

**ADDENDUM AMENDING AND RESTATING  
THE  
DECLARATION OF COVENANTS AND RESTRICTIONS  
OF  
REED'S LANDING  
COMMUNITY ASSOCIATION, INC.  
  
BYLAWS**

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Approved by Board of Directors: 10/1/96  
Adopted by vote of the Members: 11/19/96  
Approved by Chesterfield County  
Planning Department: 12/30/96

BOOK 2989 PAGE 137

**ADDENDUM AMENDING AND RESTATING THE  
DECLARATION OF COVENANTS AND RESTRICTIONS  
OF  
REED'S LANDING COMMUNITY ASSOCIATION, INC.**

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**ADDENDUM AMENDING AND RESTATING THE  
DECLARATION OF COVENANTS AND RESTRICTIONS  
OF REED'S LANDING COMMUNITY ASSOCIATION, INC.**

THIS ADDENDUM amending and restating the Declaration of Covenants and Restrictions of Reed's Landing Community Association, Inc., a Virginia nonstock corporation, is dated January 7, 1997 and provides as follows:

**RECITALS**

WHEREAS, the Declaration of Covenants and Restrictions of Reed's Landing Community Association, Inc. (the "First Declaration") was recorded in the Clerk's Office of the Circuit Court of Chesterfield County on November 23, 1981 in Deed Book 1569, page 1572;

WHEREAS, additional lands were made subject to the First Declaration by supplemental declarations recorded in the Clerk's Office of the Circuit Court of Chesterfield County on February 8, 1989 in Deed Book 2001, page 1487 and on June 4, 1990 in Deed Book 2092, page 462;

WHEREAS, Article VIII, Section 2 of the First Declaration grants the Members of Reed's Landing Community Association, Inc. the right to amend the First Declaration;

WHEREAS, a notice of a meeting to consider amendments to the First Declaration was given to the Members on October 18, 1996 and a meeting to consider amendments to the First Declaration was held on November 20, 1996;

WHEREAS, the total number of votes required to constitute a quorum at the meeting was 114 votes and Members entitled to vote this number of votes were present or their proxies had been received;

WHEREAS, 219 votes were cast in favor of the amendments to the First Declaration and 24 votes were cast against such amendments, meaning that the amendments were approved; and

WHEREAS, by letter of December 30, 1996, the Chesterfield County Planning Department approved the Addendum pursuant to Article VIII, Section 2 of the First Declaration.

NOW, THEREFORE, as evidenced by the signatures of the President and Secretary of the Association below, the First Declaration is hereby amended and restated in its entirety as follows with an effective date of January 20, 1997:

**DECLARATION OF COVENANTS, RESTRICTIONS  
AND BY-LAWS TO GOVERN  
REED'S LANDING COMMUNITY ASSOCIATION, INC.**

**ARTICLE I  
DEFINITIONS**

The following words and terms when used in this Declaration of Covenants, Restrictions and By-Laws to Govern Reed's Landing Community Association, Inc. (hereinafter the "Declaration") or any supplemental declaration (unless the context shall clearly indicate otherwise) shall have the following meanings:

(a) "Association" shall mean Reed's Landing Community Association, Inc., a Virginia nonstock corporation, its successors and assigns.

(b) "Board of Directors" or "Board" shall mean the Board of Directors of the Association.

(c) "Common Properties" shall mean those tracts of land with any improvements thereon which are deeded to the Association and designated in said deed as "Common Properties". The term "Common Properties" shall also include any personal property acquired by the Association if said property is designated a "Common Property" by the Board of Directors. All Common Properties are to be devoted to and intended for the common use and enjoyment of the Members and their guests, and visiting members of the general public (to the extent permitted by the Board of Directors) subject to the fee schedules and operating rules adopted by the Association.

(d) "Family Dwelling Unit" shall mean any single family dwelling on a Residential Lot in Reed's Landing.

(e) "Master Development Plan" shall mean the drawing which represents the conceptual plan for the development of Reed's Landing. Said plan is on file in the Chesterfield County Department of Community Development.

(f) "Member" shall mean all Owners of Residential Lots and Tenants of Family Dwelling Units in Reed's Landing.

(g) "Owner" shall mean the Owner as shown by the real estate records in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, whether it be one (1) or more persons, firms, associations, corporations, or other legal entities, of fee simple title to any Residential Lot situated in Reed's Landing but, notwithstanding any applicable theory of a deed of trust, shall not mean or refer to the mortgagee or holder of a deed of trust, its successors or assigns, unless and until such mortgagee or holder of a deed of trust has acquired title pursuant to foreclosure or a

proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner. In the event that there is recorded in the Office of the Clerk of the Circuit Court of Chesterfield County, Virginia, a long-term contract of sale covering any Residential Lot or parcel of land within Reed's Landing, the purchaser of such Residential Lot or parcel of land shall be deemed the Owner for purposes of this Declaration, and the seller shall not be deemed the Owner even though he holds fee simple title. A long-term contract of sale shall be one where the purchaser is required to make payments for the property for a period extending beyond nine (9) months from the date of the contract, and where the purchaser does not receive title to the property until such payments are made, although the purchaser is given the use of said property.

(h) "Proprietors" shall mean Reed's Landing Corporation, its predecessors, successors and assigns.

(i) "Reed's Landing" shall mean those lands lying partially in Chesterfield County, Virginia, and partially in the City of Richmond, Virginia known as Reed's Landing Subdivision which are shown as a part of the Proprietors' Master Development Plan, as revised from time to time, which plan has been filed with and approved by the Chesterfield County Planning Commission and is in the office of the Chesterfield Community Development Department.

(j) "Residential Lot" shall mean (1) any subdivided parcel of land within Reed's Landing that is improved with a Family Dwelling Unit or which is intended for use as a site for a Family Dwelling Unit, or (2) any two contiguous subdivided parcels of land within Reed's Landing that are improved with one Family Dwelling Unit constructed such that its foundation exists on both parcels. No parcel shall, however, be classified as a Residential Lot until the first day of the quarter of the year following the recording of a plat in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, showing such Residential Lot.

(k) "Tenant" shall mean the lessee under a written agreement for the rent and hire of a Family Dwelling Unit in Reed's Landing.

