk’s Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2681, at Page 352 on the 8th day of June, 2005; and

WHEREAS, Developer has recorded the Final Plat of Heritage Estates, Section One, in the aforesaid Clerk’s Office in Deed Book 2681, at Page 346, which contained thirty-two (32) lots; and

WHEREAS, Developer has recorded the First Amended Declaration of Covenants and Restrictions for Heritage Estates in the aforesaid Clerk’s Office in Deed Book 2956, page 505; and

WHEREAS, Developer has recorded the Second Amended Declaration of Covenants and Restrictions for Heritage Estates in the aforesaid Clerk's Office in Deed Book 2968, page 175; and

WHEREAS, Developer caused certain Declaration of Covenants and Restrictions for Heritage Estates, Section Two, hereinafter referred to as "Declaration Two," to be recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, as Instrument Number 2006-00021099 on the 27th day of June, 2006. Declaration Two subjected Heritage Estates Section Two to Declaration One; and

WHEREAS, Developer has recorded the Final Plat of Heritage Estates Section Two in the aforesaid Clerk's Office in Deed Book 2774 at page 1, adding another two Lots to the development; and

WHEREAS, Zu Yan Zhang, the predecessor in title to Athena, caused certain Declaration of Covenants and Restrictions for Heritage Estates, Section Three, hereinafter referred to as "Declaration Three," to be recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 3010, page 721 on the 28th day of December, 2006. Declaration Three subjected Heritage Estates Section Three to Declaration One; and

WHEREAS, the Final Plat of Heritage Estates Section Three has been recorded in the aforesaid Clerk's Office in Deed Book 3010 at page 707 adding another nine Lots and a Common Area to the development; and

WHEREAS, as of the date of the recording of this Amendment, Declaration One may be amended, during the first five years after the recording of Declaration One, in accordance with Article VIII, Section 2 thereof by the Developer unilaterally recording an Amendment instrument among the land records of Rockingham County, Virginia. Likewise, Declaration Two and Declaration Three may also be amended as aforesaid; and,

NOW, THEREFORE, pursuant to and in compliance with Article VIII, Section 2, of Declaration One, Developer hereby amends the Declaration One, Declaration Two, and Declaration Three as follows:

1. ARTICLE SIX, SECTION 4, PARAGRAPH (r) shall be amended to state as follows: There shall be no fencing of any Lot, except as follows: (a) those fences approved by the Architectural Review Board in accordance with Article VI, Section 1, paragraph (f), as amended; and (b) those fences constructed for the screening of trash receptacles, heating/cooling units and other electrical/mechanical apparatus, as approved by the Architectural Review Board.

Except as modified by this Amendment, all the terms and provisions of the Declarations One, Two, and Three, together with all amendments thereto, are hereby expressly ratified and confirmed and shall remain in full force and effect.

WITNESS the following signatures this ____ day of _____, 2007.

HERITAGE ESTATES, LLC, a
Virginia Limited Liability Company

By: _____(SEAL)
JARED S. SCRIPTURE, Manager

**ATHENA PROPERTY DEVELOPMENT,
INC.**, a Virginia Corporation

By: _____(SEAL)
ZU YAN ZHANG, _____

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____ 2007, by Jared S. Scripture, Manager of Heritage Estates, LLC, a Virginia limited liability company, on behalf of the company.

My commission expires: _____

NOTARY PUBLIC

COMMONWEALTH OF VIRGINIA,
CITY OF HARRISONBURG to-wit:

The foregoing instrument was acknowledged before me in the aforesaid jurisdiction this _____ day of _____ 2007, by Zu Yan Zhang, _____, Athena Property Development, Inc., a Virginia Corporation, on behalf of the corporation.

My commission expires: _____

NOTARY PUBLIC

**ARTICLES OF INCORPORATION
OF
HERITAGE ESTATES HOMEOWNERS' ASSOCIATION, INC.**

(VIRGINIA NONSTOCK CORPORATION)

The undersigned, pursuant to Chapter 10 of Title 13.1 of the Code of Virginia, the undersigned hereby establishes a Nonstock Corporation (hereinafter the "Association") and states as follows:

ARTICLE I

NAME

The name of the Association is: **HERITAGE ESTATES HOMEOWNERS' ASSOCIATION, INC.**

ARTICLE II

MEMBERS

The Association is to have two classes of members, comprised of the following persons or entities and having the following voting rights:

Class A. Class A members shall be comprised of those persons or entities which own a fee simple interest (or an undivided fee simple interest) in, and are the record owners of title to, any lot in the Association's Development; provided, however, that Class A members shall not include (i) persons or entities holding such an interest solely as security for the performance of an obligation, or (ii) the Developer, Heritage Estates, L.L.C., its successor or assignee. Class A member shall be entitled to one (1) vote for each lot in which they hold an interest required for membership. When more than one person holds such interest in any lot, all such persons shall be members; provided, however, that they shall vote as a group so that in no event shall more than one vote be cast with respect to any lot.

Class B. The sole Class B member shall be Heritage Estates, L.L.C., the developer of Heritage Estates Subdivision, or its successor or assignee. The Class B member shall be entitled to three votes for each lot owned by it. The Class B membership shall automatically terminate and be converted into a Class A membership (with no action being required on the part of any person or entity) on the date when the last unit is deeded to homeowners.

Every person or entity who is a record owner of any lot is entitled to membership and voting rights in the Association. Membership is appurtenant to, and inseparable from, ownership of the lot.

