

DECLARATIONS OF COVENANTS,
CONDITIONS, RESERVATIONS, RESTRICTIONS AND EASEMENTS
THE HILLS AT SNOWDEN

THIS DECLARATION, of covenants, conditions, reservations, restrictions and easements applicable to THE HILLS AT SNOWDEN Subdivision, made this 20 th day of April, 1994, by Chatham Square Associates, A Virginia General Partnership, hereinafter known as "Declarant".

INTRODUCTION

1. The declarant is the fee simple owner of certain real Property, known as The Hills at Snowden Subdivision, located in Fredericksburg, Virginia as shown on a plat of survey entitled "Plat of Subdivision, The Hills at Snowden Section I", prepared by Reid, Bagby and Caldwell dated March, 1994.
2. The Property shown on the Plat is hereinafter referred to as the "Property" and/or Section I The Hills at Snowden Subdivision.
3. The Declarant desires to create a general plan for the development and use of the Property, and use of the property which will be aesthetically pleasing to the residents thereof, which will facilitate a peaceful residential lifestyle, and which will reasonably preserve the natural wooded character of the property; and

WHEREAS, Chatham Square Associates desires to impose on said property a restrictive covenant expressing Chatham Square Associates' intent to preserve said property in perpetuity in its natural state, both floral and faunal, by prohibiting wetland destruction or alterations in the area designated as "Wetlands, subject to restrictive covenant" on Schedule "A".

4. The Declarant shall cause to be incorporated under the laws of the Commonwealth of Virginia as a non-profit, non-stock corporation, The Hills at Snowden Homeowners' Association, Inc. (the Association), organized for the purpose of enforcing and administering the architectural and lot use restrictions contained herein and to provide for the perpetual maintenance of the common areas within the subdivision. Each Owner shall be a member of the Association and abide by the duties and obligations established by the Association.
5. The Declarant hereby declares that the Property and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed, given, donated, leased, occupied and used subject to the covenants, conditions, reservations, restrictions and easements hereinafter set forth for and during the period of time hereinafter specified. Provided, however, that during the seven (7) year period commencing with the date of the Declaration, no such consent is required for the annexation of all or any part of the real property described in Exhibit "A" attached to the Declaration of Covenants.

ARTICLE I
DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall otherwise require) shall have the following meanings:

- a) "Association" shall mean The Hills at Snowden Homeowners' Association, Inc.
- (b) The "Properties" shall mean the Property and all additions thereto as are subject to this Declaration.
- (c) "City Lot" shall mean any lot numbered #1 - 59 inclusive as shown on any recorded subdivision plat of the properties and any improvements thereon specifically identified as Sections I and III on the recorded subdivision plat of the properties.
- (d) "Estate Lot" shall mean any lot shown and identified as Section II Lots #1 - 21 inclusive on the recorded subdivision plat of the properties and any improvements thereon,
- (e) "Residence" shall mean one detached single-family dwelling not to exceed two and one-half stories in height, excluding basement level.
- (f) "Owner" shall mean the record Owner, whether one or more persons or entities, of the fee simple title to any Residence but notwithstanding any applicable theory of mortgages, shall not mean or refer to the mortgagee or any trustee therefor unless and until such mortgagee has acquired title pursuant to foreclosure or any transaction in lieu of foreclosure.
- (g) "Members" shall mean all members of the Association
- (h) "Declarant" shall mean Chatham Square Associates, and its successors and assignees for the purpose of development.
- (i) "Architectural Control Committee" shall mean and refer to the committee established pursuant to Article II hereof
- j) "Common Areas" shall mean all real property (including the improvements thereto) which may hereafter be acquired by the Association for the common use and enjoyment of the members of the Association.