(l) "Unsubdivided Land" shall mean all land in Reed's Landing which has not been subdivided into Residential Lots. For the purposes of this Declaration, the following classifications of property shall not be deemed "Unsubdivided Land" and shall be expressly excepted from the definition thereof:

- (i) All lands committed to the Association through express, written notification by the Proprietors to the Association of intent to convey to the Association;

- (ii) All lands designated on the Master Plan for intended use, or by actual use if applicable, for outdoor recreation facilities; operating farms and/or animal pastures; woodland marsh and swamp conservances, unless conveyed by the Association pursuant to Article IV, Section 3(g); and
- (iii) All lands designated in any way as Common Properties.

**ARTICLE II**  
**PROPERTY SUBJECT TO DECLARATION**

The real property subject to this Declaration is described as follows:

All those tracts or parcels of land being in Chesterfield County, Virginia, which are more particularly described in Exhibit A attached hereto and by specific reference made a part hereof.

The Association shall have the right to bring additional contiguous property within the plan and operation of this Declaration. The additions shall be made by filing a Supplemental Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the Declaration to such additional property.

**ARTICLE III**  
**MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION;**  
**GOVERNANCE BY BOARD OF DIRECTORS**

Section 1. Membership. Every Owner and Tenant shall be a Member of the Association. The Association may issue to each Member a membership card which shall expire upon termination of a Tenant's Lease or upon sale by an Owner of his property in Reed's Landing.

Section 2. Classes of Membership; Voting Rights. There shall be two classes of Members: voting Members and non-voting Members. Owners shall be voting Members of the Association. Tenants shall be non-voting Members of the Association. The number of votes an Owner is entitled to cast shall be controlled by the number of Residential Lots owned by such Owner in Reed's Landing. Ownership of a Residential Lot entitles the Owner or Owners of such lot to an aggregate total between them of two (2) votes. By way of example only, if a Residential Lot is jointly owned by husband and wife, then each of them shall be entitled to one (1) vote. The record date for determining Owners entitled to vote at any regular or



special meeting of the Association shall be the close of business on the day before the date written notice of such meeting is given by the Board to the Members.

The act of voting shall have the following effect:

- (i) If a Residential Lot is owned by two (2) or more persons or entities and only one (1) votes, in person or by proxy, then the act of the Owner so voting shall bind all other Owners; and
- (ii) If a Residential Lot is owned by more than two (2) persons or entities and more than one (1) votes, in person or by proxy, then the act of the majority so voting shall bind all other Owners. If there is an even split among the Owners voting, then each such group of Owners shall be entitled to one (1) vote.
- (iii) The principles of this paragraph shall apply, insofar as possible, to execution of proxies, waivers, consents or objections and for the purpose of ascertaining the presence of a quorum.

Section 3. Governance. The Association shall be governed by a Board of Directors consisting of seven (7) Owners. An Owner must have owned a Residential Lot for at least one year prior to the record date set forth in Section 2 above before being eligible for election to the Board.

Section 4. Election and Terms of the Board of Directors; Nominating Committee. (a) Members of the Board of Directors shall be elected at the annual meeting of the Association. Each Owner shall be entitled to as many votes as equals the number of votes he is entitled to, based on his ownership of a Residential Lot as computed by the formula set forth in Section 2 above, multiplied by the number of directors to be elected. Directors shall be elected by a plurality of the votes cast.

(b) Commencing with the 1997 annual meeting, the directors shall be divided into three classes with respect to the time for which they hold office. The term of the first class, consisting of three directors, shall expire at the 1998 annual meeting. Two directors currently serving on the Board have terms expiring at the 1998 annual meeting; therefore, one director for the first class shall be elected at the 1997 annual meeting. The term of the second class, consisting of two directors, shall expire at the 1999 annual meeting. One director currently serving on the Board has a term expiring at the 1999 annual meeting; therefore, one director for the second class shall be elected at the 1997 annual meeting. The term of the third class, consisting of two directors, shall expire at the 2000 annual meeting. There are no directors now serving on the Board whose terms expire at the 2000 annual meeting;

therefore, two directors for the third class shall be elected at the 1997 annual meeting. At each annual meeting commencing with the 1998 annual meeting, directors elected to succeed those directors whose terms then expire shall be elected for a term to expire at the third succeeding annual meeting after their election. A director may only serve for two successive terms. Upon the death, resignation or removal of a director, a successor shall be elected by the remaining directors and shall serve until the next annual meeting of the Association where a new director shall be elected to serve the remaining term, if any, of the director who left the Board. The Board on its own motion may remove a director for cause.

(c) The Board shall appoint a nominating committee no later than December 1 of each year. The committee shall consist of one director, who shall act as chairperson, and two other Owners. The function of the committee shall be to identify competent, qualified Owners willing to serve on the Board of Directors and to obtain their commitment to be candidates for the Board at the annual meeting. The committee shall prepare a report, to be mailed with the notice of the annual meeting, that states the names of all Owners willing to be candidates for the Board. Additional nominations may be made by any Owner at the annual meeting. A member of the nominating committee may be a candidate for the Board.

Section 5. Owners to Have Power to Call Special Meeting. The Owners shall have the power at a special meeting of the Association to approve or reject certain actions taken, or proposed to be taken, by the Board of Directors, including the levy by the Board of Directors of any special assessment and the addition or deletion of functions or services which the Association is authorized to perform. Unless otherwise specifically provided for herein, Owners may require the Board of Directors to convene a special meeting of the Association on such actions of the Board of Directors by presenting to the President or Secretary of the Association within thirty (30) days of the taking of such action, or ratification by the Board of its intent to take such action, a petition signed by not less than twenty (20%) percent of the Owners. The record date for determining Owners entitled to demand a special meeting is the date the first Owner signs the petition. The Board of Directors shall promptly notify the Members that a special meeting has been called, giving such Members notice in accordance with Article VIII, Section 3. Provided a quorum is present, any Owner may make a motion at such special meeting to rescind, amend, modify or prohibit any such action taken, or to be taken, by the Board of Directors. Except as is otherwise provided in this Declaration, a vote of sixty-six (66%) percent or more of the votes cast, in person or by proxy, at such special meeting, shall pass such motion.

Section 6. Quorum Required for An Action Authorized at Regular or Special Meetings of the Association. The quorum required for any action which is subject to a vote of the Owners at a regular or special meeting of the Association shall be as follows: The presence at a meeting of Owners entitled to cast, or of proxies entitled to cast, twenty-five (25%) percent of the votes of the membership shall constitute a quorum. This provision shall not apply when the proposed action is the amendment of this Declaration, and the quorum requirement established by Article VIII, Section 2 shall govern in that instance.