ARTICLE III

DISSOLUTION

If the Association is dissolved, the assets shall be dedicated to a public body, or conveyed to a nonprofit organization with similar purposes.

ARTICLE IV

AMENDMENT

Amendment of the Articles of Incorporation requires the approval of at least two-third (2/3) vote of the owners.

ARTICLE X

DIRECTORS

The Association shall be managed by a Board of Directors, the number, term, qualification, and meetings of which shall be as provided in the Bylaws of the Association. Until such Board of Directors is duly elected and qualified, an initial Board of Directors shall serve which shall consist of the following persons:

<u>Name(s)</u>	<u>Address</u>
Jared S. Scripture, President	620 Garbers Church Road, Harrisonburg, VA 22801
David Frackelton, Vice President	1872 College Avenue, Harrisonburg, VA 22802
J. M. Neale, Secretary/Treasurer	2345 Avalon Woods Drive, Harrisonburg, VA 22801

ARTICLE VI

REGISTERED AGENT

The Association's initial registered agent is: Mark B. Callahan.

The initial registered agent is an individual who is a resident of Virginia and a member of the Virginia State Bar.

ARTICLE VII

REGISTERED OFFICE

The Association's initial registered office address which is the business address of the initial registered agent is: 92 North Liberty Street, Harrisonburg, Virginia 22802.

The registered office is physically located in the City of Harrisonburg, Virginia.

ARTICLE VIII

NO AUTHORITY TO ISSUE CAPITAL STOCK

In compliance with Section 13.1-814 of the Code of Virginia, as amended, the Association shall not issue shares of stock.

ARTICLE IX

PURPOSE

The Association is organized for the purpose of:

- (1) acquiring, constructing, managing, maintaining, and caring for property held by the Association or commonly held or used by the members of the Association; and
- (2) promoting the recreation, health, safety and welfare of Association members and residents of Heritage Estates Subdivision being known and designated as Lots 1-32, inclusive, as shown on the "Final Plat of Heritage Estates, Section One" dated November 3, 2004, revised January 14, 2005, by Barry E. Lotts, L.S., recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2681, Page 346.

The Association shall have all powers and authority:

- (1) of a property owners' association under the Virginia Property Owners' Association Act, Title 55, Chapter 26 of the Code of Virginia, as amended (hereinafter the "Property Owners' Association Act");
- (2) of a nonstock corporation under the Virginia Nonstock Corporation Act, Chapter 10, Title 13.1 of the Code of Virginia, as amended (hereinafter the "Nonstock Act");
- (3) described in any declaration setting forth covenants, conditions, and restrictions applicable to the Heritage Estates Subdivision, which Declaration has been duly recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2681, Page 352 (hereinafter the "Declaration"); and

(4) of a residential real estate management association taxable as a homeowners association under Section 528 of the Internal Revenue Code of 1986, as amended (hereinafter the "Code").

Consistent with the Nonstock Act, the Property Owners' Association Act, and any Declaration setting forth covenants, conditions, and restrictions applicable to Heritage Estates Subdivision, the Association shall have the power and authority to:

(1) acquire, construct, own, operate and maintain the common areas, facilities, amenities and other property within Heritage Estates Subdivision;

(2) fix assessments to be levied against Association members for the sole purpose of operation and maintaining common areas, facilities, and other property in Heritage Estates Subdivision; and

(3) administer and enforce the covenants, conditions, and restrictions provided for in any applicable Declaration.

In addition, the Association is being organized to carry on the exempt functions of a nonstock, not-for-profit corporation under the Nonstock Act and a homeowners association within the meaning of Section 528 of the Code, and no part of the net earning of the Association shall inure (other than by acquiring, constructing, or providing management, maintenance, and care of Association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any member or private individual. The Association shall have the power to carry on business of any character whatsoever that is not prohibited by law or required to be stated in these Articles.

ARTICLE X

ANNEXATION, MERGER OR CONSOLIDATION

Annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dissolution and amendment of the Articles, requires approval of HUD/VA as long as there is a Class B membership.

ARTICLE XI

EFFECTIVE DATE

These Articles of Incorporation shall be effective upon filing.

Date: _____

INCORPORATOR:

BY: _____

BYLAWS
OF
HERITAGE ESTATES HOMEOWNERS' ASSOCIATION, INC.

The Heritage Estates Homeowners' Association, Inc. (hereinafter the "Association"), a non-stock corporation duly formed under the provisions of the Virginia Non-stock Corporation Act, Chapter 10, Title 13.1 of the Code of Virginia (the Code), hereby adopts the following Bylaws of the Association which shall govern the management and operation of the Association's business and the regulation of its affairs, to the extent consistent with the Association's Articles of Incorporation and applicable law, and in accordance with Section 13.1-823 of the Code.

ARTICLE I

DEFINITION OF TERMS

Unless otherwise stated in these Bylaws, all of the terms used in these Bylaws which are defined in Section 13.1-803 of the Code shall be deemed to have the meaning set forth in such Section of the Code.

"*Development*" shall mean the Heritage Estates subdivision, including all those certain lots or parcels of land, situate in the City of Harrisonburg, Virginia, being known and designated as Lots 1 – 33, inclusive, as shown on the plat entitled, "Final Plat of Heritage Estates, Section One" dated November 3, 2004, revised January 14, 2005, by Barry E. Lotts, L.S., recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2181, page 346 for which the Association has been formed.