ARTICLE II
ARCHITECTURAL CONTROL AND GENERAL RESTRICTIONS

Section 1. Architectural Control. Except for construction or development by, for or under contract with the Declarant, and except for any improvements to any lot accomplished by the Declarant concurrently with said construction and development, and except for purposes of proper maintenance and repair, no building, fence, wall, swimming pool, deck, porch, storage shed, or other improvements or structures (hereinafter referred to as "Proposed Improvements") shall be commenced, directed, placed, moved, altered or maintained upon the Property, nor shall any exterior addition to or change (including, but not limited to, any change of color) or other alteration thereupon be made until the complete plans and specifications showing the location, nature, shape, dimensions, material, color scheme, type of construction and any other proposed form of change (including without limitation, any other information specified by the Architectural Control Committee, as hereinafter defined) shall have been submitted to and approved in writing as to harmony of external design, color, location in relation to surrounding structures and topography, and conformity with the design concept for the community by the Architectural Control Committee. All builders and Owners must submit their plans for approval. Plans and specifications submitted to the Architectural Control Committee shall include but not be limited to one copy of the following:

- (a) A site plan showing the location of all Proposed and existing Improvements on the lot, and the limits of any proposed clearing of trees;
- (b) Floor plans/schematic for the Proposed Improvements;
- (c) Exterior elevations for the Proposed Improvements;
- (d) Specifications of materials, color scheme and other details affecting the exterior appearance of the proposed buildings;
- (e) Description of the plans or provisions for grading, drainage, erosion control and landscaping.

Section 2. Approvals. In the event the Architectural Control Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within 45 days after such plans and specifications (and all other materials and information required by the Architectural Control Committee) have been submitted to it in writing, then approval will not be required, and this Article will be deemed to have been fully complied with. In the event that the Architectural Control Committee disapproves any proposal as provided herein above, the Architectural Control Committee shall suggest those changes that will permit approval.

Section 3. Land Use and Building Type. No principal structure shall be erected, altered or permitted to remain on any lot other than a single Residence, as herein defined, and a private garage for not more than three automobiles. No business or commercial venture, other than model home and builder, shall be permitted within the properties. In the "City Lots", all ranch style Residences must have a first floor living area of at least 1,500 square feet. All two-story Residences must have a finished living area of at least 1,250 square feet on the first level and 1,000 square feet on the second level, exclusive of basements and third levels. All one and a half story Residences must have a total finished living area of at least 1,250 square feet on the first level and 750 square feet on the second level, exclusive of basements. The Architectural Control Committee shall set the minimum square foot requirements of all other style dwellings on a case-by-case basis. All of the foregoing dimensions are exclusive of porches, basements, garages and represent finished, habitable, heated space. Homes constructed off site are permitted, provided they are approved by the Architectural Control Committee. All Residences and garages shall have at least 8/12 roof pitch unless the Architectural Control Committee states otherwise in its approval of the plans and specifications.

In the "Estate Lots", all ranch style Residences must have a first floor living area of at least 2,500 square feet. All two-story Residences must have a finished living area of at least 1,800 square feet on the first level and 1,200 square feet on the second level, exclusive of basements and third levels. All one and a half story Residences must have a total finished living area of at least 1,800 square feet on the first level and 1,200 square feet on the second level, exclusive of basements. The Architectural Control Committee shall set the minimum square foot requirements of all other style dwellings on a case-by-case basis. All of the foregoing dimensions are exclusive of porches, basements, garages and represent finished, habitable, heated space. Homes constructed off site are permitted, provided they are approved by the Architectural Control Committee. All Residences and garages shall have at least 8/12 roof pitch unless the Architectural Control Committee states otherwise in its approval of the plans and specifications.

Section 4. Construction Materials.

(a) Exterior Walls. The exterior walls of all buildings constructed on an lot, including Residences, garages and outbuildings, shall be (i) constructed of brick or stone, (ii) covered with solid wood siding, (iii) covered with horizontal hardboard type siding, (iv) stucco, EIFS, (exterior insulated finished systems), or constructed or covered with any other material approved in writing by the Architectural Control Committee. Any vertical siding must be approved by the Architectural Control Committee. The exposed portion of any horizontal siding may be no more than eight inches in width. The use of any exterior metal for construction purposed other than baked metal window frames is prohibited provided that the Architectural Control Committee may permit the use of such material by express written approval.

