

Cedar Knolls Homeowners Assoc., Inc.
Warrenton, Virginia

28 September 2020

Counts Auction
828 Main St. #15
Lynchburg, VA 24504

RE: Disclosure Packet
Cedar Knolls HOA
Lot 25, Phase 2, Cedar Knolls Subdivision, 5831 Ray Court, Warrenton, VA 20187

Cedar Knolls Homeowners Association, Inc. (CKHOA) is a non-profit corporation, SCC ID No. 0327025-3, in the Commonwealth of Virginia. President and Registered Agent is Mrs. Jo Brabson, 5824 Wildfire Court, Warrenton, VA 20187.

1. Copies of the current Protective Covenants, and Bylaws,.
2. The annual Assessment for Property Owners is \$150.00 remitted to: C/O CKHOA Treasurer, 332 W. Lee Highway, Suite 253, Warrenton, VA 20186. Fiscal Years run from July 1 of each calendar year through June 30 of the following year...except this year there was a delay in sending the letters due to the pandemic.
3. There are significant expenditures pending or anticipated for FY 2020/2021. The total amount due from the Property Owner is \$2,182 for multiple years of non-payment.
4. CKHOA maintains a reserve in our current account in the amount of \$6,000, sufficient to accommodate emergency expenditures for natural events that may impact our community.
5. There are no entities other than CKHOA to which the Owner is obligated for payment of fees or assessments.
6. There are no pending lawsuits, unpaid judgements or other legal actions to which CKHOA is a party that could have a material impact of CKHOA or its Members or relates to the property being purchased.
7. CKHOA carries insurance indemnifying the Association or its Members from lawsuits, judgements or other liabilities arising from the use of all common areas by Owners, their guests or the general public. In addition, the Board of Directors (BOD) are indemnified against any potential damages arising from their decisions

and actions as unpaid volunteer officers of the Association. Homeowners must maintain all insurance required by law and prudence on their own property.

8. No improvements or alterations made to Lot 25, Phase 2 are in violation of the declaration of Protective Covenants, By-Laws, rules and regulations, architectural guidelines and/or articles of incorporation of the association that we notice at this time due to the condition of the property.
9. Pursuant to Article VI, Paragraph 20 of the Protective Covenants, attached, "No signs of any kind shall be displayed to public view of a lot without the prior written consent of the Declarant, except customary name and address signs and lawn signs or not more than five square feet in size advertising a property for sale or rent."
10. There are no rules, restrictive covenants or standards for the construction or installation of flagpoles or display of flags on Homeowners' property, other than the general rules and standards in Article VI, Paragraph 1 of the Protective Covenants appended. Any flagpole or display of a flag or flags shall be "in harmony with the external design and surrounding structures and topography, subject to submission for approval by the BOD.
11. As of the date of this letter, CKHOA, Inc. SCC ID No. 0327025-3, is currently registered with the Virginia State Corporation Commission. The fee for the current year, due September 30 2020, has been paid, and the Annual Report has been filed.
12. To our knowledge, there are no project approvals currently in effect issued by secondary mortgage market agencies.
13. There is no provision for or against the installation by a Member of the HOA of solar energy collection systems on their property. Any addition of a solar energy system would have to be "in harmony" with the external design of the home and surrounding structures and topography subject to submission for approval by the Board of Directors.

Sincerely,

Jo Brabson

Jo Brabson
President, CKHOA

BY-LAWS
OF
CEDAR KNOLLS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

The name of the Corporation is CEDAR KNOLLS HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 7511 Cedar Knolls Drive, Warrenton, Virginia 22186, but meetings of members and directors may be held at such other places within the State of Virginia, as may be designated by the Board of Directors.

ARTICLE II

Section 1. "Association" shall mean and refer to CEDAR KNOLLS HOMEOWNERS ASSOCIATION, INC., a corporation in Virginia, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions of all phases of Cedar Knolls Subdivision, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Lot" shall mean and refer to any plot of land shown as a residential building lot upon any recorded subdivision plat of the Properties. Common areas and streets are not included.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot. The foregoing does not include persons or entities who hold an interest in any Lot merely as security for the performances of an obligation.

Section 5. "Declaration" shall mean and refer to the Covenants and Restrictions applicable to the Properties recorded in the Office of the Clerk of the Court, Fauquier County, Virginia.

Section 6. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration and Articles of Incorporation.