"*Declaration*" shall mean any declaration setting forth covenants, conditions, and restrictions, applicable to Heritage Estates, which Declaration has been duly recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, in Deed Book 2681, page 352.

"*Developer*" shall mean Heritage Estates, L.L.C., a Virginia Limited Liability Company, or its successor or assignee as the Developer of the Development.

ARTICLE II

ADOPTION

In accordance with Section 13.1-822 of the Code, these Bylaws shall become effective upon ratification, approval and formal adoption by the Board of Directors of the Association at its organizational meeting or any subsequent meeting

ARTICLE III

EMERGENCY BYLAWS

In the event that a quorum of the Association's Board of Directors cannot readily be assembled because of some catastrophic event, the Board of Directors of the Association may, consistent with Section 13.1-824 of the Code, adopt other bylaws to be effective only in such an emergency, which bylaws shall be subject to amendment or repeal by the members of the Association, and shall provide procedures for calling a meeting of the Board of Directors, quorum requirements for the meeting, and designation of additional or substitute directors, as well as other provisions necessary for managing the Association during such emergency. All provisions of these Bylaws consistent with such emergency bylaws shall remain effective during such emergency. Such emergency bylaws shall not be effective after such emergency ends. Corporate action taken in good faith in accordance with such emergency bylaws shall bind the Association and may not be used to impose liability on a director, officer, employee, or agent of the Association.

ARTICLE IV

CORPORATE POWERS

Subject to the Association's Articles of Incorporation and Section 528 of the Internal Revenue Code of 1986, as amended, the Association shall have the same powers as an individual to do all things necessary or convenient to carry out its business and affairs, including, without limitation, those enumerated in Section 13.1-826 of the Code. In the event of an emergency as described in Article III immediately preceding, the Board of Directors shall have those emergency powers enumerated in Section 13.1-827 of the Code.

ARTICLE V

NONSTOCK CORPORATION

In accordance with Section 13.1-814 of the Code, the Association shall not issue shares of stock. No dividend shall be paid and no part of the income of the Association shall be distributed to its members, directors, or officers, except that the Association may make distributions to another nonprofit corporation that is a member of the Association or has the power to appoint one or more of its directors. The Association may pay compensation in a reasonable amount to its members, directors, or officers for services rendered, including pensions, may confer benefits upon its members in conformity with its purposes, and may make distributions as permitted by applicable law upon dissolution or final liquidation and no such payment, benefit or distribution shall be deemed to be a dividend or a distribution of income.

ARTICLE VI

PURPOSE

The Association is organized for the general purposes stated in its Articles of Incorporation and its Declaration of Covenants, Conditions, Reservations and Restrictions. If the Bylaws are inconsistent with the Articles of Incorporation or the Declaration of Covenants, Conditions, Reservations and Restrictions, the Articles of Incorporation or the Declaration of Covenants, Conditions, Reservations and Restrictions shall supersede these Bylaws.

ARTICLE VII

MEMBERS

Section 1. Classes of Members. The Association shall have two classes of members, designated as "Class A" and "Class B," respectively. The Association shall not issue certificates evidencing membership in the Association.

Class A members shall be comprised of those persons or entities which

own a fee simple interest (or an undivided fee simple interest) in, and are the record owners of title to, any lot in the Development; provided, however, that Class A members shall not include (i) persons or entities holding such an interest solely as security for the performance of an obligation, or (ii) the Developer. All persons or entities together owning an interest in a single lot shall be members; provided, however, that such multiple owners shall only have one vote as provided in these Bylaws.

The sole Class B member shall be the Developer. The Class B member shall be entitled to three (3) votes for each Lot it owns in fee simple. The Class B membership shall automatically terminate and be converted into a Class A membership (with no action being required on the part of any person or entity) on the date when the last Lot is sold to someone other than the Developer.

Each Class A membership shall run and convey with title to the Lot to which it relates. The conveyance of a Lot by the Developer shall automatically convert the membership relating to that Lot to a Class A membership; provided, however, that the Developer may transfer all of the Lots owned by it to a successor or assignee as substitute Developer and, in such event, each Lot will be transferred with Class B membership.

Section 2. Voting Entitlement of Members. Each Class A member (or group of Class A members together owning one Lot) shall be entitled to one vote for each Development Lot owned. When more than one person or entity owns an interest in a Lot, they shall vote as a group so that in no event shall more than one vote be cast with respect to any Lot. The Class B member shall be entitled to three votes for each Lot owned by it until such time as it may be converted into Class A membership.

Section 3. Annual Meeting. The annual meeting of the Members shall be held on the second Wednesday in February of each year. If this day is a legal holiday, then such annual meeting shall be held on the first day immediately following that is not a legal holiday. The failure to hold the annual meeting at the time stated herein shall not affect the validity of any corporate action. The Association shall give each member written notice of the date, time and location of each annual meeting no less than ten nor more than sixty days before the date of the meeting.

Section 4. Special Meetings. The Corporation shall hold special meetings of the Members on the call of the President, the Board of Directors, the Class B member, or the holders of at least twenty percent (20%) of all votes entitled to be cast by Class

A members on any issue proposed to be considered at the special meeting, which holders shall sign, date, and deliver to the Association's Secretary one or more written demands for the meeting describing the purpose or purposes for which it is to be held. Unless otherwise provided by statute, the Association shall give each member written notice of the date, time, location, and purpose of any special meeting no less than ten nor more than sixty days before the date of the meeting.

