

NORTH RIDGE HOME OWNERS ASSOCIATION, INC.

Declaration

of

Covenants, Conditions and Restrictions superseding the Declaration  
of Covenants, Conditions and Restrictions dated November 12, 1976  
and all amendments thereto.

CONTENTS

PAGE

Recitals.....	1
Declaration.....	2
Article I. Definitions.....	2
Article II. Property Subject to the Declaration.....	4
Article III. Property Rights in the Common Areas.....	4
Article IV. Covenant for Maintenance Assessments.....	6
Article V. Architectural Control.....	14
Article VI. Restrictions on Use.....	17
Article VII. Protective Covenants.....	23
Article VIII. Leasing.....	25
Article IX. Insurance.....	26
Article X. Repair and Reconstruction After Fire or Other Casualty.....	27
Article XI. Mortgages.....	28
Article XII. Compliance and Default.....	29
Article XIII. Miscellaneous Provisions.....	31
Exhibit A .....	35

DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration, dated as of August 21, 1993, by the North Ridge Home Owners Association, Inc. recites and provides:

RECITALS

The North Ridge Home Owners Association, Inc. hereinafter called the Association, a non-stock corporation brought into being pursuant to Chapter 2 of Title 13.1 of the Code of Virginia, 1950, as amended, was associated and incorporated with the Virginia Hot Springs Development Company in the development of a residential community in Bath County, Virginia, a description of said property being attached hereto as Exhibit A. In accordance with the provisions of the Declaration recorded on November 12, 1976, in Deed Book 92, page 646, in the office of the Clerk, Circuit Court, Bath County, Virginia, as amended from time to time, or otherwise granted, the developer has granted title to all common lands encompassed in Exhibit A to the Association, and as there being no longer any connection, association, or privity between the Association and the said Development Company, the Association, acting under the provisions of Article XV of the originally recorded Declaration of November 12, 1976, and more than two-thirds (2/3) of the votes of the membership being recorded as approving the action, hereby terminates said Declaration and its amendments in their entirety, and in place thereof substitutes this amended Declaration.

The Association is the fee simple owner of certain real property located in Bath County, Virginia, as described in Exhibit A attached hereto and made a part hereof (the property) and desires to operate therein a residential community (the community) together with common lands (the common areas) and facilities for the benefit of the community.

In order to provide for the preservation of the values and amenities of the community and for the maintenance of such common lands and facilities, we, the Association, agree to subject the property and the common areas to the covenants, restrictions, easements, charges, and liens (hereinafter referred to collectively as the restriction) as hereinafter set forth for the benefit of the common areas and the property and each owner thereof and to such other By-Laws as the Association may from time to time establish.

The Association declares that the restrictions shall run with, burden, and bind the individually owned properties and the common areas.

#### DECLARATION

NOW, THEREFORE, the Association hereby declares that the individually owned properties and the common areas are and shall be held, transferred, sold, conveyed, occupied, and used subject to the provisions of the restrictions hereinafter set forth.

#### ARTICLE I

#### DEFINITIONS

The following words when used in this Declaration or any

Supplement hereto (unless the context shall prohibit) shall have the following meanings:

Association shall mean and refer to the North Ridge Home Owners Association, Inc. its successors and assigns.

Board of Directors shall mean and refer to the Board of Directors of the North Ridge Home Owners Association, Inc.

Common Areas shall mean all portions of the property other than the units. Such areas are intended to be devoted to the common use and enjoyment of the members of the Association, as herein defined, and are not dedicated for use by the general public.

Members. Every owner of a unit shall be a member of the Association, provided, however, that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a member, unless and until such person or entity has succeeded to such owner's interest by endorsement of such security interest. Membership shall be appurtenant to and may not be separated from ownership of any unit.

Owner or Unit Owner shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any unit, but shall not mean or refer to any mortgagees or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title thereto.

Mortgage shall mean and refer to any mortgage, deed of trust or similar instrument encumbering a Unit as security for the performance of any obligation.

Property shall mean and refer to the property and all additions thereto, or deletions therefrom, as are subject to this Declaration.

Unit shall mean and refer to any portion of the property designed and intended for individual ownership and use as a single family residence.

Voting Rights. Members shall be all Unit Owners and shall be entitled to one vote for each unit owned. When more than one person holds an interest in any unit, all persons shall be members. The vote for such unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any unit.