ARTICLE III

MEETING OF MEMBERS

Section 1. "Annual Meetings." The annual meeting of the members shall be held within one year from the date of incorporation of the association and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter at the hour of _____ P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day which is not a legal holiday.

Section 2. "Special Meetings." Special meetings of the members may be called at any time by the president or by the board of Directors, or upon written request of the members who

are entitled to vote one-fourth (1/4) of all the votes outstanding.

Section 3. "Notice of Meeting." Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. "Quorum." The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-fourth (1/4) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Covenants, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. "Proxies." At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be

revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. "Number." The affairs of this Association shall be managed by a Board of three (3) directors, who shall be members of the Association.

Section 2. "Term of Office." At the first annual meeting, the members shall elect three directors, and at each annual meeting thereafter the members shall elect replacement directors for terms of one year.

Section 3. "Removal." Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. "Compensation." No director shall receive compensation for any service, with the exception of professional services, he may render to the Association as authorized by a three-fourth (3/4) majority vote of the membership. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. "Action Taken Without a Meeting." The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the

written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. "Nomination." Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting subject to procedural rules adopted by the Board. Such rules shall not be established so as to exclude any member desiring to be a candidate or desiring to submit the name of a candidate from so doing. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine. Such nominations shall be made from among members.

Section 2. "Election." Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, one vote each. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. "Regular Meetings." Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. "Special Meetings." Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. "Quorum." A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. "Powers." The Board of Directors shall have power to:

- (a) enforce the covenants, restrictions, easements, conditions, agreements and liens provided in the Declaration;
- (b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not

reserved to the membership by either provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

Section 2. "Duties." It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) prepare annual budget;

(d) as more fully provided in the Declaration, to:

(1) send written notice of the amount of the annual assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(2) cause the association to bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property for which assessments are not paid within thirty (30) days after due date;

(3) cause the association to provide for maintenance of the community properties and facilities; issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payments.

(e) cause the rights-of-way, easements, common areas and open spaces to be maintained;

(f) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(g) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. "Enumeration of Officers." The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. "Election of Officers." The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. "Term." The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. "Special Appointments." The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time determine.

Section 5. "Resignation and Removal." Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notices or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall be necessary to make it effective.

Section 6. "Vacancies." A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. "Multiple Offices." The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. "Duties." The duties of the officers are as follows:

PRESIDENT

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes and checks from such accounts as the Board may from time to time determine. He shall make appointments of Committee Chairman of all Standing Committees.

VICE-PRESIDENT

(b) The vice-president shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

SECRETARY

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

TREASURER

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign promissory notes and checks from such accounts as the Board may from time to time determine; keep proper books of account, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

INDEMNITY OF OFFICERS AND DIRECTORS

Each Director and Officer shall be indemnified by the Corporation against liabilities, fines, penalties and claims imposed upon or asserted against him (including amounts paid in settlement) by reason of having been such a Director or Officer, whether or not then continuing so to be, and against all reasonable expenses (including counsel fees) incurred by him in connection therewith, except in relation to matters as to which he shall have been finally adjudged to be liable by reason of having been guilty of gross negligence or willful misconduct in the performance of his duty as such Director or Officer. In the event of any other judgment against such Director or Officer or in the event of a settlement, the indemnification shall be made

only if the Corporation shall be advised, in case none of the persons involved shall be or have been a Director of the Corporation, by the Board of Directors, that in its or his opinion such Director or Officer was not guilty of gross negligence or willful misconduct in the performance of his duty, and, in the event of a settlement, that such settlement was, or if still to be made is, in the best interests of the Corporation. If the determination is to be made by the Board of Directors, it may rely, as to all questions of law, on the advice of independent counsel. Every reference herein to Director or Officer shall include every Director or Officer or former Director or Officer of the Corporation and every person who may have served at its request as a Director or Officer of another Corporation in which the Corporation owns shares of stock or of which it is a creditor or, in case of non-stock corporation, to which the Corporation contributes, and, in all of the above cases, his executors and administrators. The right of indemnification hereby provided shall not be exclusive of any other rights to which any Director or Officer may be entitled.

ARTICLE X

COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the lot against which the assessment is made. Any assessment which is not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, the assessment shall bear interest from its due date at the then current rate of interest for FHA loans and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XIII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: CEDAR KNOLLS HOMEOWNERS ASSOCIATION, INC.

