

THIRD SUPPLEMENTAL DECLARATION

This Third Supplemental Declaration made this 14th day of June, 2002 by **East Coast Resorts, L.C.**, a Virginia Limited Liability Company, herein sometimes referred to as "Successor Developer" and the **Highlands Property Owners Association, Inc.**, a Virginia Corporation, herein sometimes referred to as "Association" and **Alexander Jackson, III** and **Rachael B. Jackson**, herein sometimes referred to herein as the "Jacksons" and **C. Michael Broderick** and **Kathleen M. Broderick**, herein sometimes referred to herein as the "Brodericks".

STATEMENTS

A. By Declaration dated October 22, 1990 recorded in the Clerk's Office of the Circuit Court of Lancaster County, Virginia in Deed Book 312 at Page 76 *et seq* (the "Declaration") the Tides Golf Lodge, Inc., the original Developer, imposed upon the property described therein and on Lots 1B, 2B, 3B, 4B, 5B, 6B, 7B, 8B, 9B and 10B as shown on that Plat of Survey dated May 16, 1990 recorded in Plat Book 2 at page 30 (the "1990 Plat") certain covenants, restrictions and easements; and

B. By Supplemental Declaration dated February 1, 1991 recorded in the Clerk's Office of the Circuit Court of Lancaster County in Deed Book 314 at page 685 *et seq*, The Tides Golf Lodge, Inc. amended the Declaration; and

C. By Second Supplemental Declaration dated February 1, 1994 recorded in the Clerk's Office of the Circuit Court of Lancaster County, Virginia in Deed Book 354 at page 694 *et seq*, The Tides Golf Lodge, Inc. further amended the Declarations; and

D. By Assignment Agreement dated May 29, 2001 recorded in the Clerk's Office of the Circuit Court of Lancaster County, Virginia as Instrument # 0100001238, East Coast Resorts, L.C. was assigned all of the rights, and interests of The Tides Golf Lodge, Inc.

under the Declaration and succeeded to the position of Developer and became the "Successor Developer"; and

E. The Declaration provides that the Developer may add additional lands to the property by amendment to the Declaration describing the additional land signed by the Developer alone and recorded in the Public Records of Lancaster County. The Declaration further provides that upon such recording the additional land shall be deemed a part of the property and subject to the terms of this Declaration; and

F. The successor Developer desires to further supplement and amend the Declaration as set forth herein.

WITNESSETH

Now therefore in consideration of the premises, East Coast Resorts, L.C. hereby amends and supplements the Declaration as previously amended and supplemented as follows:

1. The lot lines of Lots 5B through 10B as shown on the plat of survey made by Tomlin & Keyser, C.L.S. dated May 16, 1990 entitled The Highlands at The Tides Golf Lodge, Inc. which plat is recorded in the Clerk's Office of the Circuit Court of Lancaster County at Plat Book 2 at page 30 are hereby revised pursuant to that Plat of Survey entitled "Plat Showing a Redivision of Lots 5B through 10B and Division of a Portion of the Land of East Coast Resorts, L.C. located in the White Stone District of Lancaster County, Virginia" dated July 23, 2001 made by Bay Design Group which Plat is recorded in the Clerk's Office of the Circuit Court of Lancaster County in Plat Cabinet 7 at pages 19C and 19D (the "2001 Plat").

2. As the revisions and redivision have the effect of the consolidation of Lot 5B and Lot 6B as shown on the 1990 Plat into one Lot now known as 6B-1 as shown on the 2001 Plat, the proportionate allocation of costs and expenses are adjusted accordingly.

3. Wherever the Declaration as amended refers to Lots 1B, 2B, 3B, 4B, 5B, 6B, 7B, 8B, 9B and 10B as shown on the 1990 Plat , such reference shall now be deemed to refer to Lots 1B, 2B, 3B and 4B as shown on the 1990 Plat and to Lots 6B-1, 7B-1, 8B-1, 9B-1 and 10B-1 on the 2001 Plat.

4. Any easements which straddle or run along the common boundary line between Lots 5 and Lot 6B as shown on the 1990 Plat are voided and eliminated and vacated.

5. For purposes of any notices, the address for the Successor Developer is 35 Cralle Avenue, Kilmarnock, Virginia 22482 and for the Association is P.O. Box 97, Irvington, Virginia 22480.