Section 7. Proxies. All Owners may vote and transact business at any meeting of the Association by proxy authorized in writing; provided, however, that proxies shall not be effective unless they are delivered to the President or Secretary of the Association, or their designee(s), prior to the vote being taken on any proposed action.

Section 8. Annual, Semi-Annual and Special Meetings. The annual meeting of the Association shall be held during the month of March each year, and a mid-year meeting of the Association shall be held during the month of September each year. The Board of Directors may call a special meeting of the Association if it deems it appropriate to do so. The Board of Directors shall give notice of all such meetings to the Members in accordance with Article VIII, Section 3.

Section 9. Officers and Their Duties. The Association shall have a President, a Vice President, a Secretary, and a Treasurer. The Board of Directors shall meet and elect these officers by majority vote at the conclusion of the annual meeting. The Board may remove an officer for cause. The duties of the officers are as follows:

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; and shall sign all contracts, leases, mortgages, deeds and other written instruments and promissory notes. In addition, the President shall exercise and discharge such other duties as may be required by the Board.

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

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring a seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall

perform such other duties as may be required by the Board. The Secretary shall ensure that a copy of all minutes of all Board meetings is delivered to the registered agent of the corporation or, if a Management Company is employed pursuant to Article VI, Section 6, to the Management Company, prior to the annual meeting of the Association for inclusion in the Association's records.

(d) The Treasurer shall receive and deposit in appropriate accounts all monies of the Association and shall disburse such funds as directed by the Board; keep proper books of account; cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year; and shall prepare (i) an annual budget, (ii) a fiscal year-end statement of assets and liabilities, and (iii) a fiscal year-end statement of revenues and expenses. The budget and the statements, once approved by the Board, shall be distributed by the Treasurer to the Members at the annual meeting. The Treasurer shall report to the Board the name of any Owner who has failed to pay an assessment or charge within ninety (90) days of the date such assessment or charge is due. If a Management Company is employed by the Association as set forth in Article VI, Section 6, the Board may delegate certain duties of the Treasurer to the Management Company.

Section 10. Standing Committees. There shall be Standing Committees of the Board of Directors as follows: Architectural Review, Finance, Grounds and Maintenance, Security, and Landscape. Each committee shall be headed by a director, unless the Board directs otherwise, and shall perform such functions as directed by the Board. Committee members shall be appointed by the director or other person in charge of the Committee and shall serve two (2) years, although they may be reappointed for successive terms.

Section 11. Meetings of the Board of Directors. Meetings of the Board of Directors shall be held monthly and be open to all Members. A quorum shall consist of four directors, and a quorum must be present at a Board of Director's meeting for the Board to conduct business. The Board of Directors may convene in closed session only to consider personnel matters; consult with legal counsel; discuss and consider contracts, potential or pending litigation and matters involving violations of the Declaration or rules and regulations adopted pursuant thereto for which a Member, his family members, tenants, guests or other invitees are responsible; or discuss and consider the personal liability of Members to the Association upon the affirmative vote in open meeting to assemble in closed session. The motion shall state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session shall be included in the minutes. The Board of Directors shall restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the motion. No contract, motion or other action adopted, passed or agreed to in closed session shall become effective unless the Board

of Directors, following the closed session, reconvenes in open meeting and takes a vote on such contract, motion or other action which shall have its substance reasonably identified in the open meeting.

Section 12. Indemnification of Officers and Directors. (a) Third party actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, including all appeals (other than an action, suit or proceeding by or in the right of the Association) by reason of the fact that he is or was a director or officer of the Association, or is or was serving at the request of the Association as a director or officer of another association, partnership, joint venture or other enterprise, against expenses (including attorneys' fees), judgments, decrees, fines, penalties, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(b) Derivative actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit, including all appeals, by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the Association, or is or was serving at the request of the Association as a director or officer of another association, partnership, joint venture, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been finally adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and

reasonably entitled to indemnity for such expenses as such court shall deem proper.

(c) Rights after successful defense. To the extent that a director or officer has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsection (a) or (b) above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(d) Other determination of rights. Except in a situation governed by subsection (c) above, any indemnification under subsection (a) or (b) above, (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director or officer is permissible in the circumstances because he has met the applicable standard of conduct set forth in subsection (a) or (b) above. Such determination shall be made (i) by a majority vote of directors acting at a meeting at which a quorum consisting of directors who are not or were not parties to such action, suit or proceeding is present, (ii) if such a quorum is not obtainable (or even if obtainable), and a majority of disinterested directors so directs, by either a committee of two or more directors who are not or were not parties to such suit, action, or proceeding, which committee shall be designated by the majority vote of directors (including directors who are or were parties to such suit, action or proceeding), (iii) by special legal counsel (compensated by the Association) in a written opinion, or (iv) by the affirmative vote in person or by proxy of fifty-one (51%) percent of the Owners, but directors who are or were parties to such action, suit or proceeding may not vote on the determination.

(e) Advances of expenses. Expenses of each person indemnified hereunder incurred in defending a civil, criminal, administrative, or investigative action, suit, or proceeding (including all appeals), or threat thereof, may be paid by the Association in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors, whether a disinterested quorum exists or not, upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association.

(f) Nonexclusiveness; heirs. The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled as a matter of law or under any insurance purchased by the Association, or otherwise, both as to an action in his official capacity and as to an action in another capacity while holding such office, and it shall continue as to a person who has ceased to be a director or

officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

(g) Purchase of insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Association, or is or was serving at the request of the Association as a director or officer of another association, partnership, joint venture, or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this section or of the Code of Virginia.

(h) Permissible indemnity of employees and agents. The Association may, by majority vote of a quorum of disinterested directors, indemnify and advance expenses under this section to an employee or agent of the Association to the same extent as to a director or officer. This provision shall not be interpreted to impose any obligation on the Association to indemnify its employees or agents.

#### ARTICLE IV PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Members' Easements of Enjoyment in Common Properties. (a) Subject to the provisions of this Declaration, the rules and regulations of the Association, and any fees or charges established by the Association, every Member, and every guest of such Member, shall have a right of easement of enjoyment in and to the Common Properties and such easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Residential Lot or any Unsubdivided Land. A Member's spouse and children who reside with such Member in Reed's Landing shall have the same easement of enjoyment hereunder as a Member.