(b) Roofs. The roofs of all Residences and other improvements to be constructed on the Property shall consist of either standing seam metal, dimensional slate or shake or of a substitute material fashioned to resemble slate or shake, or textured fiberglass or dimensional textured asphalt shingles which have a minimum weight of 350 pounds per square.

(c) Foundation All exposed and block foundations and all exposed piers on porches must be either brick, stucco, EIFS, stone, stone veneer or brick veneer.

(d) Garages. (i) Any garage located on any lot must conform architecturally to the Residence that it serves. (ii) The doors for vehicular entrances to any garage shall be of a material and design approved by the Architectural Control Committee and in the case of lots in Section II (Estate Lots) said doors for vehicular entrances to any garage must be on the side of the dwelling unless otherwise approved by the Architectural Control Committee.

(e) Basements. Basements, when provided, need not be "finished" but must provide for easy access and subsequent finishing. All external exposed basements walls shall be either brick, stucco, eifs, stone, brick veneer or stone veneer.

(f) All exposed chimneys shall be stucco, eifs, brick, stone, brick veneer or stone veneer.

Section 5. Completion of Construction. The exterior of all Residences and other improvements must be completed within nine months after Construction commences, unless such completion is impossible or would result in great hardship to the Owner or builder due to strike, fire, national emergency, natural calamity, or other reason which the Architectural Control Committee may approve. Residences may not be temporarily or permanently occupied until the occupancy permit is issued by Fredericksburg, Virginia. A crushed rock construction entrance to each lot shall be installed prior to the commencement of lot clearing, grading or construction of a Residence thereon. Such construction entrance shall be properly maintained by the Owner or contractor so as to prevent the depositing or accumulation of mud, dirt, rock, or debris upon the streets of the subdivision. During the continuance of construction, the Owner shall require the contractor to maintain the building site in a reasonably clean and uncluttered condition. Within one month after the completion of any construction, all debris, waste material, excess material and equipment shall be removed. Within one month after completion of a Residence the lot shall be landscaped and any bare earth properly seeded, weather and growing seasons permitting. Time is of the essence.

Section 6. Model Homes. No model homes will be permitted without the prior written consent of the Declarant upon such terms and (as) the Declarant may impose.

Section 7. Subdivision of Lots Prohibited. No more than one Residence shall be erected on any lot. No lot may be further subdivided so as to create an additional building lot. However, a Residence may be erected on one or more lots, or a lot and a part of another to be combined, provided that the building site for any one Residence is enlarged and not reduced in size. Nothing herein contained shall be construed to prohibit the use of more than one lot for the construction of a single Residence.

Section 8. Other Buildings. No structure or building of an kind, including storage sheds, shall be erected on, or moved onto, any lot unless it is in general conformity and harmony with the

class of existing structures on the surrounding lots and approved by the Architectural Control Committee as provided in Section I of this Article. The architectural style, -color and building materials of any storage shed, garage or other such structure or building shall conform to the Residence which it serves but in no event are above ground fuel tanks permitted.

Section 9. Nuisances. No noxious or offensive activity, including unduly loud noise, shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood (ex: the construction and or use of skateboard ramps, etc.).

Section 10. Off Road Vehicles. No dirt bikes, three wheelers, go carts, other off road vehicles or other types of vehicles which cause annoyance to other lot Owners shall be operated upon the streets or lots of the Subdivision. The operation of any such vehicle by the lot Owner, a member of his family and/or guest or invitee shall subject the lot Owner to legal action provided for enforcement of the "Restrictive Covenants", notwithstanding that operation of the vehicle is by a person other than the record Owner of the lot.