## ARTICLE II

### PROPERTY SUBJECT TO THE DECLARATION

Section 1. Description. The real property subject to this Declaration is all that property located in Bath County, Virginia, and described in Exhibit A attached hereto and made a part hereof.

## ARTICLE III

### PROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Owner's Easements of Enjoyment. Subject to the provisions enumerated herein, every owner shall have a right and easement of enjoyment in and to the common areas and such easement

shall be appurtenant to and shall pass with title to every Unit.

Section 2. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to borrow money for the purpose of improving the common areas and in aid thereof to mortgage the property it owns, and the rights of such mortgagee in such properties shall be subordinate to the rights of the owners hereunder; provided, however, that no such borrowing or mortgaging shall be made unless approved by the vote of two-thirds (2/3) of the membership at a meeting duly called for such purposes;

(b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosure;

(c) The right of the Association to dedicate or transfer all or any part of its interest in the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication or transfer, or determination as to the purpose or as to the conditions thereof, shall be effective unless an instrument signed by two-thirds (2/3) of the members entitled to vote is recorded.

Section 3. Delegation of Use. Any owner may delegate his rights of enjoyment to the common areas and facilities to the members of his family, tenants, or contract purchaser (and members of the family or any tenant or contract purchaser) who reside on

the property or to such other persons as may be permitted by the Association.

Section 4. Obligations of the Association. It shall be the continuing duty and obligation of the Association to operate and maintain, for the use and benefit of all members of the Association, all common areas and facilities and improvements developed thereon including the roads, streets, drainage structures, and area lighting, and to maintain, mow the grass on, and replace all dead or destroyed trees and shrubbery on the said property.

Section 5. No portion or part of the common lands of North Ridge may be sold, alienated, or otherwise disposed of without the approval of one hundred percent, (100%), of the members of the Association.

#### ARTICLE IV

##### COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Association hereby subjects each unit to the following charges to run with the title to each unit and bind each owner thereof, and each owner of any unit by acceptance of a deed or other transfer document therefor, whether or not it shall be so expressed in such deed or other transfer document, is deemed to covenant and agree to pay to the Association annual assessments or charges, and special assessments for capital improvements and operating, repair and replacement reserve funds, such assessments



to be fixed, established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fee, 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, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to the owner's successors in title (other than as a lien on the land) unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purposes of promoting the recreation, health, safety, and welfare of the unit owners; for the improvement and maintenance of the common areas; for services and facilities related to the use and enjoyment of the common areas, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement, and additions thereto, for the cost of labor, equipment, materials, management, and supervision thereof, and for operating reserve funds and capital reserve funds for repair and replacement of the common areas and the facilities thereon.

Section 3. Basis and Maximum Annual Assessments. The Board of Directors may, after consideration of current maintenance costs and future needs of the Association, fix the annual assessment for any year; provided that it shall be an affirmative

obligation of the Board of Directors to fix such assessments at an amount sufficient to maintain and operate the common areas and facilities and to provide reserves for the operation, repair and replacement of the common areas and facilities.

Section 4. Increase of Annual Assessments. Any increases, over and above the annual assessment in force at the time this document is adopted, must be approved by the assent of two-thirds (2/3) of the votes of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 5. Determination of Annual Assessment.

(a). Fiscal Year. The fiscal year of the Association shall be fixed by the Board of Directors and set forth in the Association's By-Laws.

(b). Preparation and Approval of Budget. Each year at least 15 days prior to the commencement of a new fiscal year, the Board of Directors shall adopt a budget containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the common areas, and the cost of wages, materials, insurance premiums, services, supplies and other expenses, and the rendering to the unit owners of all related services. Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve, and capital reserves for contingencies and replacements. The Board of Directors shall send to each owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the common

expenses payable by each owner, at least 30 days prior to the annual meeting for the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each owner's assessment as hereinbefore provided.

(c). Reserves. The Board of Directors shall build up and maintain an adequate reserve for working capital and contingencies, and an adequate reserve for replacement of all facilities of the common areas, which shall be collected as part of the annual assessment as hereinbefore provided. All funds accumulated for reserves shall be kept in a separate depository account, identified by reference to the specific category of reserve. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except where an emergency requires an expenditure to prevent or minimize loss from damage to, or deterioration of, the common areas, reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Association. If the reserves are inadequate for any reason, including nonpayment of any owner's assessment, the Board of Directors may at any time levy a further assessment in accordance with the provisions hereof, and which may be payable in a lump sum or in installments, as the Board of Directors may determine. In the event there is a balance of reserves at the end of any fiscal year and the Board of Directors determines the Association may lose its tax-exempt status due to such balance, the balance shall be returned on a pro-rata basis (based on the relative assessments) to all members who are

current in the payment of all assessments due the Association.