(b) In those instances where a Residential Lot or Family Dwelling Unit or other property in Reed's Landing is occupied pursuant to a lease by two (2) or more persons (who do not have the relationship of spouse, parent, or child, one to the other) or by a corporation, such joint Tenants shall annually appoint no more than three (3) persons as the "Primary Members." Such Primary Members shall have the same easement of enjoyment in the Common Properties as Owners who own or occupy such property singularly, but the remaining Tenants shall not.

Section 2. Title to Common Properties. The Association owns and maintains and, subject to the powers of the Board of Directors and Members otherwise enumerated in this Declaration, shall continue to own and maintain the Common Properties.

Section 3. 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 and/or maintaining the Common Properties, and providing services authorized herein and, in aid thereof, to mortgage said properties.

(b) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against foreclosures.

(c) The right of the Association to suspend the rights and easements of enjoyment of (i) any Owner or guest or Tenant of any Owner, for any period during which the payment of any assessment against property owned by such Owner remains delinquent, it being understood that any suspension for nonpayment of any assessment shall not constitute a waiver or discharge of the Owner's obligation to pay the assessment, and (ii) any Member, or guest of any Member, for any period not to exceed sixty (60) days, for any infraction of the Association's adopted policies, rules and regulations; provided, however, that the Association shall not suspend the right of any Member to use any roads belonging to the Association, subject to the policies, rules, regulations or fees, if any, established by the Association for such use.

(d) The right of the Association to charge reasonable admission and other fees for use of the Common Properties and any facilities included therein, including an assessment for the use of any roads belonging to the Association; provided, however that such rights of the Association shall not be construed to impair or qualify a Member's right of ingress and egress to his property.

(e) The right of the Association to place any reasonable restrictions upon the use of the Association's roads, subject to a Member's right of ingress and egress, including, but not limited to, the types and sizes of vehicles permitted to use said roads, the maximum and minimum speeds of vehicles using said road, all other necessary traffic and parking regulations, and the maximum noise levels of vehicles using said roads. The fact that such restrictions on the use of the roads shall be more restrictive than the laws of any state or local government having jurisdiction over Reed's Landing shall not make such restrictions unreasonable.

(f) The right of the Association to dedicate or transfer to any public or private utility, utility or drainage easements on any part of the Common Properties.

(g) The right of the Association to give or sell all or any part of the Common Properties to any public agency, authority, public service district, utility or private person or concern for



such purposes and subject to such conditions as may be agreed to by the Owners, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedication, transfers and determinations as to purposes and conditions shall be authorized by the affirmative vote of sixty-six (66%) percent of the votes cast by the Owners at a duly called meeting of the Association, subject to the quorum requirements established by Article III, Section 6. A true copy of a certificate of the results of the vote taken thereon shall be made and acknowledged by the President or Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Properties prior to the recording thereof. Such certificates shall be conclusive evidence of authorization by the Owners. Upon the effective date of transfer of title, the property given or sold shall no longer be deemed Common Properties.

**ARTICLE V**  
**COVENANTS FOR ASSESSMENTS;**  
**FINANCIAL AFFAIRS OF THE ASSOCIATION**

**Section 1. Obligation to Pay Assessments.** Each Owner of any Residential Lot or Unsubdivided Land, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to all the terms and provisions of this Declaration and to pay to the Association: (a) annual assessments which shall take into account and consider the Road Fund contribution as hereinafter established and (b) special assessments for the purposes set forth in this Article, 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 therefor as hereinafter provided, shall be a charge and continuing lien on the real property and improvements thereon against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such real property at the time when the assessment first became due and payable. In the case of co-ownership of a Residential Lot or Unsubdivided Land, all of such co-owners shall be jointly and severally liable for the entire amount of the assessment. The Association shall perfect and enforce the lien provided by this section in the manner provided by the Virginia Property Owners' Association Act, Va. Code § 55-508, et seq., as amended.

**Section 2. Purpose of Annual Assessment.** The annual assessment levied by the Association shall be used exclusively for the improvement, maintenance, enhancement, enlargement and operation of the Common Properties including the streets, roads,

lanes and/or avenues and to provide services which the Association is authorized to provide.

Section 3. Maximum Annual Assessment; Establishing the Annual Assessment; Road Fund. The Maximum Annual Assessment, as set forth in the schedule below, and as is annually increased pursuant to the provisions of subsection (g) below, shall be levied by the Association. If, however, the Board of Directors determines that the important and essential functions of the Association (including the required Road Fund contribution) may be properly funded by an assessment less than the Maximum Annual Assessment, it may levy such lesser assessment. By December 1 of each year, the Board shall determine and set the amount of the annual assessment for the subsequent fiscal year. The levy of an assessment less than the Maximum Annual Assessment in one (1) year shall not affect the Board's right to levy an annual assessment equal to the Maximum Annual Assessment in subsequent years. If the Board of Directors shall levy less than the Maximum Annual Assessment for any fiscal year and thereafter, during such fiscal year, determine that the important and essential functions of the Association cannot be funded by such lesser assessment, the Board may, by majority vote, levy a supplemental assessment. In no event shall the sum of the annual and supplemental assessments for that year exceed the applicable Maximum Annual Assessment.

If the Board of Directors, by majority vote, determines that the important and essential functions of the Association will not be properly funded in any one (1) year or in any one (1) year and all subsequent years, it may call a special meeting of the Owners requesting approval of a specified increase in the Maximum Annual Assessment for either one (1) year only, or for that one (1) year and all subsequent years. Subject to the quorum requirements set forth in Article III, Section 6, should fifty-one (51%) percent of the votes cast at such special meeting be in favor of such proposal, the proposed increased Maximum Annual Assessment shall be deemed approved and may be levied by the Board. An increase in the Maximum Annual Assessment for one (1) year only shall in no way affect the Maximum Annual Assessment for subsequent years or increases thereof in subsequent years.