Section 11. Parking, and Vehicles. No junk vehicles, recreational vehicles, motor homes, campers, house trailers, or commercial industrial vehicles, such as but not limited to, moving vans, trucks (except personal vehicle pick up trucks), tractors, trailers, vans, wreckers, hearses, buses, boats, boat trailers, boating equipment, travel trailers or camping equipment shall be regularly or habitually parked on any public streets within the Property, or otherwise within the boundaries of the Property, except upon the written approval of the Architectural Control Committee. The Association shall not be required to provide a storage area for these vehicles. No commercial truck, commercial bus or other commercial vehicle of any kind shall be permitted to be kept or parked overnight upon any portion of the Property.

Section 12. Fences. Only fences of stone, brick or wood materials shall be constructed forward of any front building line on any Residential lot. Behind such line, green, plastic coated metallic fencing materials shall be permitted only on tennis courts. All fences of whatever nature shall require prior written approval of the Architectural Control Committee, who shall not incur any liability for the location of said fence.

Section 13, Natural Vegetation. It is declared to be the purpose and intent of the Declarant and the lot Owners to generally establish the Property as a development of home sites, utilizing the existing natural vegetation, topography and storm water drainage system as much as possible. Exceptions to the foregoing shall be permitted where necessary to meet Fredericksburg requirements, and for the construction and reasonable clearing adjacent to homes, driveways, and other improvements, for assuring necessary vehicular sight distances, for fences and storage sheds, and for placement of utility services with related and required easements. Where clearing is proposed, excluding areas specifically authorized to be cleared, more latitude will be permitted in the clearing of soft wood species than in the case of hardwood species such as oak, poplar, hickory and similar species. In addition, this section shall not apply to the clearing or grubbing of tress and shrubs under six inches in diameter at a point one foot above the ground.

To assure compliance with the above, no clearing shall be commenced on any lot until a site plan showing proposed limits of clearing is submitted to and approved by the Architectural Control Committee.

Section 14, Variances and Exceptions. Notwithstanding any provision to the contrary, the Architectural Control Committee may, in its sole discretion, make exceptions to and grant variances from any restrictions provided in this Article II, and Article III, provided that such exception or variance is in writing.

Section 15, Preservation of "Wetlands" in Perpetuity. (See Schedule "A" attached hereto) The property described as "Wetlands, subject to restrictive covenant on Schedule "A" attached hereto shall be preserved in perpetuity in its natural state both floral and faunal, by prohibiting wetland destruction or alterations, building construction, addition of fill material, cultivation, or land clearing in the area designated as "Wetlands, subject to restrictive covenant" on Schedule A. Additionally, the following activities shall be prohibited on the property designated as "Wetlands, subject to restrictive covenant" on Schedule A:

1. Destruction or alteration of wetlands on the property other than those alterations authorized by the Norfolk District, U.S. Army Corps of Engineers under permit number 92-5092-18;
2. Construction or maintenance of buildings or mobile homes; however, by way of example and not limitation, structures such as boardwalks, foot trails, wildlife management structures, observation decks, picnic tables, and children's playground equipment may be placed in the wetlands provided that any such structure permits the natural movement of water and preserves the natural contour of the ground;
3. Ditching, draining, diking, filling, excavating, land clearing, plowing, removal of topsoil, sand, or other materials, and any building of roads or alteration in the topography and/or hydrology of the land in any manner.
4. The covenants contained herein shall not hereafter be altered in any respect without the express written approval and consent of the Norfolk District, U.S. Army Corps of Engineers.
5. The provisions hereof shall be deemed individual and severable and the invalidity or partial invalidity or unenforceability of any one provision or any portion thereof shall not affect the validity or enforce ability of any other provision thereof
6. The provisions hereof shall be enforceable by any proceeding at law or in equity by the United States Army Corps of Engineers, the U.S. Environmental Protection Agency, the U.S. Fish and Wildlife Service, or any owner of a lot within The Hills at Snowden subdivision or any non- profit corporation or entity whose primary purpose is environmental protection or preservation.