Section 5. Place of Meetings. Annual, regular, or special meetings of the Members may be held either within or without the Commonwealth of Virginia.

Section 6. Action Without a Meeting. Any action required or permitted to be taken at a Members' meeting may be taken without a meeting and without action by the Board of Directors if the action is taken by all the Members entitled to vote on the action. The action shall be evidenced by one or more written consents describing the action taken, signed by all the Members entitled to vote on the action, and delivered to the Secretary of the Association for inclusion in the minutes or filing with the corporate records. Any action taken by unanimous written consent shall be effective according to its terms when all consents are in possession of the Association. Action taken under this section is effective as of the date specified therein provided the consent states the date of execution by each shareholder. A consent signed under this section shall have the effect of a unanimous vote of voting Members and may be described as such in any document filed with the State Corporation Commission.

Section 7. Quorum and Voting Requirement. Members holding thirty percent (30%) of the votes entitled to be cast represented in person or by proxy shall constitute a quorum. The vote of a majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by statute or by the Association's Declaration. Once a member is present at a meeting the member is deemed present for quorum purposes for the remainder of the meeting and for adjournment of that meeting. Less than a quorum may adjourn a meeting. Directors shall be elected by a majority of the votes cast by the members entitled to vote in the election at a meeting at which a quorum is present. In the election of directors, each Class A member shall be entitled to cast one vote per lot owned for as many persons as there are directors being elected at that time, and the Class B member shall be entitled to cast three votes per lot owned for as many persons as there are directors being elected at that time. Members shall not have the right to cumulate their votes for directors.

Section 8. Assessments. Each Member shall be required to pay such annual assessments, special assessments, fees, dues, and other charges as may be established by the Association's Board of Directors from time to time; provided that the Board establishes such annual assessments, special assessments, fees, dues, and other charges in a manner not inconsistent with the Association's Declaration. Such assessments shall be used, in the Board's discretion, for the maintenance and operation of the Association's property and facilities.

Section 9. Compliance With Declaration. Each member shall be obligated to comply with the covenants, conditions and restrictions contained in the Association's Declaration.

ARTICLE VIII

BOARD OF DIRECTORS

Section 1. Number and Qualification. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of, the Board of Directors. The Board of Directors shall consist of no less than three (3) persons. A director need not be a Member of the Association.

Section 2. Election. The initial Board of Directors shall consist of those persons so designated in the Articles of Incorporation, as appointed by the Developer. Members of the initial Board of Directors shall hold office until the first annual meeting of the directors and until their successors shall have been elected and qualified. All other directors shall be elected by the members at each annual members' meeting in the manner provided herein; provided however, that the Developer shall appoint the Directors until such time as the last Lot is sold.

Section 3. Term. The terms of the initial directors of the Association shall expire at the first meeting at which directors are elected. The terms of all other directors shall be one (1) year or until their successors are elected and qualified following their election. Despite the expiration of a director's term, he shall continue to serve until his successor is elected and qualifies or until there is a decrease in the number of directors.

Section 4. Resignation and Removal. A director may resign at any time

by delivering written notice to the Board of Directors, the President, or the Secretary. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date. The members may remove one or more directors with or without cause. A director may be removed only at a meeting called for the purpose of removing such director and only if the number of votes cast to remove him constitutes a majority of the votes entitled to be cast at an election of directors.

Section 5. Vacancy. If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of directors, the vacancy may be filled by the affirmative vote of a majority of the remaining directors, even though less than a quorum of the board.

Section 6. Annual Meeting. The Board of Directors shall meet at least annually on the second Wednesday in February for the purpose of general organization, the election of officers, and consideration of any other business that may properly be brought before the meeting. If this day is a legal holiday, then the Board shall meet on the first day immediately following that is not a legal holiday. The failure to hold the annual meeting at the time stated herein shall not affect the validity of any corporate action.

Section 7. Regular or Special Meetings in Addition to the Annual Meeting. Regular or special meetings of the Board of Directors may be held upon notice by word-of-mouth, letter, telegram, or cable delivered not later than twenty-four (24) hours preceding the time for the meeting, upon call of the President or Secretary of the Association.

Section 8. Place of Meetings. Meetings of the Board of Directors, annual, regular, or special, may be held either within or without the Commonwealth of Virginia.

Section 9. Quorum and Voting. Action may be taken on a matter by the Board of Directors only at a meeting at which a quorum shall be present. A quorum of the Board of Directors shall consist of a majority of the number of directors on the board. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board of Directors. Whenever applicable law requires the Board of Directors to recommend or approve any proposed corporate act, such recommendation or approval shall not be required if the proposed corporate act is adopted by the unanimous consent of the members.

Section 10. Conduct of Meetings. The President shall preside over all meetings of the directors. If he is not present, the Vice President or, if there be none, the Secretary shall preside. If none of such officers are present, a chairman shall be elected by the meeting. The Secretary of the Association shall act as secretary of all the meetings if he is present. If he is not present, the officer presiding over the meeting shall appoint a secretary of the meeting. The Board of Directors may permit any or all directors to participate in a regular or special meeting by, or conduct a meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting.