(a) The Maximum Annual Assessment, which includes the required Road Fund contribution, shall be the sums calculated in accordance with the following schedule, as may be increased in each instance by an inflation adjuster as set forth in subsection (g) below and as may be increased pursuant to a special meeting as set forth immediately above:

<u>Property Type</u>	<u>Maximum Annual Assessment</u>
Residential Lots with Family Dwelling Unit	\$2,072.00

Residential Lots without Family Dwelling Unit	\$1,036.00
Unsubdivided Land	\$ 86.00 per acre or portion thereof

(b) Property shall not be classified as a Residential Lot for purposes of an assessment until the first day of the quarter of the year following the recording of a plat in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, showing such Residential Lot. For purposes of this section, a Family Dwelling Unit shall be deemed to exist on a Residential Lot at such time as a certificate of occupancy is issued for such structure.

(c) The Association shall establish a Road Fund to cover the cost to construct, repair, rehabilitate, resurface and otherwise maintain the Association's roads; to provide for the maintenance and clean up of said roads, including snow removal; and to provide and maintain drainage along said roads. The Owners shall contribute annually to the Road Fund not less than \$20,000. The amount to be contributed shall be deducted by the Association and deposited into the Road Fund from the total funds received by the Association from the annual assessment. The Board shall cause this amount to be deposited to the Road Fund no later than December 31 of each year. Subject to the rights of the Owners set forth in Article III, Section 5, the Board of Directors may increase the required annual contribution to the Road Fund upon a finding that \$20,000 per year is inadequate to accomplish the ends for which the Road Fund was established. The Board of Directors shall notify the Owners within ten (10) days of the date it votes to increase the required annual contribution to the Road Fund. Any amount remaining in the Road Fund at the end of any fiscal year shall remain in the Road Fund from year to year. If the Road Fund reaches an amount equal to \$500,000, the Board of Directors shall then be authorized, if it deems it in the best interest of the Association, to reduce for any one (1) year the required annual contribution to the Road Fund. [NOTE: This provision cannot be changed without approval of the Chesterfield County Planning Commission. See Tentative Amendment 97TS0190 to 1981 Tentative Subdivision Approval (December 17, 1996).]

(d) Assessments shall be billed annually, quarterly, monthly, in advance, or on such other basis as may be determined by the Board of Directors. The billing schedule shall be the same for all properties of a specified category; provided however, that the Board of Directors, in its discretion, may establish different schedules for the billing of assessments due from different categories of property. All assessment bills shall be payable within thirty (30) days from the date of mailing or other delivery unless the Board of Directors determines otherwise. The Board may add a late payment charge to any assessment not paid when due.

(e) The Board of Directors may authorize a billing agent to collect the assessments provided for herein.

(f) All assessments charged by the Association shall be rounded off to the nearest dollar.

(g) From and after January 1, 1997, the Maximum Annual Assessment shall be increased annually by the Board of Directors by ten (10%) percent per year over the previous year, or the percentage increase between the first month and the last month of an annual assessment period in the Consumer Price Index, U.S. City Average, All Items (1967-100) (hereafter "C.P.I.") issued by the U.S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U.S. City Average and Selected Areas" whichever of these two percentage figures is larger. If the Board of Directors so determines, the Maximum Annual Assessment may be increased less than the larger of the two percentage figures described immediately above. If the C.P.I. is discontinued, then there shall be used the most similar index published by the United States Government that may be procured indicating changes in the cost of living.

Section 4. Special Assessments for Improvements and Additions. (a) In addition to the Maximum Annual Assessment authorized by Section 3 hereof, the Board of Directors may levy a special assessment if the purpose in so doing is found by the Board to be in the best interests of the Association and the proceeds of the special assessment are used primarily for:

- (1) Construction or reconstruction, repair or replacement of capital improvements, or maintenance upon the Common Properties including any fixtures thereon and any personal property related thereto;
- (2) For additions to the Common Properties;
- (3) To provide for the necessary facilities and equipment to offer the services authorized herein;
- (4) To repay any loan made to the Association to enable it to perform the duties and functions authorized herein;

(b) The Board of Directors shall notify the Owners within ten (10) days of the date of the levy that a special assessment has been imposed. The notice shall explain the reasons why the special assessment was levied, and it shall inform the Owners of their right under the Virginia Property Owners' Association Act, Va. Code § 55-508, et seq., as amended, to seek to rescind or reduce the special assessment. Within ten (10) days of the date of such notice, any Owner may deliver a written petition to the President or Secretary of the Association containing the signatures of not

less than twenty (20%) percent of the Owners asking that a special meeting of the Association be convened to consider rescinding or reducing the special assessment. The Board of Directors shall promptly notify the Members of a special meeting for this purpose in accordance with Article VIII, Section 3, and the meeting shall take place no later than sixty (60) days of the date of the notice of the special assessment. Provided a quorum is present, any Owner may make a motion at such special meeting to rescind or reduce the special assessment. Fifty-one (51%) percent of votes cast, in person or by proxy, at such special meeting, shall pass such motion.

(c) This section shall be interpreted to mean that the Association may make in any one (1) year an annual assessment up to the maximum set forth in Section 3 of this Article V, plus an additional special assessment. Such special assessment in any one (1) year may not exceed a sum equal to the amount of the Maximum Annual Assessment for such year except for emergency or repairs required as a result of storm, fire, natural disaster, or other casualty loss. The fact that the Association has made an annual assessment for an amount up to the Maximum Annual Assessment shall not affect its right to make a special assessment during the year.

(d) Special assessments shall be assessed against Residential Lots with Family Dwelling Units, Residential Lots without Family Dwelling Units, and Unsubdivided Land in the same proportion as annual assessments are assessed against such lots and land for the fiscal year during which each such special assessment is made.

Section 5. Reserve Funds. The Association shall establish a Road Fund and may establish other reserve funds from the proceeds of the annual assessment to be held in reserve in an interest drawing account or investments as a reserve for:

- (1) Major rehabilitation or major repairs;
- (2) Emergency and other repairs required as a result of storm, fire, natural disaster, or other casualty loss;
- (3) Initial costs of any new service to be performed by the Association;
- (4) Replacement of equipment; and
- (5) Snow and ice response costs.

Section 6. Evidence of Payment of Assessment to be Provided by Association. The Association shall upon demand at any time furnish to any Owner liable for an assessment a certificate in writing signed by the President of the Association, setting forth

whether said assessment has been paid. Such certificate shall be conclusive evidence against all but the Owner of payment of any assessment therein stated to have been paid. If the Board of Directors authorizes a billing agent to collect assessments, the certificate of the billing agent shall be conclusive evidence against all but the Owner of payment of any assessment therein stated to have been paid.