Failure by any agency or owner to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE III
LOT MAINTENANCE

Section 1. Mowing-, Weed and Erosion Control. All Owners shall keep their lots free of weeds, undergrowth, garbage, trash, debris and litter. It shall be the responsibility of each Owner to prevent the development of any unclean or unsightly conditions of the grounds on the Property which would tend to decrease the attractiveness of the neighborhood as a whole or the specific area. The height of the ground cover on a lot (not including landscaping, shrubbery or flowers unless used for ground cover), shall be mowed to a height not exceeding six inches. All Owners shall maintain adequate ground cover on all cleared areas to prevent erosion.

Section 2. Ditches and Swales. It shall be the responsibility of every Owner of every lot on which any part of an open storm drainage ditch or swale is situated, to keep such portion thereof as may be situated upon his lot continuously unobstructed and in good repair, including trimming of grass, weeds and other vegetation. The Owner shall not alter the course of any natural waterway or open storm drainage ditch or swale that may be on or bordering said Owners lot without approval from the Architectural Control Committee.

Section 3. Upkeep Improvements. All improvements on the Property shall be kept in good repair, and where necessary, painted on a regular basis. The Owner shall prevent the development of any unsightly or unclean conditions of the improvements.

Section 4. Temporary Structures. No structure of a temporary character, nor any trailer, shack or any other temporary outbuilding shall be placed on any lot at any time; provided that, construction trailers are allowed on the Properties for the purposes of sales or construction supervision.

Section 5. Animals. No livestock or poultry of any kind shall be raised, bred or kept on any lot. No animals shall be kept, bred or maintained for commercial purposes. All dogs must be fenced or leashed. The foregoing notwithstanding, no animals or pets shall be kept on any lot which are a nuisance to other lot Owners or other residents in the vicinity of the Subdivision.

Section 6. Signs. No sign of any kind shall be displayed to the public view on any lot except (i) one sign of not more than six square feet advertising the lot or residence for sale or rent and (ii) signs used by a builder to advertise the lot during the construction and sale of a residence. Any lighted signs must have the express written approval of the Architectural Control Committee. All signs must be approved by the Architectural Control Committee.

Section 7. Garbage and Refuse Disposal. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste must be kept in sanitary metal or plastic cans. All equipment for the storage and disposal of trash, garbage or other waste shall be kept out of sight from the road and behind the structure and shall be kept in a clean and sanitary condition at all times.

Section 8. Outdoor Clothes Poles. All outdoor clothes poles, clothes line and similar equipment shall be, as much as reasonably practical, placed or screened by shrubbery or harmonious screens as to not be visible from any streets, within the Section or Subdivision.

Section 9. Sight Distances at Intersections. No fence, wall hedge or shrub planting which obstructs sight lines at elevations greater than three feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street Property lines and a line connecting them at 25 feet from the intersections of the street lines, or in case of a rounded Property corner from the intersection of the street Property lines extended. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 10. Driveways. All driveways and private roads must be paved with asphalt, brick, concrete or materials approved by Architectural Control Committee.

Section 11. Satellite Dishes and Solar Collectors. Satellite dishes, solar collectors or panels which are not visible from a street may be installed and maintained on a lot. No exterior antenna shall be permitted on the property.

Section 12. Swimming Pools. (a) No Owner shall be allowed to construct an above-ground swimming pool on any lot. (b) One below-ground swimming pool may be constructed and maintained on a lot provided that the following conditions are met: (i) the design, excavation and building plans are first approved by the Architectural Control Committee in accordance with Article II of this Declaration; (ii) any mechanical equipment used to operate and maintain the swimming pool shall be screened from the view of adjacent lots by appropriate landscaping or fencing; and (iii) the swimming pool is located in the yard behind the Residence, not facing any street; (iv) the pool is properly fenced.

Section 13. Mail/Newspaper Boxes. All mail/ newspaper boxes shall be installed by the lot owner and follow standard design prescribed by the Architectural Control Committee.

Section 14. House Numbers. House numbers are required for each Residence and shall be placed where lighting illuminates the house number. The height of the house numbers shall be no less than three inches and no more than six inches.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership Every Owner shall be a member of the Association and abide by the duties and obligations established by such Association provided that any person or entity who holds such interest merely as security for the performance of an obligation or as a trustee under any instrument securing such an obligation shall not be a Member. Membership shall be appurtenant to and may not be separated from ownership of a lot which is subject to this Declaration. Membership in the Association is mandatory and shall automatically occur simultaneously with recordation of a general warranty deed to the Owner.