6. Notwithstanding anything contained herein or in the Declaration as amended to the contrary, the Architectural Review Committee shall consist of one to three individuals, appointed by the Successor Developer. The Architectural Review Committee shall consist at this time of Robert L. Braun and Alexander Jackson, III and C. Michael Broderick.

7. Paragraph No. 7 of the Protective Covenants is amended to add "in excess of 18 inches in diameter" after the words "Exterior Satellite Dishes" in the first line thereof.

8. Paragraph No. 9 of the Protective Covenants is amended to add the following provisions:

" Notwithstanding the above, a motorcycle may be parked on the driveway of

Lot 9B-1, close to the main residence, overnight for up to 5 consecutive nights (but not on a regular basis) provided the motorcycle is not covered by a tarp or other covering. Further notwithstanding the above, a non commercial pick up truck owned by a Lot owner, not to exceed 3/4 ton in weight, may be parked on an improved Lot by such owner. ”

9. Paragraph No 19 of the Protective Covenants is amended to add at the end of the second sentence “... provided however, vinyl siding may be allowed if approved by the Architectural Review Committee”.

10. Notwithstanding any provision contained herein to the contrary, the Architectural Review Committee shall have the right in its sole and absolute discretion, to provide exceptions to the requirements contained in the Declaration as amended.

11 The Declaration as amended previously and hereby shall run with the lands and shall be binding upon all lot owners, including their invitees, heirs, successors and assigns and all parties claiming through them through the year 2005 and shall be automatically extended for incremental periods of one year, unless changed as provided for in the Declaration as amended.

12. Except to the extent amended and modified and supplemented herein, the provisions of the Declaration as previously amended shall apply.


13. The Jacksons and the Brodericks, owners of Lots within the Highlands, are joining herein to evidence their agreement to the provisions of this Third Supplemental Declaration.

Witness the following signatures and seals effective as of the 14th day of June, 2002 pursuant to resolutions of the respective parties duly adopted.

EAST COAST RESORTS, L.C.


By: 
Robert L. Braun, Manager


HIGHLANDS PROPERTY OWNERS ASSOCIATION, INC.

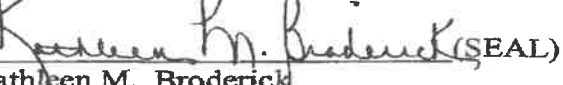
By: 
Robert L. Braun, President

Seen and Agreed to:

x  (SEAL)
Alexander Jackson, III

x  (SEAL)
Rachel B. Jackson

 (SEAL)
Michael Broderick

 (SEAL)
Kathleen M. Broderick

COMMONWEALTH OF VIRGINIA,
COUNTY OF LANCASTER, to-wit:

Sworn to and subscribed before me this 20th day of June, 2002 by Robert L. Braun, Manager of East Coast Resorts, L.C. My Commission expires:

January 31, 2004.

Robert L. Kennedy
Notary Public



COMMONWEALTH OF VIRGINIA,
COUNTY OF LANCASTER, to-wit:

Sworn to and subscribed before me this 20th day of June, 2002 by Robert L. Braun, President of the Highland Property Owner's Association, Inc. My Commission expires:

January 31, 2004.

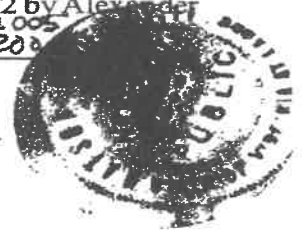
Robert L. Kennedy
Notary Public



COMMONWEALTH OF VIRGINIA,
COUNTY OF LANCASTER, to-wit:

Sworn to and subscribed before me this 19th day of June, 2002 by Alexander Jackson, III and Rachael B. Jackson. My Commission expires: 5-31-2005

Malcolm S.
Notary Public



COMMONWEALTH OF VIRGINIA,
COUNTY OF LANCASTER, to-wit:

Sworn to and subscribed before me this 19th day of June, 2002 by C. Michael Broderick and Kathleen M. Broderick. My Commission expires:

5-31-2005.

Malcolm S.
Notary Public

C:\a BH's Files\Business\EastCoast\Highlands\01.Amendment.wpd

INSTRUMENT #020001952
RECORDED IN THE CLERK'S OFFICE OF
COUNTY OF LANCASTER ON
JUNE 24, 2002 AT 11:00AM
CONSTANCE L. KENNEDY, CLERK

BY: *Constance L. Kennedy* (30)