

BK 0758 PG 00599

Restrictions, Covenants and Conditions
of
The Retreat

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Flyler Development, Inc., a Virginia Corporation, hereinafter referred to as Owner-Developer, does hereby of its own free will, impose for the protection of the lots hereinafter mentioned, in order that the same be properly developed, certain restrictions, covenants and conditions which shall apply to all the lots and tracts shown on the plat of survey of The Retreat, prepared by Philip W. Nester, Land Surveyor, dated August 21, 2002 and revised September 23, 2002 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia, in Deed Book 758 at Page 592, which said restrictions, covenants, and conditions are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date of the recordation hereof, said covenants, restrictions and conditions shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by a 2/3 majority of the then owners of the lots has been recorded agreeing to change said covenants, restrictions, and conditions in whole or in part, and which said restrictions, covenants and conditions are as follows, to-wit:

- (1) No building, boat dock, or any other structure, including driveways, shall be erected, placed or altered on any said lot until the proposed building plans, specifications, exterior color and finish, plot plan showing the proposed location of such building, boat dock or structure, drives and parking area, landscape plan and the construction schedule shall have been submitted to the Owner-Developer and approved in writing by the Owner-Developer, its successors or assigns. Refusal or approval of plans, location or specifications may be based by the Owner-Developer upon any ground, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Owner-Developer shall seem sufficient. No alteration in the exterior appearance of any building, boat dock or structure shall be made without like approval by the Owner-Developer. The aforesaid plans shall be prepared by a certified architect or a draftsman approved by Owner-Developer. Stock plans may be used but any alterations must be done by a certified architect or a draftsman approved by the owner-developer. In the exercise of its authority to grant or deny approval of such plans, the Owner-Developer, taking into consideration the desires of the lot owner, shall determine the exact site of all buildings, boat docks and other structures at the sole discretion of the Owner-Developer. The written approval of Owner-Developer required by this paragraph shall only be effective for a period of six (6) months from the date of said approval and unless construction is commenced within such six (6) months pursuant to said approval, the approval shall lapse and the lot owner will be required to resubmit a request for approval to owner-developer.

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- (2) Not more than one (1) single family residence shall be erected on any lot, except in the case of lots or tracts consisting of five (5) or more acres, in which case one (1) single family residence for each five (5) acres will be allowed. Each single family residence shall contain a minimum of seventeen hundred fifty (1750) square feet of livable floor space if it is a one-floor dwelling, or two thousand two hundred (2200) square feet of livable floor space if it is a two-floor dwelling, exclusive of decks, attics, porches, garages, carports or basements whether finished or unfinished. Split-level dwelling houses shall be considered as a two-floor dwelling for the purposes of this section. All construction must be completed within one (1) year of commencement of construction. No dwelling shall be occupied until connection has been made to the water system and the sewage system is installed and connection is made thereto. During construction lots must be maintained in a reasonably neat manner free of construction debris and trash, contractors and subcontractors shall be required to provide adequate temporary portable toilet facilities for their employees.
- (3) Except in necessary construction areas and septic fields, no trees four (4) inches in caliper or larger, measured twenty-four (24) inches from the ground, shall be removed from the property without the approval of the Owner-Developer, its successors or assigns.
- (4) Driveways shall be located and constructed as approved by the Owner-Developer. Before construction begins on any lot, a driveway and culvert shall be installed. Driveway shall be installed from the edge of the public road to the construction site and consist of 6" inches of crushed stone. Every lot owner shall be responsible for keeping mud off of all the public roads in The Retreat, during all construction, and at all other times; failing such, Owner-Developer may remove such mud or other debris, and charge lot owner for all expenses incurred in doing so. Corrugated metal culvert pipe shall be installed in accordance with the standards of the Virginia Department of Highways and Transportation. Driveways shall be surfaced with asphalt black top or concrete, and be completed within one (1) year of commencement of construction.
- (5) Mail and newspaper boxes shall be located and constructed in accordance with the plans designated by Owner-Developer. All mail and newspaper boxes in The Retreat are to be of an uniform design and color. The Owner-Developer will provide such mail and newspaper boxes for a fee to be determined in the future or provide specifications so that lot owners may construct their own mail and newspaper boxes.
- (6) All boat docks shall be located and constructed in accordance with the plans and specifications as approved by the Owner-Developer. In determining boat dock sites the Owner-Developer and lot owners will attempt to minimize the impact of docks on other lot owner's views. The final approval of any boat dock design and location shall be at the sole discretion of the Owner-Developer. All waterfront lots shall be permitted to erect one (1) boat dock unless otherwise approved by the Owner-Developer. Generally, boat docks