Section 7. Effect of Non-Payment of Assessment: Personal Obligation of the Owner; the Lien; Remedies of Association. If any assessment is not paid on or before the due date as determined and established by the Board of Directors, then such assessment shall become delinquent and shall (together with interest thereon at the maximum annual rate permitted by law from the due date and cost of collection thereof as hereinafter provided) become a charge and continuing lien on the land and all improvements thereon against which each such assessment is made. The Association shall perfect and enforce the lien in the manner provided by, and give all notices required by, the Virginia Property Owners' Association Act, Va. Code § 55-508, et seq., as amended.

In addition, if the assessment is not paid within thirty (30) days after the due date, the Association may bring an action at law against the Owner personally and there shall be added to the amount of such assessment reasonable attorneys' fees together with interest and the costs of the action.

Section 8. Subordination of the Lien to Deeds of Trust. The lien of the assessments provided for herein shall be subordinate to (1) real estate tax liens on the property subject to the assessment, (2) liens and encumbrances recorded prior to the recordation of the First Declaration, and (3) sums unpaid on and owing under any mortgage or deed of trust recorded prior to the perfection of said lien. In the event a creditor acquires title to the property pursuant to foreclosure or any other proceeding or deed in lieu of foreclosure, said creditor shall not be personally liable for assessments, but all assessments shall continue to be a charge and continuing lien on the land. Any sale or transfer shall not relieve such property from liability for any assessments accruing before or after conveyance by the creditor to a subsequent Owner.

Section 9. Property Exempt from Assessment. The following property, individuals, partnerships or corporations, subject to this Declaration shall be exempted from the assessment, charge and lien created herein:

(1) The grantee in conveyances made for the purpose of granting utility easements;

(2) All lands committed to the Association through express, written notification by the Owners to the Association of intent to convey to the Association;

(3) All land designated on the Master Plan for intended use, or by actual use if applicable, for outdoor recreation facilities; operating farms and/or animal pastures; and/or woodland, marsh and swamp conservances, unless conveyed by the Association pursuant to Article III, Section 3(g); and

(4) All lands designated, in any way, as Common Properties.

Section 10. Annual Budget. By December 1 of each year, the Treasurer shall prepare and the Board of Directors shall adopt a budget outlining anticipated receipts and expenses for the next fiscal year.

Section 11. Annual Audit. By February 1 of each year, the Board of Directors shall secure the services of a certified public accountant to complete an audit of all financial transactions of the Association over the previous fiscal year.

Section 12. Authority to Draw Checks. The President, and any such other persons as may be designated by the Board of Directors, shall draw checks on the bank accounts maintained by the Association. The President and such other persons that may be authorized to draw checks or who may have access to Association monies shall be bonded for the faithful performance of their duties in such amount and with such surety as may be prescribed by the Board of Directors.

Section 13. Fiscal Year. The fiscal year of the Association shall be January 1 through December 31.

Section 14. Inspection and Copying of Books and Records. Except for those that may be withheld by the Association's pursuant to the Virginia Property Owners' Association Act, Va. Code § 55-508, et seq., as amended, the books and records of the Association shall be available for inspection and copying by Members at all reasonable times at a mutually convenient location. The Association may impose and collect a charge reflecting the actual cost of materials and labor prior to providing a copy of any book or record to a Member.

## ARTICLE VI FUNCTIONS OF THE ASSOCIATION

Section 1. Ownership and Maintenance of Common Properties. The Association shall be authorized to own and/or maintain (subject to the requirements of the Planning Commission of Chesterfield

County, Virginia) Common Properties, equipment, furnishings, and improvements devoted to the following uses:

(a) For roads and parkways along said roads throughout Reed's Landing. The roads in Reed's Landing are private, and shall be maintained by the Association in accordance with the provisions of the restrictive covenants made applicable to Reed's Landing. There shall be no responsibility imposed on the County of Chesterfield and/or the Commonwealth of Virginia to construct, maintain, or repair any roads in Reed's Landing, either now or at any time in the future.

(b) For sidewalks, walking paths, trails or bicycle paths throughout Reed's Landing;

(c) For security and fire protection services including security stations, maintenance building and/or guardhouses, police equipment and fire fighting equipment, and buildings used in maintenance functions;

(d) For providing any of the services which the Association is authorized to offer under Section 2 of this Article VI;

(e) For purposes set out in deeds by which Common Properties are conveyed to the Association, provided that such purposes shall be approved by the Owners in the manner set forth in Section 3 of this Article VI;

(f) For lakes, play fields, tennis and swimming facilities, historic parks, wildlife areas, fishing facilities, other recreational facilities of any nature, and community meeting facilities serving Reed's Landing; and,

(g) For water and sewage facilities and any other utilities, if not adequately provided by a private utility, Chesterfield County or some other public body.

Section 2. Services Provided by the Association. The Association shall be authorized (unless prohibited by requirements of the Planning Commission of Chesterfield County, Virginia), but not required, to provide the following services:

(a) Cleanup and maintenance of all roadway medians, lakes and other Common Properties, within Reed's Landing and also all public properties which are located within or in a reasonable proximity to Reed's Landing such that their deterioration would affect the appearance of Reed's Landing as a whole;

(b) Landscaping of roads, sidewalks and walking paths and any Common Properties;



(c) Lighting of roads, sidewalks and walking paths throughout Reed's Landing;

(d) Police protection and security, including, but not limited to the employment of police and security guards, maintenance of electronic and other security devices and control centers for the protection of persons and property within Reed's Landing, and assistance in the apprehension and prosecution of persons who violate the laws of Virginia within Reed's Landing;

(e) Fire protection and prevention;

(f) Garbage and trash collection and disposal;

(g) Insect and pest control to the extent that it is necessary or desirable in the judgment of the Board of Directors to supplement the service provided by the state and local governments;

(h) The services necessary or desirable in the judgment of the Board of Directors to carry out the Association's obligations and business under the terms of this Declaration;

(i) Maintenance of all lakes and lagoons located within Reed's Landing, including the stocking of such lakes and lagoons;

(j) To take any and all actions necessary to enforce all Covenants and Restrictions affecting Reed's Landing and the Residential Lots and to perform any of the functions or services delegated to the Association in any Covenant or Restrictions applicable to Reed's Landing and the Residential Lots;

(k) Improvement of fishing available to Members within the Properties;

(l) To conduct recreation, sports, crafts, and cultural programs of interest to Members, their children and guests;

(m) To provide legal and scientific resources for the improvement of air and water quality within the Properties;

(n) To provide safety or other equipment for storm emergencies;

(o) To construct improvements on Common Properties, for use for any of the purposes or as may be required to provide the services as authorized in this Article;

(p) To provide administrative services, including, but not limited to legal, accounting and financial, and communication services informing Members of activities, notices of meetings, etc., incident to the above-listed services;

(q) To provide liability and hazard insurance covering improvements and activities on the Common Properties;

(r) To provide water, sewage and any necessary utility services not provided by a public body or private utility.