Section 2. Voting Rights

The Association shall have two classes of voting memberships:

Class A. Class A memberships shall be all Owners except the Class B member(s). Class A members shall be entitled to one vote for each lot owned. When more than one person or entity holds an interest in any lot, all such persons and entities shall be members. The vote for such a lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast on behalf of any lot. Builders which purchase a lot or lots in the subdivision for the purposes of constructing one or more single-family homes shall be Class A members of the Association provided, however, that Declarant shall have the right in its sole and absolute discretion, to designate any such builders as a Class B member.

Class B. The Class B member(s) shall be the Declarant, its successors, assigns as developers of the subdivision, or designees and any builder designated as herein above provided, and shall have three (3) votes for each lot owned at any time subject to this Declaration. The Class B memberships and their accompanying voting rights shall cease and be converted to Class A memberships on the happening of any of the following events, whichever shall occur first: (a) when the total number of votes outstanding in Class A membership equals the total votes outstanding in Class B membership, or (b) on December 31, 1999, or (c) upon voluntary termination of such Class B membership status by the Declarant

Section 3. Board of Directors. The Association shall elect a Board of Directors consisting of seven members which will manage the business and affairs of the Association in accordance with this Declaration. The Board of Directors shall establish an Architectural Control Committee. In addition, The Board of Directors is hereby granted the following powers: (i) the power to establish any other committees as it deems appropriate, (ii) the power to adopt, publish and modify rules and regulations governing the use and maintenance of the Property and (iii) all other powers necessary to further the general scheme of these Declarations. All regulations, rules and bylaws adopted by the Board of Directors shall have the same status as all other restrictions and covenants set forth herein.

Section 4. Exemptions. None of the provisions in Article II and Article III above shall be applicable to the activities of. (i) Declarant, its officers, employees, agents or assigns, in their development, marketing and sale of lots or other parcels within the Property so long as the Declarant holds Class B membership; and (ii) to the Association, its officers, employees and agents, in connection with the proper maintenance, repair, replacement and improvement of the Common Areas and community facilities.

Section 5. Inspections. During reasonable hours and after reasonable written notice, the Declarant, any member of the Architectural Control Committee, or member of the Board of Directors, or any other representative of any of them, shall have the right to enter upon and inspect any lot for the purpose of ascertaining whether or not the provisions of these restrictions have been or are being complied with and such persons shall not be deemed guilty of trespass by reason of such entry.

Section 6. Creation of the Lien and Personal Obligation of Assessments. The Declaration, for each lot owned within the Property, hereby covenants, and each owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (a) Annual assessments or charges; and (b) Special Assessments for capital improvements or other specified items, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The Annual and Special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when assessment fell due and shall not pass to his successor in title unless expressly assumed by them.

Section 7. Purpose of Assessment. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Property, and in particular for the payment of taxes and improvements and maintenance of services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area.

Section 8. Establishment of Annual Assessment.

(a) The Association must levy in each of its fiscal years an Annual Assessment against each Lot. The amounts of such Annual Assessments shall be established by the Board of Directors, subject to the limitations imposed by Section 9 of this Article IV, at least sixty (60) days in advance of each Annual Assessment period. The Annual Assessment provided for herein shall commence as to all recorded Lots within a section on the first day of the month following the conveyance of a Lot within that section to an Owner who is not the Declarant or a participating builder. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year.

(b) The amount of the Annual Assessment shall be determined by the Board of Directors according to its estimate of the cost of providing services or rights of use which are common to all of the Lots

Section 9. Basis and Maximum of Annual Assessments.