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- shall be located within the extension of the side lines of the lot served by said boat dock, however, where it becomes necessary to reasonably locate a boat dock, the Owner-Developer may approve a location for said boat dock outside of the said extension of the side lot lines. All boat docks shall be located as specified by the Owner-Developer. The design and color of the boat dock must be similar to those of the dwelling. Boat ramps or driveways to Smith Mountain Lake or land below the 800 foot contour line shall not be permitted.
- (7) Lot owners shall rip-rap the shoreline of their lot within nine (9) months of the start of construction of the dwelling or boat dock; said lot owners will also be responsible for maintaining sufficient rip-rap at the approximate mean water line of the waters of Smith Mountain Lake to prevent erosion. Owner-Developer will have sole discretion in determining whether sufficient rip-rap is in place on the shoreline of said lots.
- (8) No lot may be re-subdivided without the prior written approval of the Owner-Developer.
- (9) All said lots shall be used for single family residential purposes only. No building shall be erected on any lot prior to the erection of the dwelling thereon, except in the case of boat docks. Any other building erected on any lot shall conform generally in appearance and materials to the dwelling on such lot and must be approved by the Owner-Developer.
- (10) All dwellings and buildings shall be brick, wood, dryvit, masonry, (other than log homes which are not permitted) or natural stone to grade, unless siding is installed within eight (8) inches of grade, in which case stucco may be used between the siding and grade provided such area is rendered invisible from adjacent streets and lots by landscaping or other appropriate methods of concealment. Neither modular nor log homes shall be permitted. All roofs shall be of a suitable material approved by Owner-Developer pursuant to paragraph 1 above and shall carry a warranty of 25 years or more. Vinyl or metal siding is prohibited, except to meet maintenance-free conditions in trim areas or as approved by Owner-Developer.
- (11) Except in the case of Lot #1 which will be serviced by a private well, each lot and tract owner shall be required to make connection with the central water system constructed by the Owner-Developer. The first purchaser shall pay a one time connection or hook-up fee of SEVENTEEN HUNDRED AND FIFTY DOLLARS (\$1750.00), subject to increase on account of inflation, to Owner-Developer at the time of closing on the lot. This fee includes one (1) water meter and system line to the owner's property line. The owner shall pay the Owner-Developer or assigns, for water service per gallon used with a estimated minimum charge of THIRTY DOLLARS (\$30)/month, said monthly minimum being subject to change. Billing for water service will be on a quarterly or monthly basis. The minimum charge for water service will not commence until lot owner actually makes connection to the water system, but each lot owner shall pay Owner-Developer or assigns a NINETY \$90/year availability fee until such time that connection is made to the water system. Lot owner's may not use the water from the central water system for watering

lawns or landscaping, unless Owner-Developer approves such use in writing. Drilling of individual wells on lots is prohibited unless the well is being used to supply the central water system, except in the case of Lot #1 which will be serviced by a private well.

- (12) No fence shall be constructed along any property line so as to be visible from the street or lake, without consent and approval by the Owner-Developer.
- (13) Each lot owner who builds a dwelling upon his lot shall provide off-street parking for four (4) or more vehicles in a driveway or other appropriate area.
- (14) The owner of any lot shall provide for any dwelling constructed on such lot a septic disposal system constructed in accordance with the specifications of state and county public health officials. Certain lots within The Retreat are required by the Franklin County Health Department to have off site septic drainfields served by individual force mains. Owner-Developer will install such force mains and drainfields for each lot that is required to have an off site septic drainfield. The first purchaser of lots that are serviced by an off site septic drainfield shall pay a one time connection or hook-up fee of TWO THOUSAND DOLLARS (\$2,000.00), to Owner-Developer at the time of closing on the lot.
- (15) No building of a temporary nature shall be erected or placed on any of said lots except those customarily erected in connection with building operations, and even in such cases, no such temporary building shall remain in place more than six (6) months. House trailers or mobile homes may not be parked on lots for any purpose or for any period of time. No campers, trailers of any type, trucks, buses, inoperative automobiles or unsightly vehicles of any type or description or outbuildings may be parked, left or abandoned on said lots.
- (16) No signs including rental signs except those expressly permitted by Owner-Developer, billboards, or advertising of any nature shall be erected, placed or maintained on any lots, nor any building erected thereon, except directional and informational signs erected by the Owner-Developer, its successors or assigns. One (1) Real Estate "for sale" sign will be permitted on the shoreline of the lots and one (1) will also be allowed at the road, said signs shall be no larger than 24" (inches) high and 24" (inches) wide. No banners, billboards or advertising of any other nature will be allowed on lots except for the Real Estate "for sale" signs as outlined above, unless Owner-Developer approves such other signs or advertising.
- (17) All fuel storage tanks, trash, and garbage receptacles shall be buried in the ground or placed as not to be visible from any viewpoint. Air-conditioning compressors, heat pump equipment and all other mechanical equipment shall be screened by fence or landscaping so as not to be objectionable to the Owner-Developer, its successors or assigns.
- (18) No cows, goats, pigs, fowl or pigeons shall be kept upon the premises of any lot or building thereon, nor shall there be kept upon such premises any animal or pet which causes obnoxious odors, or is dangerous to the health or welfare of other residents in The Retreat and no nuisance shall be maintained or permitted on such premises. Horses will be permitted but only on lots or

Tracts or combinations thereof that exceed five (5) acres in size; horses will be prohibited on any lot or Tract which is less than five (5) acres in size.