Section 3. Obligation of the Association to Provide Services.

The Association shall not be obligated to carry out or offer any of the functions and services specified by the provisions of this Article except for the road maintenance authorized in Section 1 of this Article VI, and defined more particularly in Article V, Section 3 herein. The functions and services to be carried out or offered by the Association at any particular time shall be determined by the Board of Directors taking into consideration the funds available to the Association and the needs of the Members. The functions and services which the Association is authorized to carry out or to provide may be added or reduced at any time upon the affirmative vote of sixty-six (66%) percent or more of those Owners voting at a regular or special meeting of the Association.

Section 4. Authority to Mortgage and Pledge. The Board of Directors shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made by the Association which loans shall be used by the Association in performing its authorized functions.

Section 5. Rules and Regulations; Policy and Procedures Manual. (a) The Board of Directors may adopt by resolution rules and regulations with respect to the use of the Common Properties and all other areas of responsibility assigned to the Association by this Declaration, except unless expressly reserved by this Declaration to the Members or Owners. Any such rule or regulation shall be reasonably published or distributed to Members of the Association. Any Owner may deliver a written petition to the President or Secretary of the Association containing the signatures of at least twenty (20%) percent of the Owners asking that a special meeting of the Association be convened to consider repealing or amending any rule or regulation adopted by the Board of Directors. The Board of Directors shall promptly notify the members of a special meeting for this purpose in accordance with Article VIII, Section 3. Provided a quorum is present, any Owner may make a motion at such special meeting to repeal or amend any rule or regulation adopted by the Board of Directors. Fifty-one (51%) percent of the votes cast, in person or by proxy, at such special meeting shall repeal or amend any such rule or regulation.

(b) The Board of Directors shall prepare and maintain a policy and procedures manual that sets forth adopted policies, procedures, rules and regulations regarding the operation of the Association and activities within Reed's Landing. The manual shall be periodically updated by the Board of Directors, be made

available to new Board members, and be available for inspection by any Member.

Section 6. Management Company. The Board of Directors may enter into a written contract with a corporation, partnership or other entity (a "Management Company") for management and performance of the day-to-day affairs and functions of the Association. The Management Company shall have that authority to act for the Association which is set forth in its written contract with the Association, and any written amendments thereto, and no other. The written contract shall provide that in no instance may the Management Company take any action for, or in the name of, the Association that is disapproved by the Board of Directors, even if such action is within the general grant of authority to the Management Company under the contract.

ARTICLE VII  
ARCHITECTURAL CONTROL

Section 1. Architectural Review. (a) No building, wall, fence, fountain, swimming pool, or other structure shall be commenced, erected, or maintained upon a Residential Lot or the Common Properties, nor shall any landscaping be done, nor shall any exterior addition to any existing structure or change or alteration thereof (including paint color), be made until the plans and specifications therefor showing the nature, kind, shape, height, paint color(s), materials and location of the same shall have been submitted to and approved in writing by the Architectural Review Committee as to the harmony and compatibility of its external design, color and location, with the surrounding structures and topography. This paragraph shall not apply to any property utilized by a governmental entity or institution.

(b) The Architectural Review Committee shall be composed of at least three (3) but not more than seven (7) Owners, all of whom shall be appointed by the Board of Directors for a term of two (2) years. Members of the committee may serve for successive terms.

(c) The Architectural Review Committee shall follow procedures adopted and approved by the Board, if any, for review, approval, rejection or modification of plans and specifications and/or requests submitted to the Committee. Any action of the Architectural Review Committee may be appealed in writing to the Board of Directors. The determination of the Board of Directors shall be final and binding.

(d) Notwithstanding anything in this Article VII to the contrary, the Proprietors shall retain the right of architectural review for construction of new Family Dwelling Units until such time as they delegate this function in writing to the Association.

ARTICLE VIII  
GENERAL PROVISIONS

Section 1. Duration. 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 any Owner, their respective legal representatives, heirs, successors, and assigns, for a period of thirty (30) years from the date this Declaration is recorded, after which time this Declaration shall be automatically extended for successive periods of ten (10) years unless seventy-five (75%) percent of the votes cast by the Owners at a duly called regular or special meeting of the Association held prior to the date the Declaration terminates are in favor of allowing this Declaration to terminate at the end of its current term. In the event that the Owners vote in favor of allowing this Declaration to terminate at the end of its current term, the President and Secretary of the Association shall execute a certificate which shall set forth a Resolution of Non-Extension adopted by the Association, the date of the meeting of the Association at which such resolution was adopted, the date the notice of such meeting was given, the total number of votes cast, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt the resolution, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. Said certificate shall be recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, and may be relied upon for the correctness of the facts contained therein as they relate to the non-extension of this Declaration.

Section 2. Amendments. (a) All proposed amendments to this Declaration shall be submitted to a vote of the Owners at a duly called meeting of the Association. Any such proposed amendment shall be deemed approved if sixty-six (66%) percent of the votes cast at such a meeting vote in favor of such proposed amendment. If any proposed amendment to this Declaration is approved by the Owners as set forth above, the President and Secretary of the Association shall execute an Amendment of Declaration which shall set forth the amendment, the effective date of the amendment (which in no event shall be less than sixty (60) days after the date of the meeting of the Association at which such amendment was adopted), the date of the meeting of the Association at which such amendment was adopted, the date that the notice of such meeting was given, the total number of votes required to constitute a quorum at a meeting of the Association, the total number of votes cast in favor of the amendment, and the total number of votes cast against the amendment. Such Amendment of Declaration shall be recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia.