ARTICLE XIV

EXPENDITURES

An annual budget will be submitted to the membership at its annual meeting. The budget will be approved, in whole or in part, by a majority of the regular membership either present or by proxies. Any single budget expense, other than real estate taxes or insurance, in excess of \$1,500.00 must be approved by a two-thirds (2/3) vote of the total, regular membership either present or by proxies. No expenditure shall be made that is not included in the approved budget. The approved budget will be assessed equally to the members.

ARTICLE XV

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall

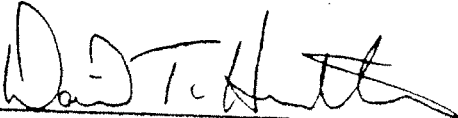
control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XVI

FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of Incorporation.

IN WITNESS WHEREOF, we, being all the Directors of CEDAR KNOLLS HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands this 7th day of November, 1988.



DAVID T. HUNTLEY



GEORGE M. FORBES



GERALD P. ROUNDS

HPW/rd.corp25

AMENDMENT ONE TO THE BYLAWS
OF
CEDAR KNOLLS HOMEOWNERS ASSOCIATION, INC.

At a Meeting of Members of the Cedar Knolls Homeowners Association, Inc., held on Monday, September 24, 1990, a quorum being present, Article VIII, Section 8, Paragraph (d) of the Bylaws was amended by a majority vote as follows:

The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign promissory notes and checks from such accounts as the Board may from time to time determine; keep proper books of account, cause Financial Reports (Treasurer's Reports) to be presented to the Board on a quarterly basis; and shall prepare an annual budget and an annual Statement of Income and Expenses to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

AMENDMENT TWO TO THE BYLAWS
OF
CEDAR KNOLLS HOMEOWNERS ASSOCIATION, INC.

At a Meeting of Members of the Cedar Knolls Homeowners Association, Inc., held on Saturday, July 20, 1991, a quorum being present, Article IV, Section 2, "Term of Office," of the Bylaws was amended by a majority vote as follows:

Section 2. "Term of Office." At the first annual meeting, the members shall elect three directors, and at each annual meeting thereafter the members shall elect replacement directors for terms of one year. In 1991, the members shall elect two replacement directors for a term of one year and one replacement director for a term of two years. Thereafter, members shall elect one replacement director for a term of one year and one replacement director for a term of two years.

AMENDMENT THREE TO THE BYLAWS
OF
CEDAR KNOLLS HOMEOWNERS ASSOCIATION, INC.

At a Meeting of Members of the Cedar Knolls Homeowners Association, Inc., held on Saturday, July 20, 1991, a quorum being present, Article XVI of the Bylaws was amended by a majority vote as follows:

The fiscal year of the Association shall begin on the first day of July and end on the 30th day of June of every year, except that the first fiscal year shall begin on the date of Incorporation.

Yes Unanimous

* * * * *

STATE OF VIRGINIA
COUNTY OF FAUQUIER, to-wit:

The foregoing instrument was acknowledged before
me this 9th day of October, 1986, by DAVID
S. FINCHAM, SR., and DORIS E. FINCHAM, his wife.

Michelle L. Bidder
Notary Public

My Commission Expires: July 10, 1989

a:cedarknl.cov

CEDAR KNOLLS, PHASE ONE

52-1600704

PROTECTIVE COVENANTS AND RESTRICTIONS

DAVID S. FINCHAM, SR., and DORIS E. FINCHAM, his wife, hereinafter collectively referred to as "Declarant", are the owners of certain real property situate in Fauquier County, Virginia, and designated on that certain plat of subdivision known as CEDAR KNOLLS, PHASE ONE, the same being recorded in the Clerk's Office of the Circuit Court of Fauquier County, Virginia, in Deed Book _____, page _____; and

WHEREAS, for the purpose of enhancing and protecting the value, attractiveness and desirability of the lots or tracts constituting such subdivision, the Declarant hereby declares that all of the real property described on said plat and each part thereof shall be held, sold, and conveyed only subject to the following easements, covenants, conditions, and restrictions, which shall constitute covenants running with the land and shall be binding on all parties having any right, title, or interest in the above-described property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof. These protective covenants and restrictions are intended to and shall apply to and bind any and all subsequent phases in the subdivision known as "CEDAR KNOLLS", and shall be binding upon all owners of the lots in said subdivision including Phase One, and all subsequent phases.

I.