Section 11. Action Without a Meeting. Any action required or permitted to be taken at a Board of Directors' meeting may be taken without a meeting if the action is taken by all members of the board. The action shall be evidenced by one or more written consents stating the action taken, signed by each director either before or after the action taken, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this Section is effective when the last director signs the consent unless the consent specifies a different effective date, in which event the action taken is effective as of the date specified therein provided the consent states the date of execution by each director. A consent signed under this Section shall have the same effect of a meeting vote and may be described as such in any document.

Section 12. Committees. The Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee may have two or more members, who shall serve at the pleasure of the Board of Directors. The provisions of this Article which govern meetings, action without meetings, and quorum and voting requirements of the Board of Directors, shall apply to committees and their members as well. Each committee may exercise the authority of the Board of Directors, subject to Section 13.1-869(D) of the Code.

ARTICLE IX

OFFICERS

Section 1. General. The officers of the Association shall consist of a President and Secretary, and, if elected by the Board of Directors in its discretion, a Vice President and/or Treasurer, and such other officers and assistant officers and agents as may be deemed necessary by the Board of Directors. All officers shall be

elected by the Board of Directors and shall serve at the pleasure of the Board of Directors for such compensation as may be fixed by the Board. Any two or more offices may be held by the same person. A duly appointed officer may appoint one or more officers or assistant officers if authorized by the Board of Directors.

Section 2. Resignation and Removal. An officer may resign at any time by delivering written notice to the Board of Directors. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Association accepts the future effective date, it may fill the pending vacancy before the effective date if his successor does not take office until the effective date. The Board of Directors may remove any officer at any time with or without cause and any officer or assistant officer, if appointed by another officer, may likewise be removed by such officer.

Section 3. Vacancies. Whenever any vacancies shall occur in any office, the vacancy shall be filled by the Board of Directors.

Section 4. The President. The President shall be the chief executive officer and shall have active executive management of the operations of the Association, subject to the control of the Board of Directors. The President shall preside at all meetings of the directors, discharge all the duties that devolve upon a presiding officer, and perform such other duties as these Bylaws or the Board of Directors may prescribe.

Section 5. The Secretary. The Secretary shall attend all meetings of the Board of Directors, and shall have the responsibility for preparing and maintaining custody of minutes of the directors meetings and for authenticating records of the Association. The Secretary shall keep or cause to be kept in a book provided for the purpose a true and complete record of the proceedings of all meetings. The Secretary shall be custodian of the records and the seal of the Association and shall see that the seal is affixed to all documents, the execution of which on behalf of the Association under its seal have been duly authorized. The Secretary shall attend to the giving of all notices and shall perform such other duties as these Bylaws or the Board of Directors may prescribe.

Section 6. The Vice President. The Vice President shall perform all duties incumbent upon the President during the absence or disability of the President, and shall perform such other duties as these Bylaws or the Board of Directors may prescribe.

Section 7. The Treasurer. The Treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Association. The Treasurer shall be the legal custodian of all monies, notes, securities, and other valuables that may from time to time come into the possession of the Association. The Treasurer shall immediately deposit all funds of the Association coming into his hands in some reliable bank or other depository to be designated by the Board of Directors, and shall keep this bank account in the name of the Association. The Treasurer shall furnish at meetings of the Board of Directors, or whenever requested, a statement of the financial condition of the Association, and shall perform such other duties as these Bylaws or the Board of Directors may prescribe.

Section 8. Transfer of Authority. In case of the absence of any officer of the Association or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may transfer the powers or duties of that officer to any other officer or to any director or employee of the Association.

ARTICLE X

SPECIAL CORPORATE ACTS **NEGOTIABLE INSTRUMENTS, DEEDS AND CONTRACTS**

All checks, drafts, notes, bonds, bills of exchange, and orders for the payment of money of the Association; all deeds, mortgages, and other written contracts and agreements to which the Association shall be a party; and all assignments or endorsements of registered bonds or other securities owned by the Association, shall be signed by such officers as the Board may from time to time direct. The Board of Directors may authorize any one of its officers to sign any of such instruments, for and in behalf of the Association, without necessity of countersignature; may designate officers or employees of the Association, other than those named above, who may, in the name of the Association, sign such instruments; and may authorize the use of facsimile signatures of any of such persons. Any shares of stock issued by any other corporation and owned or controlled by the Association may be voted at any directors' meeting of the other corporation by the President of the Association, if he be present; or, in his absence, by any Vice President of the Association who may be present; and, in the event both the President and the Vice President shall be absent, then by such person as the President of the Association shall, by duly executed proxy, designate to

represent the Association at such directors' meeting.

ARTICLE XI

INDEMNIFICATION

Section 1. Limitation of Liability. To the full extent that the Virginia Nonstock Corporation Act, as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of the liability of directors or officers, a director or officer of the Association shall not be liable to the Association or its members, if any, for any monetary damages.

Section 2. Indemnification. The Association shall indemnify a director or officer of the Association who is or was a party to any proceeding by reason of the fact that he is or was such a director or officer, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against all liabilities and expenses incurred in the proceeding except such liabilities and expenses as are incurred because of his willful misconduct or knowing violation of the criminal law.

Section 3. Advances and Reimbursement of Expenses. Unless a determination has been made that the indemnification is not permissible, the Association shall make advances and reimbursements for expenses incurred by a director or officer.. The Association is hereby empowered to contract in advance to indemnify and advance the expenses of any director or officer.