- (19) Camping or use of tents for any purpose shall be prohibited on all lots at all times including land abutting such lots below the 800 foot contour line.
- (20) No Satellite dish antenna or other transmission or receiving antenna shall be installed or placed on any lot provided however, that the Owner-Developer in the exercise of its authority under paragraph 1 above may permit lot owners to install individual satellite dish or other television antennae as approved by the Owner-Developer. Owner-Developer may refuse to approve any antenna or satellite dish based upon purely aesthetic considerations such as the size or location of the antenna.
- (21) When the Owner-Developer herein recites restrictions, covenants, conditions or rights as to such lot, the same shall also apply to the land adjoining said lot below the 800 foot contour line. A waterfront lot owner's use of the land below the 800 foot contour line whether flooded by the waters of Smith Mountain Lake or not shall be limited to the area between the extension of the side lot lines of said lot owner's lot extending out into the waters of Smith Mountain Lake for a reasonable distance so as not to interfere with the rights or property of other waterfront lot owner's except in those instances where the Owner-Developer has approved the location of a lot owner's boat dock outside of the said area bounded by the extension of the side lot lines of said lot owner's lot, the lot owner's right to use said area below the 800 foot contour line shall reasonably extend to the area of that lot owner's boat dock.
- (22) In order to implement effective insect, reptile and woods fire control, the Owner-Developer and its agents have the right to enter upon any lot for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other growth which in the opinion of the Owner-Developer detracts from the beauty and safety of The Retreat. The cost associated with this vegetation control shall be kept as low as reasonably possible and shall be paid by the owner of the lot. The Owner-Developer and its agents may also enter upon such lot to remove any trash which has collected. Any such entry onto lots will not occur until thirty (30) days after the owner of the lot has been notified in writing of the need of such work; if owner fails to perform the work Owner-Developer and its agents will then have the right to enter such lot and perform the work. The provisions of this paragraph do not impose any obligation on the Owner-Developer or its agents to perform mowing, pruning or clearing on any lot as the provisions of this paragraph are discretionary in nature. Entrance upon lots under the provisions of this paragraph shall not be deemed a trespass.
- (23) Each lot owner shall be responsible for keeping all boats that are parked and/or docked in his boat dock in a neat and orderly fashion. Storage of any boats or boat trailers shall not be permitted on any lot if such boats or trailers are visible from any street, Smith Mountain Lake or other lot, except in the case of areas that may be designated in the future by Owner-Developer as boat/boat trailer storage areas. No trailers, recreational vehicles or boat trailers or other similar vehicles shall be allowed to be stored on any lots where

they are visible from any road, Smith Mountain Lake, or other lot, except in the case of temporary periods not exceeding 48 hours per period which may be required for minor maintenance or cleaning of the boat or trailer.

- (24) All animals must be secured by a leash or lead, or under the control of a person and obedient to that person's command at any time they are permitted off of their owner's lot.
- (25) The Owner-Developer reserves unto itself and its successors and assigns, the right to erect and maintain telephone and electric lighting poles, underground service, conduits, sewer, gas, cable systems, water systems and water lines or to grant to others easements of right-of-way, therefore, in the road right-of-way and on, over, or under a strip of land fifteen (15) feet wide at any point along the road right-of-way abutting said lots. In addition to the utility and drainage easements indicated hereon, all lot lines are subject to a fifteen (15) feet drainage and utility easement, the said lot lines being the center of such easements. Open drainage easements shown on the plat of The Retreat shall not be obstructed and may be altered or changed only in accordance with plans prepared by a professional engineer, architect or land surveyor and approved by the Virginia Department of Transportation. The Owner-Developer further reserves the right to designate and reserve other easements and rights-of-way, including sewer lines, water lines, and drainfield easements, in addition to those shown on the recorded map of The Retreat prior to the conveyance by the Owner-Developer of such lot or lots as may be effected by such easement or right-of-way.
- (26) In the event of a violation or breach of any of the restrictions contained herein by a lot owner or an agent of a lot owner, the owner of any lot in The Retreat, shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event. Furthermore, the Owner-Developer shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event. The Owner-Developer shall also have the right, whenever there has been a structure built upon any lot which is in violation of these restrictions, to enter upon such lot where such violation exists and summarily abate or remove the violation at the expense of the owner, if after thirty (30) days written notice of such violation it shall not have been corrected by the owner. Any such entry by the Owner-Developer shall not be deemed a trespass. The failure to enforce any rights, reservation, restrictions, or conditions contained herein, regardless of how long such failure shall continue, shall not constitute a waiver of or a bar to such right to enforce.
- (27) Invalidity of any one of these covenants by judgment or Court of Law shall in no way effect any of the other provisions hereof, which shall remain in full force and effect.
- (28) Owner-Developer will create a home owner's association before conveying the last lot in The Retreat. Each lot owner will be required to be a member of such home owner's association of The Retreat and pay dues as determined by the Board of Directors of the home owner's association. All member lot