DEFINITIONS

1. "Declarant" shall mean DAVID S. FINCHAM, SR., and DORIS E. FINCHAM, his wife, collectively, and their successors and assigns.

MARTIN & WALKER, P.C.
ATTORNEYS AT LAW
CARTER HALL
1 WINCHESTER STREET
WARRENTON, VA
23106

2. "Association" shall mean and refer to Cedar knolls, PHASE TWO, HOMEOWNERS ASSOCIATION, INC., a nonstock Virginia corporation, its successors and assigns.

3. "Member" shall mean every person or entity who holds membership in the Association.

4. "Owner" shall mean the record holder, whether one or more persons or entities, of a fee simple title to any lot which is part of the property.

5. "Subdivision" shall mean the entire real property hereinabove described and subdivided into lots, streets, common areas, and known by official plat designation as CEDAR KNOLLS, PHASE ONE, pursuant to a plat recorded in Deed Book _____, Page _____, among the land records of Fauquier County, Virginia.

6. "Lot" shall mean any plot of land shown as a residential building lot on the recorded subdivision plat referred to above. Common areas and streets are not included.

7. "Common open space area" shall mean all real property owned by the Association for the common use and enjoyment of its owners. The common open space area to be owned by the Association at the time of the conveyance of the first lot is described and designated on the plat attached to the aforesaid Deed of Subdivision recorded in Deed Book _____, Page _____, among the land records of Fauquier County, Virginia.

II.

ASSOCIATION

Every owner of a lot shall be a member of the CEDAR KNOLLS, PHASE ONE, HOMEOWNERS ASSOCIATION, INC., a nonstock Virginia Corporation. Membership shall be

appurtenant to and may not be separated from ownership of a lot.

1. Membership. The Association shall have two classes of voting members as follows:

Class A. Class A members shall be all owners with the exception of Declarant and shall be entitled to One (1) vote for each lot owned. When more than one person holds an interest in a given lot, such person or persons shall be members and the vote for each lot shall be exercised as they may determine among themselves. In no event shall more than one vote be cast with respect to any lot owned by Class A members.

Class B. The Class B member shall be the Declarant who shall be entitled to exercise Three (3) votes for each lot owned. The Class B membership shall cease and be converted to a Class A membership when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership.

2. Funding. In order to provide initial operating capital for the Association, each purchaser of a lot in the Subdivision, upon acceptance from Declarant of a deed for his lot, shall pay \$25.00 into the treasury of the Association. Thereafter, the Association shall be funded by the levying of regular and special assessments as hereinafter provided.

3. Board of Directors. The membership shall elect by simple majority the Associations Board of Directors whose responsibility it shall become to conduct all necessary business on behalf of the Association, including, but not limited to,

- 1) administration of the Association accounts,

- ii) fixing of regular assessments and their method of collection,
- iii) payment of real estate taxes applicable to the common areas,
- iv) maintenance of insurance policies to indemnify the Board from personal liability, and to provide liability coverage as to the common areas.

III

ASSESSMENTS

Declarant hereby covenants for each lot within the subdivision, and each owner of a lot, by acceptance of his deed for said lot, is hereby deemed to covenant to pay to the Association any and all assessments levied by the Association as hereinafter provided.

There shall be two types of assessments.

A. Regular Assessments. Regular assessments shall be established by the Association's Board of Directors as to their amount and method of collection and may be adjusted by the Board of Directors on an annual basis depending on the financial need of the Association.

Regular assessments are hereby fixed at \$30.00 every six months for each lot until such time as a different rate is established by the Board of Directors. The first regular assessment accruing to each lot shall be prorated from the first day of the month following the delivery of the deed of said lot. The Association may, by a vote of two-thirds of the owners of the lots within the Subdivision, direct its Board of Directors to increase the amount of the regular assessment to include the cost for garbage and rubbish removal service for all lots.

B. Special Assessments. In addition to the regular assessments authorized above, the Association may levy a special assessment or assessments for the purpose of defraying, in whole or in part, the cost of any construction, repair or replacement of a capital improvement on the common area or streets including fixtures and personal property related thereto. Such special assessments shall be limited to one per year and each such special assessment must be approved by a vote of two-thirds of the owners of the lots within the Subdivision.

Both regular and special assessments shall be further governed as follows:

1. All assessment funds shall be used exclusively to promote the health, safety, welfare, and recreation of the residents in the Subdivision and for the improvement and maintenance of the common areas.