(d). Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget or adjusted budget for any fiscal year shall not constitute a waiver or release in any manner of an owner's obligation to pay his assessment as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each owner shall continue to pay the assessment at the then existing rate established for the previous fiscal period in the manner such payment was previously due until notified otherwise.

(e). Accounts. Except as otherwise provided, all sums collected by the Board of Directors with respect to assessments against the owners may be commingled into a single fund, but shall be held for each owner in accordance with his pro-rata assessment as provided above.

Section 6. Special Assessments for Capital Improvements and Operating Reserves. In addition to the annual assessments authorized, the Board of Directors may levy in any assessment year a special assessment, to be borne equally by each unit, applicable to that year only, for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the common areas, for which a reserve fund does not exist or is not adequate, provided that any such special assessment shall have the assent of two-thirds (2/3) of the votes of the members who are voting in person

or by proxy at a meeting duly called for this purpose.

Section 7. Date of Commencement of Assessments; Due Dates.

The assessments as to any unit shall be due and payable on the 10th day of each calendar month unless the assessments are required by the Board of Directors to be paid quarterly, in which event they shall be due and payable on the 10th day of January, April, July and September. The due date of any special assessment under Section 6 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. Duties of the Board of Directors.

In the event of any change in the annual assessment as set forth herein, the Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each unit for each assessment period at least thirty (30) days in advance of such date or period and shall at that time prepare a roster of the units and assessments applicable thereto which shall be open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every owner subject thereto. The Association shall, upon demand at any time, furnish to any owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid, or the amount of any unpaid assessment. A reasonable charge may be made by the Association for the issuance of such certificate. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessment. The Personal

Obligation of the Owner: The Lien: Remedies of the Association.

If any assessment is not paid on the date when due, then such assessment shall be deemed delinquent and shall, together with such interest thereon and cost of collection thereof as are hereinafter provided, become a lien on the unit which shall bind such unit 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 shall remain his personal obligation and shall not pass to his successors in title (other than as a lien on the land), unless expressly assumed by them. If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and 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; and in the event a judgment is obtained, such judgment shall include interest on the assessments above provided and a reasonable attorney's fee to be fixed by the court, together with the costs of the action. No owner of a unit 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 unit.

Section 10. Subordination of the Lien to First Mortgage.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage on the unit. Sale or transfer of any unit shall not affect the assessment lien.

However, the sale or transfer of any unit by foreclosure of any first mortgage on the unit, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such unit from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. No Alienation of Units. No owner shall be permitted to convey, mortgage, hypothecate, sell, lease, give, or devise his unit unless and until he (or his personal representative) shall have paid in full to the Association all unpaid assessments against his unit, except as otherwise specifically provided herein. The Association shall promptly furnish to any unit owner (or his devisee or personal representative) requesting the same in writing pursuant to this Section, a recordable statement certifying whether or not such unit owner is then obligated for any outstanding assessments previously levied against such unit and the amount, if any, then outstanding. In the event that the unit is subject to outstanding expenses previously levied against such unit, the statement shall certify any waiver of, or failure or refusal to exercise, the right of the Association to prevent the disposition of such unit, in all cases where the Association allows such disposition. Failure or refusal to furnish promptly such a statement in such circumstances shall make the above-mentioned prohibition inapplicable to any such disposition of the unit. Any such statement shall be binding on the Association and every unit owner.

Section 12. Exempt Property. The following properties subject to this Declaration shall be exempted from the assessments, charges, and liens created herein: (a) all properties dedicated to and accepted by a governmental body, agency or authority, and devoted to public use; (b) all common areas; and (c) all properties owned by any charitable or nonprofit organization exempt from taxation under the laws of the State of Virginia, except any such property used for dwelling purpose.

#### ARTICLE V

##### ARCHITECTURAL CONTROL

Section 1. The Architectural Review Board. No modification, alteration, or improvement of any nature whatsoever except for interior alteration not affecting the structural integrity or external appearance of any unit, shall be undertaken on any unit unless and until a plan of such construction or alteration shall have been approved in writing of his unit, including the doors and windows, except in accordance with the provisions hereof. The plan submitted to the Board for approval shall include the construction plans and/or specifications, including all proposed landscaping and a drawing showing a rendering of all proposed landscaping and a drawing showing a rendering of all proposed improvements. No construction shall be commenced and no unit shall be modified except in accordance with such plan or a modification thereof that has also been approved by



separate application.