Section 4. Procedure for Indemnification. The determination to make advancements, reimbursements or indemnifications, or to contract in advance to do the same, shall be made by majority vote of a quorum of disinterested directors. If a quorum of disinterested directors cannot be obtained for any reason, then the determination shall be made by a majority vote of a committee designated by the Board of Directors, including interested directors, the committee to consist only of disinterested directors, at least two (2) in number, or by special legal counsel selected by the committee described above. If neither a quorum of disinterested directors nor a committee of at least two (2) disinterested directors can be obtained, then the determination shall be made by a majority vote of the entire Board, including interested directors.

Section 5. Persons Covered. The Board of Directors is hereby empowered, by majority vote of a quorum of disinterested directors, to cause the Association to indemnify or contract in advance to indemnify any person not specified in Section 2 of this Article who was or is a party to any proceeding, by reason of the fact that he is or was an employee or agent of the Association, or is or was serving at the request of the Association as director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, to the same extent as if such person were specified as one to whom indemnification is granted in Section 2.

Section 6. Insurance. The Association may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Article and may also procure insurance, in such amounts as the Board of Directors may determine, on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability asserted against or incurred by any such person in any such capacity or arising from his status as such, whether or not the Corporation would have power to indemnify him against such liability under the provisions of this Article.

The Association shall maintain hazard insurance policies for 100% of the replacement cost of any improvements on the Common Areas and a comprehensive policy of public liability insurance covering the Common Areas as required by the Federal Mortgage Agencies. In the event the Association shall fail to maintain insurance for the Common Areas or shall allow insurance coverage to lapse, one or more of the First Mortgagees shall have the right upon reasonable notice to the Association to obtain such insurance and to advance premiums on behalf of the Association. The Association shall reimburse such First Mortgagees for premiums advanced.

Section 7. Changes in the Board Composition. In the event there has been a change in the composition of a majority of the Board of Directors after the date of the alleged act or omission with respect to which indemnification is claimed, any determination as to indemnification and advancement of expenses with respect to any claim for indemnification made pursuant to Section 2 of this Article shall be made by special legal counsel agreed upon by the Board of Directors and the proposed indemnitee. If the Board of Directors and the proposed indemnitee are unable to agree

upon such special legal counsel, the Board of Directors and the proposed indemnitee each shall select a nominee, and the nominees shall select such special legal counsel.

Section 8. Applicability of this Article. The provisions of this Article shall be applicable to all actions, claims, suits or proceedings commenced after the adoption hereof, whether arising from any action taken or failure to act before or after such adoption. No amendment, modification or repeal of this Article shall diminish the rights provided hereby or diminish the right to indemnification with respect to any claim, issue or matter in any then pending or subsequent proceeding that is based in any material respect on any alleged action or failure to act prior to such amendment, modification or repeal. Reference herein to directors, officers, employees or agents shall include former directors, officers, employees and agents and their respective heirs, executors and administrators.

ARTICLE XII

TRANSACTIONS WITH DIRECTORS

Any transaction with the Association in which a director of the Association shall have a direct or indirect personal or pecuniary interest shall be deemed a conflict of interests transaction. A conflict of interests transaction shall be valid if (a) the material facts of the transaction and the directors interests are disclosed or known to the Board of Directors and the Board of Directors authorizes, approves, or ratifies the transaction; or (b) the material facts of the transaction and the directors interests are disclosed to the directors entitled to vote and they authorize, approve, or ratify the transaction.

For the purposes of this Article, a director shall be deemed to have an indirect personal interest in a transaction if another entity in which he has a material financial interest or in which he is a general partner is a party to the transaction or another entity of which he is a director, officer or trustee is a party to the transaction and the transaction is or should be considered by the Board of Directors of the Association.

For purposes of this Article, a conflict of interests transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the Directors on the Board of Directors who have no direct or indirect personal interest in the transaction.

A transaction shall not be authorized, approved, or ratified under this Article by a single director. If a majority of the Directors who have no direct or indirect personal interest in the transaction vote to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking action under this Article. The presence of, or a vote cast by, a director with a direct or indirect personal interest in the transaction does not affect the validity of any action taken under this Article if the transaction is otherwise authorized, approved or ratified as provided in this Article.

For purposes of this Article, a conflict of interest transaction is authorized, approved, or ratified if it receives the vote of a majority of the votes entitled to be cast by members that may be counted under this paragraph. A member having a direct or indirect personal interest in the transaction may not vote to determine whether to authorize, approve, or ratify a conflict of interests transaction. Members holding a majority of the votes entitled to be cast represented in person or by proxy shall constitute a quorum for taking action under this Article.

ARTICLE XIII

CORPORATE SEAL

The corporate seal shall be in such form as shall be approved by the Board of Directors.

ARTICLE XIV

FISCAL YEAR

The fiscal year of the Association shall be determined by the Board of Directors in its discretion, subject to applicable law.

ARTICLE XV

AMENDMENT TO BYLAWS

These bylaws may be amended or repealed by the Board of Directors. Any Bylaw adopted or amended by the members may be amended or repealed by the Board of Directors, unless the resolution of the members adopting such Bylaw expressly

provides that the Board of Directors may not amend or repeal such Bylaw. HUD/VA has the right to veto amendments while there is a Class B membership.

ARTICLE XVI

IMPLIED AMENDMENTS

Any action taken or authorized by the Board of Directors which would be inconsistent with the Bylaws then in effect, but is taken or authorized by the affirmative vote of not less than the number of directors that would be required to amend these Bylaws so that the Bylaws would be consistent with such action, shall be given the same effect as if these Bylaws had been temporarily amended or suspended to the extent necessary to permit the specific action so taken or authorized.