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owners shall have voting rights as provided by the corporate documents. The Association shall have the right to establish and collect assessments and by accepting ownership in the subdivision each lot owner shall be deemed to have agreed to pay the same when and as due. The annual and special assessments, together with interest, cost and reasonable attorney's fees, 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, cost and reasonable attorney's fees, shall be the personal obligation of the person or persons who were the owner of such property at the time assessment fell due. The personal obligation for delinquent assessments shall unless paid pass to the owner's successors in title. A properly perfected lien shall pass with and encumber the title of the property. There shall be no obligation on behalf of Owner-Developer to pay assessments on any property owned by said Owner-Developer. If any assessment is not paid in full on that date when due, then such assessment shall be deemed delinquent and shall, together with such interest thereon and cost of collection (including attorney's fees) as are hereinafter provided, become a lien on the property, which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives, successors and assigns. In addition to such lien rights, the personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation. It shall also become the personal obligation of a successor in title to pay any unpaid assessments and dues outstanding at the time title to an effected property passes or at any time thereafter so long as such person is the owner of the property. If the assessment is not paid within thirty (30) days after the delinquency date, the Association may bring legal action against the owner personally obligated to pay the same or may enforce or foreclose the lien against the property. In the event a judgment is obtained, such judgment shall include interest on the assessment and a reasonable attorney's fee to be fixed by the Court together with the costs of the action. No owner of a lot may waive, or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his or its property. The home owner's association will be responsible for maintaining the entrance sign, landscaping around the entrance sign, landscaping and mowing in all public utility easements, and maintaining and paying the electric bills for the street lighting. The Owner-Developer will maintain the above mentioned areas as it sees fit until such time that it decides to set up the home owner's association. The Owner-Developer reserves the right to assign in whole or in part to The Retreat home owner's association its rights reserved in these covenants to grant approvals or disapprovals, to establish rules and regulations, and all other rights reserved herein by the owner-developer. Following the assignment of such rights, The Retreat home owner's association shall assume all of the owner-developer's obligations which are incident thereto and the Owner-Developer shall have no further obligation or liability with respect thereto. The assignment of such right or rights by the Owner-Developer to The Retreat home owner's association shall be made by

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written instrument which shall be recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia. Owner-Developer shall have the ultimate discretion in determining which rights, if any, that it chooses to assign to The Retreat home owner's association.

- (29) The use of any land below the 800 foot contour line and the waters of Smith Mountain Lake shall be at the users risk and in accordance with all applicable rules, regulations, laws, restrictions and conditions of record or otherwise published by any entity or government agency or body properly exercising jurisdiction as to said area. Owner-Developer shall not be held responsible for any injury or death which occurs below the 800 foot contour line or in the waters of Smith Mountain Lake in The Retreat.
- (30) Owner-Developer shall retain the right to change, amend, alter, expand and update the contents of this Declaration or amendments thereto without permission of any party, so long as Owner-Developer owns a lot in The Retreat. Any amendment or alteration to the declaration shall take effect only after Owner-Developer has recorded an amended Declaration among the Franklin County land records.

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In TESTIMONY WHEREOF, witness the following signatures of Flyler Development, Inc. signed by its President and Vice-President, this 4th day of November, 2002.

Flyler Development, Inc., a
Virginia Corporation

By: E. Derrick Flyler
E. Derrick Flyler, President

By: Erik L. Flyler
Erik L. Flyler, Vice-President

State of Virginia

County of Franklin, TO-WIT:

Sworn and subscribed to before me this 4th day of November, 2002,
by E. Derrick Flyler, President of Flyler Development, Inc. and Erik L. Flyler, Vice-
President of Flyler Development, Inc. this 4th day of November, 2002.

[Signature]
Notary Public

Tax & Register
315583

My commission expires:

September 30, 2006

036	
St. R. Tax	
Co. R. Tax	
Transfer	
Clerk	14.50
L.B. (145)	7.50
Grantor Tax	3.00
TTF	19.00
Total \$	

VIRGINIA: CLERK'S OFFICE OF THE CIRCUIT COURT OF FRANKLIN COUNTY
The foregoing instrument with acknowledgment was
admitted to record on November 4, 2002
at 11:11 A.M. in D.B. 758 Page(s) 599
Teste: Alice B. Hall Clerk

By: [Signature] Dep. Clerk

Amendment to Restrictions, Covenants and Conditions of The Retreat

WHEREAS Plyler Development, Inc. is a duly incorporated Virginia Corporation; and

WHEREAS Plyler Development, Inc. did own and possess a certain parcel of land which was subdivided into tracts and lots as shown on the plat of the survey of The Retreat, prepared by Philip W. Nester, Land Surveyor, dated August 21, 2002 and revised September 23, 2002 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia, in Deed Book 758 at Page 592 ("The Retreat"); and

WHEREAS at any time the terms "lot", "lots", "tract", "tracts", "lot and tract", "lots and tracks", "lot and/or tract", "lots and/or tracts", "lot or tract" and/or "lots or tracts" are used at any time in this Amendment to Restrictions, Covenants and Conditions of the Retreat, said term or terms shall refer all of the lots and tracts comprising the subdivision known as The Retreat.

WHEREAS Plyler Development, Inc. did impose upon The Retreat for the protection of the lots and tracts contained therein such that same could be properly developed, certain restrictions, covenants and conditions known as the Restrictions, Covenants and Conditions of The Retreat ("Covenants") recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia in Deed Book 0758 at Page 00599; and

WHEREAS Plyler Development, Inc. is referred to in said Covenants as the "Owner-Developer"; and

WHEREAS Paragraph 30 of the Covenants for The Retreat provides as follows:

- (30) Owner-Developer shall retain the right to change, amend, alter, expand and update the contents of this Declaration or amendments thereto without permission of any party, so long as Owner-Developer owns a lot in The Retreat. Any amendment or alteration to the declaration shall take effect only after Owner-Developer has recorded an amended Declaration among the Franklin County land records.