2. Each assessment must be fixed at the same rate and method of collection for all lots within the Subdivision.

3. Written notice of all assessments shall be sent to every owner subject thereto at least 30 days before that assessment becomes due and payable.

4. Any assessment not paid within 15 days after its due date shall be deemed in default and shall bear interest from its due date at the then current rate of interest for FHA loans.

5. Each assessment, together with any applicable interest costs of reasonable attorney's fees, shall be the personal obligation of the person or persons who owned the lot at the time of the assessment fell due and shall be a charge on the land and a continuing lien on the lot against

which such an assessment is made. Said assessment lien shall be subordinate to the lien of any mortgage or deed of trust.

6. The Association may bring an action at law against any owner in default or may foreclose the lien against the property.

7. The Association shall on or before January 15 of each year cause to be recorded in the office of the Clerk of the Circuit Court of Fauquier County, a list of owners in default and delinquent assessments as of that date.

8. The Association shall, on demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth the then current status of a specific lot as to the payment of assessments levied against that lot.

9. No owner may waive or otherwise escape liability of assessments provided for herein by non-use of the common area, abandonment of his lot, or for any other reason whatsoever.

IV.

PROPERTY RIGHTS/COMMON OPEN SPACE AREA

1. Every owner of a lot shall have a right and easement of enjoyment for passive recreation in and to the common open space area and active recreation thereon as approved by the Association. Said right shall be appurtenant to and shall pass with the title to such lot, subject to reasonable rules and regulations as may be established from time to time by the Association.

2. Subject to such limitations as may be imposed by the by-laws, each owner may delegate his right of enjoyment in and to the common areas to the members of his family, his guests, tenants and invitees.

3. There shall be no judicial partition of the common area, nor shall Declarant, or any owner or any other person acquiring any interest in the subdivision or any part thereof, seek judicial partition thereof. However, nothing contained herein shall be construed to prevent judicial partition of any lot owned in co-tenancy.

4. Clearing in the common open space area shall be restricted to underbrush and/or dead and felled trees and areas used for recreation, except for the common open space areas carrying running water which areas are to be maintained as a state of nature easement for a minimum distance of 50 ft. on each side of said running water.

5. Any and all BMP's in common open space area are to be maintained by the Association in strict accordance with the standards of Fauquier County Water & Sanitation Authority and the provisions of Article II-602 of the Fauquier County Zoning Ordinance adopted May 19, 1981.

6.(a) Since the public interest requires assurance as to adequate maintenance of common open space areas and improvements, in the event Grapewood Estates, Phase Two, Homeowner's Association as heretofore established to own and maintain such common open space/improvements, or any successor organization, shall at any time after establishment of the development order and condition in accordance with the approved plans, the County may serve notice in writing upon such organization or upon the residents of the development setting forth the manner in which the organization has failed to maintain the common open space/improvements in reasonable condition, and said notice shall contain a demand that such deficiencies of maintenance be cured within thirty (30) days thereof, and shall state the date and place of a public hearing thereon

which shall be held within twenty (20) days of the notice.

- 6.(b) At such hearing the County may modify the terms of the original notice as to the deficiencies and may grant an extension of time within which they shall be cured.
- 6.(c) If the deficiencies set forth in the original notice or in the modifications thereof shall not be remedied within said thirty (30) days or any extension thereof, the County, in order to preserve the taxable values of the properties within the development and to prevent the common open space/improvements from becoming a public nuisance, may enter upon said common open space and maintain the same for one (1) year.
- 6.(d) Said entry and maintenance shall not vest in the public any rights to use the common open space/improvements except when the same is voluntarily dedicated to the public by the owners.
- 6.(e) Before the expiration of said one (1) year period, the County shall, upon its initiative or upon the request of the organization theretofore responsible for the maintenance of the common open space/improvements, call a public hearing upon notice in writing to such organization or to the residents of such development, to be held by the Board, at which hearing the organization shall show cause why such maintenance by the County shall not, continue for a succeeding one (1) year period.
- 6.(f) If the Board of Supervisors shall determine that such organization is ready and able to maintain the common open space/improvements in reasonable condition, the County shall cease to maintain

the common open space/improvements at the end of said one (1) year period.

6.(g) If the Board of Supervisors shall determine that such organization is not ready and able to maintain the common open space/improvements in a reasonable condition, the County may, in its discretion, continue to maintain the common open space/improvements during the succeeding year, subject to a similar hearing and determination in each year thereafter.