ARTICLE XVII

DISSOLUTION

Upon the dissolution of the Association, the Board of Directors shall, after making provision for the payment of all of the liabilities of the Association, dispose of all of the assets of the Association exclusively for the purposes of the Association in such manner, or to such organization or organizations organized and operated exclusively for charitable, religious, and educational purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, as the Board of Directors shall determine. Any assets not so distributed shall be distributed by the Circuit Court for the County of Rockingham, Virginia, to any exempt organization or organizations to be used in such manner as in the judgment of such court will best accomplish the general purposes for which this Association was organized.

Adopted at the organizational meeting of the Board of Directors of the Heritage Estates Homeowners' Association, Inc. on the _____ day of _____, 2005.

Secretary

HERITAGE ESTATES

Harrisonburg, Virginia

◦ ARCHITECTURAL GUIDELINES ◦

Developed By:

Heritage Estates, L.L.C.

Prepared By:

ARCHITECT MICHAEL L. OXMAN AND ASSOCIATES, LTD.

ARCHITECTURAL GUIDELINES

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I. GUIDELINES

OVERALL CONCEPT

The guidelines set forth herein are intended to ensure the continuity of quality and establish unity of character within Heritage Estates subdivision. They address items affecting the external appearance of all constructed improvements as well as the spatial characteristics involved with the interaction between the site and these improvements.

The first section provides standards for the overall site, its appearance from other sites and the access road, as well as generally setting the character and criteria that are important for the protection of these standards, the enhancement of important physical relationships and the general site/landscaping concepts.

In the second section are the general criteria and explicitly encouraged, required or prohibited items relating to buildings and structures. These sections should provide interested parties with adequate information for an appropriate design.

The last section lays out the steps, procedures and required submittals for a project review. This process is intended to be an interactive and creative process blending the needs and desires of all concerned parties.

These architectural guidelines are intended to stimulate the imagination and creative desires of property owners and assure them that protective guidelines are in effect that will maintain the appearance, character and value of The Heritage Estates properties.

ROAD / DRIVEWAY / ENTRANCE STANDARDS

The character of Heritage Estates is strongly tied to the perceptions gained while driving down the Estate roads. As in many of the old European towns, there is a consistence of colors and textures. So too, it is the intent of Heritage Estates.

- a. All entrances to all Parcels shall be 12' driveways, serving a single residence and 18' for two residences.
- b. Entrances shall consist either of significant, dense landscaping and planted material or of such built structures as low walls and gates. Care must be taken, however, to not obstruct required sightlines.
- c. Approved, contrasting paving materials at the private entrances and car courts are encouraged. Approved materials: Concrete Pavers, Brick Pavers, stamped concrete.
- d. Each entrance element will have a sign, as provided by the developer, indicating an address. This panel is a fired ceramic insert that will be incorporated as an integral element into any gate, wall or other architectural element at a minimum of thirty inches (30) and at a maximum of sixty inches (60) above contiguous grade. If no such element is available, an approved sign pylon will be built.
- e. All entrance signs shall be lit with an HOA maintained light on a photo cell. Electrical service will be the responsibility of adjacent residence.
- f. Each Owner shall provide two parking spaces off the Access Road for each Dwelling Unit constructed on the lot.

SITE / LANDSCAPE STANDARDS

At Heritage Estates, geography and views of the Golf Course are intrinsic pleasures of community living. Taking the existing site characteristics as a starting point, the intention is that the landscaping should act as an enhancing screen for all homes on the site, without blocking your neighbors view.

- a. In addition to all setbacks required by the Harrisonburg Zoning Code, or other future agencies with jurisdiction over the project area, the Architectural Review Board will review the placement, within such setback areas, of all structures, including accessory and landscaping elements, on an individual basis.
- b. All trash and garbage enclosures, HVAC and other support equipment shall be screened from view.
- c. All parcels will be maintained in a neat and orderly fashion with no construction debris, junked cars, or other unsightly debris allowed to accumulate. The Architectural Review Board may, after notifying the Owner, contract for debris removal from non-conforming parcels at the Owners expense.
- d. Site and building up lighting is encouraged but no exterior lighting shall be directed in such a manner as to shine directly into/onto neighboring parcels, roadways or paths, unless those roadways and paths are shared.
- e. No fences are allowed. All retaining and screen walls should be primarily in stone or stucco with cultured stone caps or some styles of PVC fencing with ARB approval will be acceptable.
- f. All large trucks, boat trailers, boats or commercial vehicles must be stored within a closed garage structure.

ARCHITECTURAL STRUCTURES STANDARDS

Heritage Estates has a closely defined image, blending the vernacular of French Country architecture and contemporary forms. This style uses, almost entirely, stone and earth tone stucco for the exterior materials. This character and material range are the foundation upon which the project's continuity and strength of image rest, therefore harmony of exterior design will be carefully examined.