WHEREAS to further protect the existing and future owners of the lots and tracts comprising The Retreat, and ensure the proper development of those remaining undeveloped portions of the Retreat, the Owner-Developer has determined that certain additions, deletions and other alterations are necessary to the Covenants, and therefore

The original Covenants for The Retreat are hereby amended and revised such that said Covenants are now as follows:

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KNOW ALL MEN BY THESE PRESENTS:

(1) No building, boat dock, or any other structure, including, but not limited to, all play sets and play equipment, swing set, fences, walkways, barns, inflatable devises, above or in ground pools and/or driveways, shall be erected, placed or altered on any said lot until the proposed building plans, specifications, exterior color and finish, plot plan showing the proposed location of such building, boat dock or structure, drives and parking area, landscape plan and the construction schedule shall have been submitted to the Owner-Developer and approved in writing by the Owner-Developer, its successors or assigns. Refusal or approval of said plans, location and/or specifications may be based by the Owner-Developer upon any ground, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Owner-Developer shall seem sufficient. No alteration in the exterior appearance of any existing building, boat dock, structure or landscaping shall be made without like approval by the Owner-Developer. Any such aforesaid plans and/or specifications shall be prepared by a certified architect or a draftsman approved by the Owner-Developer. Stock plans may be used, but any alterations must be done by a certified architect or a draftsman approved by the Owner-Developer. In the exercise of its authority to grant or deny approval of such plans, the Owner-Developer, taking into consideration the desires of the lot owner, shall determine the exact site of all buildings, boat docks and/or other structures at the sole discretion of the Owner-Developer. The written approval of Owner-Developer required by this paragraph shall only be effective for a period of six (6) months from the date of said approval and unless construction is commenced within such six (6) months pursuant to said approval, the approval shall lapse and the lot owner will be required to resubmit a request for approval to Owner-developer. Silence or failure of the Owner-Developer to inform the lot owner of his approval or rejection of any plans or specifications for any reason shall not constitute a waiver of the Owner-Developer, or its right, to approve said plans and/or specifications.

(2) Not more than one (1) single family residence shall be erected on any lot, except in the case of lots or tracts consisting of five (5) or more acres, in which case one (1) single family residence for each five (5) acres will be allowed. Each single family residence shall contain a minimum of seventeen hundred fifty (1750) square feet of livable floor space if it is a one-floor dwelling, or two thousand two hundred (2200) square feet of livable floor space if it is a two-floor dwelling, exclusive of decks, attics, porches, garages, carports, crawl spaces or basements whether finished or unfinished. Split-level dwelling houses shall be considered as a two-floor dwelling for the purposes of this section. All construction must be completed within one (1) year of commencement of construction. No dwelling shall be occupied until connection has been made to the water system, the sewage system is installed and connection is made thereto and a final Certificate of Occupancy for the dwelling has been issued by the proper issuing authority. During construction lots must be maintained in a reasonably neat manner free of construction debris and trash. Contractors and subcontractors shall be required to provide adequate temporary portable toilet facilities for their employees.

(3) Except in necessary construction areas and septic fields, no trees four (4) inches in diameter or larger, measured twenty-four (24) inches from the ground, shall be removed from the property without the approval of the Owner-Developer, its successors or assigns.

(4) Driveways shall be located and constructed as approved by the Owner-Developer. Before construction begins on any lot, a driveway and culvert shall be installed. Driveways shall be installed from the edge of the public road to the construction site and consist of 6" inches of crushed stone. Every lot owner shall be responsible for keeping mud off of all the public roads in The Retreat during all construction, and at all other times; failing such, the Owner-Developer may remove such mud or other debris, and charge lot owner for all expenses incurred in doing so. Corrugated metal culvert pipe shall be installed in accordance with the standards of the Virginia Department of Highways and Transportation. Driveways shall be surfaced with asphalt, black top or concrete, and be completed within one (1) year of commencement of construction.

(5) Mail and newspaper boxes shall be located and constructed in accordance with the plans designated by Owner-Developer. All mail and newspaper boxes in The Retreat are to be of an uniform design and color. The Owner-Developer will provide such mail and newspaper boxes for a fee to be determined in the future, or provide specifications so that lot owners may construct their own mail and newspaper boxes.

(6) All boat docks, whether permanent or temporary, fixed or floating, shall be located and constructed in accordance with the plans and specifications as approved by the Owner-Developer. In determining boat dock sites the Owner-Developer and lot owners will attempt to minimize the impact of docks on other lot owner's views. The final approval of any boat dock design and location shall be at the sole discretion of the Owner-Developer. All waterfront lots shall be permitted to erect one (1) boat dock, unless otherwise approved by the Owner-Developer. Generally, boat docks shall be located within the extension of the side lines of the lot served by said boat dock, however, where it becomes necessary to reasonably locate a boat dock, the Owner-Developer may approve a location for said boat dock outside of the said extension of the side lot lines. All boat docks shall be located as specified by the Owner-Developer. The design and color of the boat dock must be similar to those of the dwelling and approved by the Owner-developer. Boat ramps or driveways to the shoreline of Smith Mountain Lake or to any land below the 800 foot contour line shall not be permitted.

(7) Lot owners shall rip-rap the shoreline of their lot within nine (9) months of the start of construction of the dwelling or boat dock, whichever is sooner; said lot owners will also be responsible for maintaining sufficient rip-rap at the approximate mean water line of the waters of Smith Mountain Lake to prevent erosion. Owner-Developer, or its successors or assigns, will have sole discretion in determining whether sufficient rip-rap is in place on the shoreline of said lots. In the event the Owner-Developer determines the existing rip-rap is insufficient in its sole discretion, and the lot Owner fails to provide sufficient rip rap within 30 days of receiving notice from the Owner-Developer of said insufficiency, the Owner-Developer may take those steps needed to install sufficient rip rap and the lot owner shall be responsible for,

and shall immediately reimburse, the Owner-Developer for all costs expended.