Until January 1 of the year immediately following conveyance of the first Lot to an Owner other than Declarant, the maximum Annual Assessment shall be Fifty Dollars (\$50.00) per lot.

a) From and after January 1 of the year immediately following the conveyance of the first Lot, the maximum Annual Assessment may not exceed Fifty Dollars (\$50.00) per lot effective January 1 of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (All items index) published by the United States Department of Labor for the Washington, D.C. standard metropolitan area for the year ending the preceding July 1, or ten (10%), whichever is greater.

(b) From and after January 1, of the year immediately following the conveyance of the first Lot, the maximum Annual Assessment may be increased above that established by subparagraph (a) annually, provided that any such change shall have the assent by a vote of more than two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than twenty-five (25) days nor more than fifty (50) days in advance of the meeting setting forth the purpose of the meeting.

(c) After consideration of current maintenance costs and further needs of the Association, the Board of Directors may fix the Annual Assessment at an amount less than the maximum.

Section 10. Special Assessments. In addition to the Annual Assessment authorized above, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of capital improvement upon the Common Area, including the fixtures and personal property related thereto, or other specified purposes; provided that any such assessment shall have the assent of more than two-thirds (2/3) of each class members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than twenty-five (25) days nor more than fifty (50) days in advance of the meeting, setting forth the purpose of the meeting.

Section 11. Rate of Assessment. Both Annual and Special Assessments shall be fixed at a uniform rate for all Lots not owned by Declarant. Any unoccupied Lots owned by the Declarant shall be assessed at twenty-five percent (25%) of the rate of Lots not owned by the Declarant so long as the Declarant has Class B membership status. As long as the Declarant retains the right to pay only partial assessments for the unoccupied Lots in any section, the Declarant must fund all budget deficits, including reserves, applicable to such section.

Section 12. Quorum for Any Action Authorized Under Sections 9 and 10. At the first meeting called, as provided in Sections 9 and 10 of this Article IV, the presence at the meeting of members or proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirements set forth in Sections 9 and 10, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such meeting shall be held more than sixty (60) days following the preceding meeting.

Section 13.. Notice and Collection of Assessment and Certificate. The Association shall have the option of collecting the Annual and Special Assessments directly from the Owners. Written notice of the Annual Assessment shall be sent to every Owner subject thereto, as applicable. The due dates shall be established by the Board of Directors. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 14.. Remedies of the Association On the Event of Default If any assessment is not paid within thirty (30) days after the due date, the assessments shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum. In addition, the Association in its discretion may:

(a) Impose a penalty as previously established by rule;

(b) bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien against the property, and interest, costs and reasonable attorneys 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.

Section 15. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first trust or mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a foreclosure of a first trust or mortgage, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payment thereof which became due prior to such sale or transfer. No such sales or transfer shall relieve such Lot from liability for any assessments which thereafter become due or from the lien thereof.

Section 16. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all property dedicated to and accepted by a local public authority; (b) the Common Area; and (c) all properties owned by charitable or other organizations exempt from taxation by the laws of the Commonwealth of Virginia. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE V

Section 1. Application. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or the Owner of any lot subject to this Declaration, his respective legal representatives, heirs, successors and assigns.

Section 2. Utility Easements.

(a) The Declarant, reserves in perpetuity for itself, its successors in interest, grantees and assigns (including, but not limited to, Bell Atlantic of Virginia, Inc., Virginia Power, Commonwealth Gas, and Media General Cable of Fredericksburg), the following perpetual and alienable easements; (i) an easement of 15 feet on the front of all lots for the purposes of laying, operating and maintaining underground electric, telephone, natural gas and cable television lines including usual above-ground fixtures and appurtenances within such easements. Cable television lines must be buried within 30 days from the time such lines are installed;

(b) These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any grading of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility or other such installations and to maintain reasonable standards of health,

safety and appearance, provided that any disturbed landscaping will be re-landscaped within a reasonable time. Such rights may be exercised by a licensee of the Declarant but this reservation shall not be considered an obligation of the Declarant to provide or maintain any such utility service. No structures, including walls, fences, paving and planting, which will interfere with the rights of ingress and egress and maintenance of facilities provided for in this paragraph, shall be erected upon any part of the Properties. Should any wall, fence or other improvement within such casement area obstruct the required maintenance of utility lines and fixtures, it shall be the property owners responsibility to remove and appropriately replace such improvement.