6.(h) The cost of such maintenance by the County shall be assessed ratably against the properties within the development that have a right of enjoyment of the common open space/improvements, and shall become a charge of said properties, and such charge shall be paid by the owners of said properties within thirty (30) days after receipt of a statement therefore.

Article 4, paragraph 3 and paragraph 5 cannot be changed without approval of the Fauquier County Board of Supervisors.

V.

EASEMENTS

1. Declarant reserves for themselves, their successors and assigns, an easement for ingress and egress across common properties.
2. Declarant further reserves for themselves, their successors and assigns, until December 31, 1986, the right to grant easements for the installation and maintenance of utilities and drainage facilities across the lots and parcels in the subdivision as Declarant may deem reasonably necessary.
3. Easements are reserved on and across all common open space area in the subdivision for the benefit of

the Association for the purpose of such maintenance activities as the Association shall undertake.

4. Easements for maintenance/access to BMP's.

5. Ingress/egress easement for public safety vehicles in openspace.

VI.

USE RESTRICTIONS

1. No clearing, filling, grading, excavation, building, fence, wall or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to an approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant, or by a committee appointed by the Declarant. In the event the Declarant, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Approval or disapproval acquired pursuant hereto shall not be construed as or act as a waiver of any ordinance, statute or other provisions of this declaration.

2. No owner of a lot may sell a portion of his lot, except as approved by the Declarant.

3. Irrespective of any change of zoning laws, no lot may be used for purposes other than single-family residential.

4. Any purchaser of a lot who desires to construct a residence or other related structure thereon

shall not enter into any contract for the construction of the same which does not by its terms provide for the completion of such a structure within one (1) year from date of the construction contract.

5. No residence built upon any lot shall have a floor area less than 1500 square feet for a single level dwelling or 1000 square feet on each level for a two-story dwelling, or 1500 square feet for first level of a split foyer dwelling, or 1800 square feet for cape cod, exclusive of porches, breezeways, garages and other structures and appurtenances.

6. No fuel tanks or other installations of a similar nature may be left above the ground.

7. No owner of any lot or other person may live on the lot in any structure other than the residence, and no trailer, basement, tent, shack, garage or other outbuilding or any temporary structure or any building not fully completed shall at any time be used as a residence.

8. Within a reasonable time after construction of dwelling, said lots shall be landscaped with suitable shrubs to create a pleasing appearance. The owners of each lot shall keep the same mowed and in a neat and tidy condition at all times.

9. No vans or trucks exceeding 3/4 ton capacity shall be parked on streets or lots except while loading or unloading.

10. Vegetable gardens shall be allowed on the rear portion of said lots only.

11. No metal fencing shall be constructed in front yards and all other fencing shall be approved as specified in 1 hereof.

12. Sufficient parking area shall be constructed

on each lot to permit a minimum off-street parking area for two cars.

13. No mobile home, no unlicensed or inoperable vehicles, no trailers, campers or other recreational vehicles may be parked on the streets of this subdivision or on the lots themselves, unless parked within garages.

14. No mini-bikes, trail-bikes, snowmobiles or go carts shall be ridden on public right-of-ways unless licensed to do so.

15. No lot or any portion thereof shall be used or maintained as a dumping or storage ground for rubbish. Trash, garbage, refuse or other waste material shall be kept temporarily in a storage room, or area, screened by appropriate planting or otherwise, and shall be kept in sanitary containers.

16. No repair work or disassembling of automobiles will be permitted, except such minor repair work as is commonly performed by the typical automobile owner.

17. The subdivider reserves the easements of right-of-way over a strip of ground 15 feet in width along the front, rear and side outlines of said lots for the purpose of installation or maintenance of public utilities, including but not limited to gas, water, electricity, telephone and sewage and any appurtenances to the supply lines thereof, including guy wires, transformers, meters, etc., by overhead transmission lines or underground installation, including the right to remove and/or trim trees, shrubs or plants, or if any utility is now installed or exists, it shall be subject to easements as existing. This reservation is for the purpose of providing for the practical installation of such utilities as when any public authority or utility company may serve said lots.

18. No business of any kind shall be conducted on any residence with the exception of the business of Declarant and the transferees of Declarant in developing all of the lots as provided herein.