(8) No lot may be subdivided or the boundary lines of same changed without the prior written approval of the Owner-Developer.

(9) All said lots shall be used for single family residential purposes only. No building shall be erected on any lot prior to the erection of the dwelling thereon, except in the case of boat docks. Any other building erected on any lot shall conform generally in appearance and materials to the dwelling on such lot and must be approved by the Owner-Developer prior to the start of construction.

(10) All dwellings and buildings shall be brick, wood (other than log homes which are not permitted) dryvit, cement board or natural stone to grade unless siding is installed within eight (8) inches of grade, in which case stucco may be used between the siding and grade provided such area is rendered invisible from adjacent streets and lots by landscaping or other appropriate methods of concealment. Neither manufactured, modular nor log homes shall be permitted. All roofs shall be of a suitable material approved by Owner-Developer pursuant to Paragraph 1 above and shall carry a warranty of 30 years or more. Vinyl or metal siding is prohibited. Further, no vinyl fencing, handrails or decking is allowed without the express written approval of the Owner-developer.

(11) Except in the case of Lot No. 1 which will be serviced by a private well, each lot and tract owner shall be required to make connection with the central water system constructed by the Owner-Developer. The first purchaser shall pay a one time connection or hook-up fee of SEVENTEEN HUNDRED AND FIFTY DOLLARS (\$1,750.00), subject to increase in the sole discretion of the Owner-Developer, to Owner-Developer at the time of closing on the lot. This fee includes one (1) water meter and system line to the owner's property line. The owner shall pay the Owner-Developer, or assigns, for water service per gallon used with an estimated minimum charge of THIRTY DOLLARS (\$30.00)/month, said monthly minimum being subject to change. Billing for water service will be on a quarterly or monthly basis. The minimum charge for water service will not commence until lot owner actually makes connection to the water system, but each lot owner shall pay Owner-Developer, or assigns, a NINETY \$90/year availability fee until such time that connection is made to the water system. Lot owner's may not use the water from the central water system for watering lawns or landscaping, unless Owner-Developer approves such use in writing. Drilling of individual wells on lots is prohibited unless the well is being used to supply the central water system, except in the case of Lot No. 1 which will be serviced by a private well.

(12) No fence shall be constructed on any property without consent and approval by the Owner-Developer.

(13) Each lot owner who builds a dwelling upon his lot shall provide off-street parking for four (4) or more vehicles in a driveway or other appropriate area.

(14) The owner of any lot shall provide for any dwelling constructed on such lot a septic disposal system constructed in accordance with the specifications of state and county public health officials. Certain lots within The Retreat are required by the Franklin County Health

Department to have off site septic drainfields served by individual force mains. Owner-Developer will install such force mains and drainfields for each lot that is required to have an off site septic drainfield. The first purchaser of lots that are serviced by an off site septic drain field shall pay a one time connection or hook-up fee of TWO THOUSAND DOLLARS (\$2,000.00) to Owner-Developer at the time of closing on the lot.

(15) No building of a temporary nature shall be erected or placed on any of said lots except those customarily erected in connection with building operations, and even in such cases, no such temporary building shall remain in place more than six (6) months. House trailers or mobile homes may not be parked on lots for any purpose or for any period of time. No campers, trailers of any type, trucks, buses, work or commercial vehicles, inoperative automobiles or unsightly vehicles of any type or description or outbuildings may be parked, left or abandoned on said lots.

(16) No signs, billboards, or advertising of any nature shall be erected, placed or maintained on any lots, nor any building erected thereon, except directional and informational signs erected by the Owner-Developer, its successors or assigns. One (1) Real Estate "for sale" sign will be permitted on the shoreline of the lots and one (1) will also be allowed along the road, said signs shall be no larger than 24" (inches) high and 24" (inches) wide. No banners, billboards or advertising of any other nature will be allowed on lots except for the Real Estate "for sale" signs as outlined above, unless Owner-Developer approves such other signs and/or advertising.

(17) All fuel storage tanks shall be buried in the ground. Trash and garbage receptacles, air-conditioning compressors, heat pump equipment and all other mechanical equipment shall be screened by fence or landscaping so as not to be objectionable, as determined solely by the Owner-Developer, its successors or assigns.

(18) No cows, goats, pigs, fowl or pigeons shall be kept upon the premises of any lot, or building thereon, nor shall there be kept upon such premises any animal or pet which causes obnoxious odors, or is dangerous to the health or welfare of other residents in The Retreat and no nuisance shall be maintained or permitted on such premises. Horses will be permitted but only on lots or Tracts or combinations thereof that exceed five (5) acres in size and then, only two horses per 5 acres shall be permitted. Horses will be prohibited on any lot or Tract which is less than five (5) acres in size. Except as set forth above, no lot owner shall have more than five (5) animals living, housed or otherwise present on any said lot at any time.

(19) Camping or use of tents for any purpose shall be prohibited on all lots at all times including land abutting such lots below the 800 foot contour line.