- a. Exterior materials for all buildings and structures shall be limited to the following:
 - i. Cultured Stone – Walnut Ridge Field Stone Pattern
 - ii. Low chroma, earth tone stucco or simulated stucco surfaces.
 - iii. Roofing: Architectural Shingle by Tamko, Color: Weathered Wood or equal.
 - iv. Brick (as accents only) Colors must be approved.
- b. PVC trim is encouraged as an alternate to the use of wood and metals. Shall be limited to trim, accessories and miscellaneous items such as windows, doors, handrails, louvers, etc. No wood or metal will be left in an unfinished state but must be finished and maintained. See list of acceptable trim colors. Alternate colors may be approved with ARB approval.
- c. All sloped roofs will be in Architectural shingles.
- d. All garage doors will be decoratively designed elements. No plain doors will be allowed.
- e. No satellite dishes, flags, flagpoles or antennas of any kind will be permitted on individual Parcels. Satellite dishes under 24” will only be allowed until cable is available.
- f. All trash and garbage cans shall be contained within built enclosures.
- g. Decks and porches should be well integrated into the overall building form. All decks in wood will either be fully supported by a continuous, solid support system or shall be supported by posts or poles. Minimum post size will be a nominal 6x6 with cultured stone, real stone, or PVC trim casing.
- h. No exposed laundry drying lines or poles shall be allowed on any Parcel or on the exterior of any structure.

CONSTRUCTION ACTIVITIES

The location and physical character of temporary structures such as trailers or portable buildings as well as any activities related to the improvement of any lot, are subject to review by the Architectural Review Board. This is to minimize the intrusion on other Owners and their guests from both a safety and aesthetic point of view.

- a. Construction materials and temporary structures are to be located completely within the boundaries of the site in an orderly manner that will not interfere with local traffic and neither present an eyesore, nor produce noxious odors for neighboring Parcels.
- b. Place all construction materials on site only after construction is approved to commence, i.e.; all permits have been obtained. Once construction has commenced, all work must be completed and materials removed within 12 months. (Extensions may be granted at the sole discretion of the Architectural Review Board).
- c. No gravel, sand or rock shall be sold from or on any Parcel at any time.

II. REVIEW AND APPROVAL PROCEDURES

INTRODUCTION

All new construction, subsequent construction, remodeling (with exterior exposure), expansion and/or demolition must be reviewed and approved by the Architectural Review Board (ARB) prior to the start of any building or on-site activity. All decisions are at the sole discretion of the Architectural Review Board.

Any matter requiring review and approval by the ARB shall be submitted in writing directly to the ARB. Include three complete copies of all plans, specifications and related data constituting a formal submission. The ARB will review each complete, formal submission made and will provide a written response within forty-five (45) days after receipt of each complete, formal submission.

The Architectural Review Board may take one of three steps:

- a. Approval
- b. Approval with conditions
- c. Disapproval/resubmit

The ARB will notify the applicant, via U.S. Mail, returning one copy of the submission with a letter outlining the Board's decision and the steps required/recommended of the applicant. Faxes and emails are accepted as notification.

In the event the Architectural Review Board fails to approve, modify or disapprove in writing, a correctly filed application within forty-five (45) days, the applicant may give further written notice to the Board of Directors and the Architectural Review Board that its application has been ignored. In the event the Architectural Review Board fails to approve, modify, or disapprove in writing, this application within thirty-five (35) days of its receipt of further written notice from the applicant as aforesaid, then approval will be deemed granted.

These procedures should prove reasonable and adequate for most situations. The ARB can, however, react on special occasions in an effort to accommodate unusual situations.

II. REVIEW AND APPROVAL PROCEDURES (Cont'd)

All submission shall always include the following information:

- a. Name, address and phone number of applicant and firm preparing the submission.
- b. Graphic Scale:
Minimum 1" = 20'-0" for Site Plans
Minimum 1/8" = 1'-0" for Building Plans and Elevations
- c. North arrow
- d. Date of preparation
- e. Revisions from previous submittals

PRELIMINARY SITE & BUILDING DESIGN PLANS

The Owner or his agent shall review the Heritage Estates Covenants and Guidelines (including the Schematic Master Plan outlining the various building envelopes and the driveway access areas) and prepare an easily readable, yet preliminary set of drawings, which will depict building size, building location and showing all driveways and parking areas serving this Residential Parcel. Also required are the following:

- a. Site Plan clearly showing all entrances, gates, driveways, layout of all parking areas and complete grading
- b. Schematic Landscaping Plan
- c. Schematic Floor Plans
- d. Schematic Building Elevations
- e. Color board with samples, photos or replicas of all exterior materials and trim
- f. Existing Vegetation Plan; showing all trees with 5" caliper (or greater) and tree heights
- g. Expected duration of the improvement, plan for maintenance if intended to be permanent.
- h. Plan to accommodate utility company access. The phone company, cable company, power company, the Developer and the sewer and water authority all have easements over various portions of every Lot. Their ability to access the facilities within their easements should be considered and a plan which facilitates this should be outlined (Remember to call Miss Utility before digging).

These plans should clearly and concisely delineate the scope and character of the proposed construction.

FINAL CONSTRUCTION PLANS AND CONSTRUCTION SCHEDULE

This step shall incorporate any or all interaction generated in Step 1 and present a refinement of the site scheme and floor plan layout. The submittal must fully convey all exterior aspects of the proposed work. Drawings are to include:

- a. Completed Site Plan
- b. Grading / Drainage Plan
- c. Landscaping / Lighting Plan (if applicable)
- d. Floor Plans (including misc. site structures)
- e. Building Elevations
- f. Actual samples of all exterior materials with proposed colors.
- g. A construction schedule

The plans shall clearly and concisely delineate the scope and character of the proposed construction. All components of building and site design must comply with the local Building Codes and all other applicable codes and regulations with the requirements of this guideline superseding where applicable.