19. No noxious or offensive activities shall be carried on, in, or on any lot with the exception of the business of Declarant and the transferees of Declarant in developing all of the lots as provided herein.

20. No sign of any kind shall be displayed to public view on a lot without the prior written consent of the Declarant, except customary name and address signs and lawn signs of not more than five square feet in size advertising a property for rent or sale.

21. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot or on the common open space area. However, dogs, cats and other household pets may be kept on lots subject to such rules and regulations as may be adopted by the Declarant, so long as they are not kept, bred, or maintained for commercial purposes.

22. The owners of each lot shall be responsible for maintaining the driveway or culvert giving that owner access to the State maintained road, within the boundaries of their respective lots in good condition and repair, using the same type of materials employed in the original construction and surfacing of the driveways and culverts.

23. The septic system will be installed in complete compliance with Fauquier County Health Department and all subsurface drainfields for individual sewage disposal systems shall be located on each lot as shown on the lot certification plan for CEDAR KNOLLS, PHASE ONE, as

prepared by James G. Butler, Jr., & Associates, P.C., and approved by the Fauquier County Health Department.

24. There shall be no specified time within which each lot owner shall be required to build; however, lot owners who commence construction, shall complete construction within one year including final grading and burial or removal of debris and construction materials.

25. Each lot owner, upon completion of construction of residence on his lot, shall be individually responsible for immediately restoring the road to its original pre-construction condition including grading and addition of gravel, if necessary.

VII.

CENTRAL WATER SYSTEM

It is the intent of Declarant to construct or have constructed a central water system for supply of water to all dwellings within the subdivision. Said central water system to be constructed to applicable standards as set by the Commonwealth of Virginia, Department of Health and applicable standards of the Fauquier County Water and Sanitation Authority. Upon completion of said water system and its approval by the Department of Health, Declarant is to transfer ownership of the entire central water system to the Fauquier County Water and Sanitation Authority (WSA). Upon acceptance of the system by WSA, Declarant will relinquish to WSA all responsibility and liability for operation and maintenance of the central water system. In the event that the Fauquier County Water and Sanitation Authority refuses to accept the central water system, the Declarant shall operate said system under the identity of the Declarant and shall have sole ownership of said system and shall receive all fees charged to homeowners for water

services. Said fees may be adjusted from time to time to cover operating costs.

VIII.

ROADS AND STREETS

Declarant shall be responsible for the design and construction of all public streets as shown on the recorded plat of subdivision. Said design and construction to be applicable standards as set by the Commonwealth of Virginia, Department of Highways and Transportation (VDH&T). Declarant shall post bond to insure completion of said street to State standards with the amount of the bond to be determined by Fauquier County Board of Supervisors. Upon completion of construction and acceptance by VDH&T, Declarant shall dedicate said streets to Fauquier County for inclusion in the public road system. Prior to dedication of said streets to Fauquier County, Declarant shall be responsible for keeping streets in a passable and useable condition. Declarant, however, is not responsible for damage to roads, ditches, or culvert pipes, or the tracking of mud and debris onto streets as a result of construction on a lot or lots. Individual lot owners shall be responsible for any such damage resulting from construction on their lot or lots. Should such damage occur the repair of which is necessitated by Fauquier County or VDH&T, the lot owner will be given written notice to repair such damage at his own expense. If said damage is not repaired within fourteen (14) days of notice, Declarant may perform the same, and thereupon place a lien on the land for the cost of same, which lien shall be subordinate only to taxes or deeds of trust. Common driveways are to be jointly maintained by the owners of all lots served by said common driveway.

IX.

GENERAL PROVISIONS

1. Declarant, the Association, or any owner shall have the right to enforce, by any proceeding at law, or in equity, all restrictions, conditions, covenants, easements, reservations, liens, and charges now or hereafter imposed by the provisions of this declaration. Failure by Declarant, the Association, or any owner to enforce any covenant, or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

2. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force or effect.

3. The covenants and restrictions of this declaration shall run with and bind the land, for a term of twenty-five (25) years from the date this declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This declaration may be amended during the first twenty-five (25) year period by an instrument signed by not less than ninety percent (90%) of the lot owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the lot owners. Any amendment must be recorded.

WITNESS the following signatures and seals this

9th day of October, 1986.

David S. Fincham (SEAL)
DAVID S. FINCHAM, SR.

Doris E. Fincham (SEAL)
DORIS E. FINCHAM