(20) No Satellite dish antenna or other transmission or receiving antenna shall be installed or placed on any lot provided however, that the Owner-Developer in the exercise of its authority under Paragraph 1 above may permit lot owners to install individual satellite dish or other television antennae as approved by the Owner-Developer. Owner-Developer may refuse to approve any antenna or satellite dish based upon purely aesthetic considerations such as the size or location of the antenna.

(21) When the Owner-Developer herein recites restrictions, covenants, conditions or rights as to such lot, the same shall also apply to the land adjoining said lot below the 800 foot contour line. A waterfront lot owner's use of the land below the 800 foot contour line whether flooded by the waters of Smith Mountain Lake or not shall be limited to the area between the extension of the side lot lines of said lot owner's lot extending out into the waters of Smith Mountain Lake for a reasonable distance so as not to interfere with the rights or property of other waterfront lot owner's. Except in those instances where the Owner-Developer has approved the location of a lot owner's boat dock outside of the said area bounded by the extension of the side lot lines of said lot owner's lot, the lot owner's right to use said area below the 800 foot contour line shall reasonably extend to the area of that lot owner's boat dock.

(22) In order to implement effective insect, reptile and woods fire control, the Owner-Developer and its agents have the right to enter upon any lot for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other growth which in the opinion of the Owner-Developer detracts from the beauty and safety of The Retreat. The cost associated with this vegetation control shall be kept as low as reasonably possible and shall be paid by the owner of the lot. The Owner-Developer and its agents may also enter upon such lot to remove any trash which has collected. Any such entry onto lots will not occur until thirty (30) days after the owner of the lot has been notified in writing of the need of such work; if owner fails to perform the work described in said notice, the Owner-Developer and its agents will then have the right to enter such lot and perform the work. The provisions of this paragraph do not impose any obligation on the Owner-Developer or its agents to perform mowing, pruning or clearing on any lot as the provisions of this paragraph are discretionary in nature. Entrance upon lots under the provisions of this paragraph shall not be deemed a trespass, and each lot Owner, by agreeing to purchase a lot within The Retreat forever freely and voluntarily waives any and all rights to claim any such trespass.

(23) Each lot owner shall be responsible for keeping all boats that are parked and/or docked in his boat dock in a neat and orderly fashion. Storage of any boats or boat trailers shall not be permitted on any lot if such boats or trailers are visible from any street, Smith Mountain Lake or other lot, except in the case of areas that may be designated in the future by Owner-Developer as boat/boat trailer storage areas. No campers, trailers, recreational vehicles, boat or personal watercraft trailers or other similar vehicles shall be allowed to be stored on any lots where they are visible from any road, Smith Mountain Lake, or other lot, except in the case of temporary periods not exceeding 48 hours per period which may be required for minor maintenance or cleaning of the boat, personal watercraft or trailer.

(24) All animals must be secured by a leash or lead, or under the control of a person and obedient to that person's command at any time they are permitted off of their owner's lot.

(25) The Owner-Developer reserves unto itself and its successors and assigns, the right to erect and maintain telephone and electric lighting poles, underground service, conduits, sewer, gas, cable systems, water systems and water lines or to grant to others easements of right-of-way therefore, in the road right-of-way and on, over, or under a strip of land fifteen

(15) feet wide at any point along the road right-of-way abutting said lots. In addition to the utility and drainage easements indicated on the plat of The Retreat, all lot lines are subject to a fifteen (15) feet drainage and utility easement, the said lot lines being the center of such easements. Open drainage easements shown on the plat of The Retreat shall not be obstructed and may be altered or changed only in accordance with plans prepared by a professional engineer, architect or land surveyor and approved by the Virginia Department of Transportation and the Owner-Developer. The Owner-Developer further reserves the right to designate and reserve other easements and rights-of-way, including sewer lines, water lines, and drain field easements, in addition to those shown on the recorded map of The Retreat prior to the conveyance by the Owner-Developer of such lot or lots as may be effected by such easement or right-of-way.

(26) In the event of a violation or breach of any of the restrictions contained herein by a lot owner, invitee, guest, tenant, employee or an agent of a lot owner, both the Owner-Developer and/or the owner of any lot in The Retreat, shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event. Furthermore, the Owner-Developer shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event. The Owner-Developer shall also have the right, whenever there has been a structure built upon any lot which is in violation of the Covenants, and/or any Amendment thereto, to enter upon such lot where such violation exists and summarily abate or remove the violation at the expense of the owner, if after thirty (30) days written notice of such violation it shall not have been corrected by the owner. Any such entry by the Owner-Developer shall not be deemed a trespass. The Owner-developer shall also have any and all rights available to it under any and all laws of the Commonwealth of Virginia, including, but not limited to the Virginia Property Owners Association Act to require any lot owners compliance with these Covenants. The failure to enforce any rights, reservation, restrictions, or conditions contained herein, regardless of how long such failure shall continue, shall not constitute a waiver of or a bar to such right to enforce. Further, a failure on the part of one lot owner to abide by the terms of the Covenants, including all Amendment(s) thereto, shall not in anyway excuse any other lot owner from fully complying with all terms and provisions of the Covenants, and all Amendment(s) thereto. Each and every lot owner hereby knowingly and intentionally waives any and all defenses based upon the arbitrary and/or capricious enforcement of the Covenants, and all Amendment(s) thereto by the Owner-Developer.