(c) Easements noted on the Subdivision plat of The Hills at Snowden take precedence over easements described above; however, all easements described herein are in full effect.

Section 3. Entrance - Maintenance The Association shall be responsible for mowing the grass and otherwise maintaining in good and proper condition the entrance in The Hills at Snowden.

Section 4. Reservation of Easement Rights By the Declarant, The Declarant hereby reserves a non-exclusive easement and right-of-way in, through, over and across the Properties for the purpose of storage of building supplies and materials, the installation, construction, maintenance, reconstruction and repair of sanitary sewer lines, water lines, cables, storm drains and appurtenances to any of the same, and for all other purposes reasonably related to the completion of construction and the provisions of utility services, whether public or private to the community and to other property adjacent to or in the vicinity of the community.

Section 5. Enforcement The Association or any Owner, including the Declarant, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. The failure to enforce any right, reservation, restriction or condition contained in this Declaration, however long continued, shall not be deemed a waiver of the right to do so thereafter as to the same breach occurring prior or subsequent thereto and shall not bar or affect its enforcement. Also, the exercise of one remedy shall not operate as a waiver of the right to seek other remedies.

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

Section 7. Amendment,

(a) Unless amended as herein provided, the covenants, conditions and restrictions of this Declaration shall run with and bind the land, for a term of twenty years from the date this Declaration is recorded. After the initial twenty year term, the covenants and restrictions of this Declaration shall be automatically extended for successive periods of ten years.

(b) The Declarant may unilaterally amend this Declaration at any time and from time to time if such amendment is (i) necessary to bring any provision hereof into compliance with any applicable governmental statutes, rule or regulations, or judicial determination; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage on the lots; (iii) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National

Mortgage or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the lots; or (iv) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the lots; provided, however, any such amendment shall not adversely affect the title to any lot conveyed prior to said amendment unless the Owner shall consent thereto in writing; or (v) necessary to bring any provision hereof into compliance with any utility company requirements. So long as it still owns any part of the property, the Declarant may unilaterally amend this Declaration for purposes of correction or clarification, provided the amendment has no material adverse effect upon any right of any Owner.

(c) Thereafter and otherwise, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing 75 percent of the total Class A votes in the Association, including 75 percent of the Class A votes held by members other than the Declarant, and the unanimous consent of the Class B members, so long as such membership exists.

(d) No amendment may remove, revoke or modify any right or privilege of the Declarant without the written consent of the Declarant or the assignee of such right or privilege.

Section 8. Association Dissolution In the event of the dissolution of the Association, its assets shall be conveyed to another Association or to an appropriate public agency having similar purposes.

CHATHAM SQUARE ASSOCIATES
A VIRGINIA GENERAL PARTNERSHIP

//signed// Armand N. Fredette

//signed// Stephen R. Herl

//signed// Mel V. Meadows

State of Virginia
County of Stafford, to wit

The foregoing instrument was acknowledged before me this 20th day of April, 1994, by Armand N. Fredette, Stephen R. Herl and Mel V. Meadows General Partners of CHATHAM SQUARE ASSOCIATES, A Virginia general partnership.

//signed// Tammie L. Howard NOTARY PUBLIC My commission expires 10/31/94

VIRGINIA. In the Clerk's Office of the Circuit Court of the City of Fredericksburg on the 20th day of April 1994 at 15:54 o'clock p. m. this Deed was presented and with Certificate annexed admitted to record and indexed.

Teste: Sharon S. Mitchell

//signed// K. R. Self, Deputy Clerk

The foregoing documents can be found in the Clerks Office of the Circuit Court of the City of Fredericksburg in Book 270, Pages 607 to 622. Which same includes a plat of the Pump Station Dedication and a plat of the subdivision showing the Wetlands, Subject to Restrictive Covenant.