Approval shall be granted or denied by the Board based upon compliance with the provisions of this Declaration, the quality of workmanship and materials, harmony of external design with surrounding structures, the effect of the construction on the outlook from surrounding property and units, and all other factors which in the sole opinion of the Board will affect the desirability or suitability of the construction.

The Architectural Review Board shall consist of the Directors of the Association, or such members of the Association as may be designated as an Architectural Committee by the Directors.

The Board shall establish uniform procedures for the review of the applications submitted to it. These procedures shall provide the time and place of meetings of the Board, the submission, review, and approval procedure and the review costs and fees (to be paid by the applicant) to be paid to the Association.

Approval or disapproval of applications to the Board shall be given to the applicant in writing within thirty (30) days of receipt thereof; in the event that the approval or disapproval is not forthcoming within thirty (30) days, unless an extension is agreed to by the applicant, the application shall be deemed approved and the construction of the applied for improvements may be commenced, provided that all such construction is in accordance with the submitted plans, and provided further that such plans conforms in all respects to the other terms and provisions of this Declaration.

Approval by the Board shall not constitute a basis for any liability of the members of the Board or the Association as regards; (1) failure of the plans to conform to any applicable building codes, or, (2) inadequacy or deficiency in the plans resulting in defects in the improvements shown thereon.

Section 2.      Maintenance. It shall be the responsibility of each owner to keep and maintain his unit in a neat and orderly manner, and, generally, prevent any condition of his unit to detract from the beauty of the property. Each owner shall be responsible for all damages to any and all other units and the common areas resulting from his failure to maintain his unit.

If any owner so fails to keep his unit in good and attractive condition and repair the Association shall have the option (after notice by mail addressed to the unit giving the owner thirty (30) days to undertake the necessary repairs) to take whatever action they deem necessary or appropriate in order to keep the property attractive and in good condition and repair and any such action shall be at the sole cost and expense of the owner, such costs to be paid to the Association upon demand therefor together with interest at the rate of ten percent (10%) per annum. If not paid within ten (10) days after demand, such costs shall become a lien upon the unit affected, equal in priority to a lien created by failure to pay an annual or special assessment as provided in Article IV hereof.

No unit may be sold, transferred, or alienated by the owner unless it is in compliance with the architectural standards

established by the Board under the provisions of this Article.

All common areas and facilities thereon shall be maintained by the Association as hereinbefore provided.

## ARTICLE VI

### RESTRICTION ON USE

#### Section 1. Restrictions on Use of Units and Common Areas.

Each unit and common areas shall be occupied and used strictly in accordance with the following:

(a) No part of the property shall be used for other than housing and the related common purposes for which the community was designed. Each unit shall be used as a residence for one single family and for no other purpose. An owner may use a portion of his unit for an office or studio provided that the activities therein shall not be opened to the public and shall not interfere with the quiet enjoyment or comfort of any other owner.

(b) Nothing shall be done or kept in any unit or in the common areas which will increase the rate of insurance paid for by the Association, without the prior written consent of the Association. No owner shall permit anything to be done or kept in his unit or in the common areas which will result in the cancellation of insurance carried by the Association, or which would be in violation of any law or ordinance.

(c) No immoral, improper, offensive, or unlawful use shall be made of the property or any part thereof, and all valid laws, zoning ordinances, and regulations of all governmental

agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations, or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the property, shall be complied with, by and at the sole expense of the unit owner or the Association, whichever shall have the obligation for such portion of the property.

(d) Nothing shall be done in any unit or in, on, or to the common areas which will impair the structural integrity of any improvements constructed on the property or which would structurally change any units or improvements thereon except as approved by the Board and provided, further, that interior partitions contributing to the support of any other unit shall not be altered or removed.

(e) No owner may post any advertisement, poster, or sign of any kind on the exterior of his unit or in the windows of his unit.

(f) Nothing shall be altered or constructed in or removed from the common areas, except upon the written consent of the Association.

(g) The common areas shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the units and the general character of the community.

(h) No fences may be erected on the property except for those erected by the Association.

(i) There shall be a cable television connection