(27) Invalidation of any one of these Covenants, including all Amendment(s) thereto, by judgment or Order of a Court of Law shall in no way effect any of the other provisions hereof, which shall remain in full force and effect.

(28) Owner-Developer will create a home or property owner's association before conveying the last lot in The Retreat ("Association"). Each lot owner will be required to be a member of such Association of The Retreat and pay dues as determined by the Board of Directors of the Association. All member lot owners shall have voting rights as provided by the corporate documents. The Association shall have the right to establish and collect assessments and by accepting ownership in the subdivision, each lot owner shall be deemed to have agreed to pay the same when and as due. The annual and special assessments, together with interest, cost and reasonable attorney's fees, 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, cost and reasonable attorney's fees, shall be the personal obligation of the person or persons who were the owner of such property at the time assessment fell due. The personal obligation for delinquent assessments shall, unless paid, pass to the owner's successor(s) in title. A properly perfected lien shall pass with, and encumber, the title of the property. There shall be no obligation on behalf of Owner-Developer to pay assessments on any property owned by said Owner-Developer. If any assessment is not paid in full on that date when due, then such assessment shall be deemed delinquent and shall, together with such interest thereon and cost of collection (including attorney's fees) as are hereinafter provided, become a lien on the property, which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives, successors and assigns. In addition to such lien rights, the personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation. It shall also become the personal obligation of a successor in title to pay any unpaid assessments and dues outstanding at the time title to an effected property passes or at any time thereafter so long as such person is the owner of the property. If the assessment is not paid within thirty (30) days after the delinquency date, the Association may bring legal action against the owner personally obligated to pay the same or may enforce or foreclose the lien against the property. In the event a judgment is obtained, such judgment shall include interest on the assessment and a reasonable attorney's fee to be fixed by the Court together with the costs of the action. No owner of a lot may waive, or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his or its property. The Association will be responsible for maintaining the entrance sign, landscaping around the entrance sign, landscaping and mowing in all public utility easements, and maintaining and paying the electric bills for the street lighting. The Owner-Developer will maintain the above mentioned areas as it sees fit until such time that it decides to set up the Association. The Owner-Developer in its sole discretion reserves the right to assign in whole or in part to the Association its rights reserved in these Covenants to grant approvals or disapprovals, to establish rules and regulations, and all other rights reserved herein by the Owner-Developer. Following the assignment of such rights, The Association shall assume all of the Owner-Developer's obligations which are incident thereto and the Owner-Developer shall have no further obligation or liability with respect thereto. The assignment of such right or rights by the Owner-Developer to the Association shall be made by written instrument which shall be recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia. The Owner-Developer shall have the ultimate discretion in determining which rights, if any, that it chooses to assign to Association.

(29) The use of any land below the 800 foot contour line and the waters of Smith Mountain Lake shall be at the users risk and in accordance with all applicable rules, regulations, laws, restrictions and conditions of record or otherwise published by any entity or government agency or body properly exercising jurisdiction as to said area. Owner-Developer shall not be held responsible for any injury or death which occurs below the 800 foot contour line or in the waters of Smith Mountain Lake in The Retreat.

(30) Owner-Developer, and so long as the Owner-Developer owns any lots or tracts at The Retreat only the Owner-Developer, shall retain the right to change, amend, alter, expand and update the contents of the Covenants, and all Amendment(s) thereto without permission of any party, so long as Owner-Developer owns a lot in The Retreat. Any amendment or

alteration to the Covenants, and any Amendment(s) thereto shall take effect only after Owner-Developer has recorded said Amendment or alteration among the Franklin County land records.

(31) In the event that the Owner-Developer has to consult with, seek the advise of, or in any other way utilize the services of an attorney concerning any lot owner's, and or any invitee, guest, agent and/or employee of any lot owner's, actual or potential violation of the Covenants, or any Amendment(s) thereto, then the owner of said lot, and any and all successors and/or assigns in title, which is, or is potentially, in violation of the Covenants shall be responsible, and shall immediately pay to the Owner-Developer, any and all reasonable attorneys fees and costs incurred by the Owner-developer under such circumstances.

(32) The lot owners, and the Association when same is created, of The Retreat hereby fully and completely indemnify and hold the Owner-Developer harmless for any and all actions, and all foreseeable consequences thereof, taken by said Owner-Developer concerning the Covenants, and all Amendment(s) thereto.

In TESTIMONY WHEREOF, witness the following signatures of Plyler Development, Inc. signed by its President and Vice-President, this 15th day of November 2007.

Plyler Development, Inc., a
Virginia Corporation

By: E. Derrick Plyler
E. Derrick Plyler, President

By: Erik L. Plyler
Erik L. Plyler, Vice-President

State of Virginia
County of Franklin, TO-WIT:

Sworn and subscribed to before me this 15 day of November 2007, by E. Derrick Plyler, President of Plyler Development, Inc. and Erik L. Plyler, Vice-President of Plyler Development, Inc. this 15 day of November 2007.

My Commission expires: Sept 31, 2011
Registration No.: 329374

INSTRUMENT # 070011397
RECORDED IN THE CLERK'S OFFICE OF

FRANKLIN COUNTY ON

Nov 15, 2007 AT 3:06pm

ALICE S. HALL, CLERK