(b) The quorum required for any action authorized to be taken by the Association under this Section 2 shall be as follows: The

first time any meeting of the Owners is called to take action under this Section 2, the presence at the meeting of Owners or proxies entitled to cast twenty-five (25%) percent of the total vote of all Owners shall constitute a quorum. If the required quorum is not present at any such meeting, subsequent meetings may be called for the purpose of taking such action, subject to the giving of proper notice, and the quorum requirement for such subsequent meetings shall be the presence of Owners or proxies entitled to cast ten (10%) percent of the total vote of all Owners.

Section 3. Notice. (a) Any notice required to be sent to any Owner or Member under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed, or hand-delivered to the address appearing on the Association's membership list. Notice to one (1) of two (2) or more Owners or Tenants of a Residential Lot or Family Dwelling Unit shall constitute notice to all such Owners and Tenants. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address. Any person who becomes a Member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor in title. The record date for determining which Members are entitled to notice shall be the close of business on the date before written notice is given.

(b) The Board shall give the Members at least thirty (30) days written notice of the date, time and location of any regular or special meeting of the Association, and the notice shall state the purpose or purposes for which the meeting is called.

Section 4. Enforcement. (a) Enforcement of this Declaration shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent the Declaration, either to restrain violation or to recover damages, and against the land and to enforce any lien created by this Declaration; and failure by the Association or any Member to enforce this Declaration, or any part of it, for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce the same thereafter.

(b) The Board of Directors may assess charges against any Member for any violation of this Declaration or rules or regulations of the Association for which the Member or his family members, Tenants, guests or other invitees are responsible. Before any charges may be assessed, the Member shall be given an opportunity to be heard and to be represented by counsel before the Board of Directors. Notice of a hearing shall be hand-delivered or mailed by registered or certified mail, return receipt requested, to the Member at the address of record with the Association at least fourteen (14) days prior to the hearing. The amount of any charges so assessed shall not be limited to the expense or damage

to the Association caused by the violation, but shall not exceed fifty dollars (\$50) for a single offense or ten dollars (\$10) per day for any offense of a continuing nature, unless a greater amount be allowed by the Virginia Property Owners' Association Act, Va. Code § 55-508, et seq., as amended. Any charges made shall be treated as an assessment against the Residential Lot owned or occupied by the Member for purposes of Article V hereof.

Section 5. Severability. Should any covenant, restriction, right or obligation herein contained, or any Article, Section, subsection, sentence, clause, phrase or term of this Declaration be declared to be void, invalid, illegal, or enforceable, for any reason, by the adjudication of any Court or other tribunal having jurisdiction over the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

Section 6. Interpretation. The Board of Directors shall have the right to determine all questions arising in connection with this Declaration, and to construe and interpret its provisions, and its determination, construction or interpretation shall be final and binding. In all cases, the provisions of this Declaration shall be given that interpretation or construction that will best tend toward the consummation of the general plan of improvements. Whenever in this Declaration reference is made to "he" or "him," such reference shall also be deemed to include "she" or "her."

Section 7. Authorized Action. All actions which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors in the manner provided for in this Declaration.

Section 8. Other Agreements. Notwithstanding anything contained herein to the contrary, all the provisions of this Declaration shall be subject to and conform with the provisions of the Ordinances of the County of Chesterfield, Virginia, and the rules and regulations promulgated thereunder, as amended, and the Virginia Property Owners' Association Act, Va. Code § 55-508, et seq. as amended.

Section 9. Limited Liability. In connection with all reviews, acceptances, inspections, permissions, consents or required approvals by or from the Association contemplated under this Declaration, the Association shall not be liable to an Member or to any other person on account of any claim, liability, damage, or expense suffered or incurred by or threatened against an Member or such other person and arising out of or in any way relating to the subject matter of any such reviews, acceptances, inspections, permissions, consents or required approvals, whether given, granted, or withheld.

Section 10. Termination of Association; Appointment of a Trustee. In the event the Association ceases to exist or function, or in the event that this Declaration be declared to be void, invalid, illegal, or unenforceable in its entirety, or in such a significant manner that the Association is not able to function substantially as contemplated by the terms hereof, for any reason, by the adjudication of any Court or other tribunal having jurisdiction over the subject matter hereof, or if the Owners should vote to allow this Declaration to terminate as provided for in Article VIII, Section 1 and the Declaration thereafter terminates, then all Common Properties and assets (including the Road Fund and any other reserve funds) owned by the Association shall at such time be transferred to a Trustee appointed by the Circuit Court of Chesterfield County, Virginia, which Trustee shall own and operate said Common Properties and maintain such assets for the use and benefit of Owners and Tenants within Reed's Landing as set forth below:

(a) Each Residential Lot or parcel of land located within Reed's Landing shall be subject to an annual assessment which shall be paid by the Owner of each such Residential Lot or parcel to the Trustee. The amount of such annual assessment and its due date shall be determined solely by the Trustee, but the amount of such annual assessment on any particular Residential Lot or parcel shall not exceed the amount actually assessed against that Residential Lot or parcel in the last year that assessments were levied by the Association, subject to the adjustments set forth in subsection (b) below.

(b) The Maximum Annual Assessment which may be charged by the Trustee hereunder on any particular Residential Lot or parcel may be automatically increased each year by the Trustee by an amount of ten (10%) percent or the percentage increase between the first month and last month of the annual assessment period in the Consumer Price Index, U.S. City Average, All Items (1967-100) (hereinafter "C.P.I.") issued by the U.S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U.S. City Average and Selected Areas", whichever of these two (2) percentage figures is larger. The actual amount of such increase in the Maximum Annual Assessment on a Residential Lot or parcel shall equal the Maximum Annual Assessments on such Residential Lot or parcel for the previous year multiplied by the larger of the two (2) percentage factors set forth above. If the C.P.I. is discontinued, then there shall be used the most similar index published by the United States Government that may be procured indicating changes in the cost of living.

(c) Any past due annual assessment together with interest thereon at the maximum annual rate allowed by law from the due date and all costs of collection including reasonable attorney's fees shall be a personal obligation of the Owner at the time the annual assessment became past due, and it shall also constitute and become

a charge and continuing lien on the Residential Lot or parcel of land and all improvements thereon, against which the assessment has been made, in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns.

(d) The Trustee shall be required to use the funds collected as annual assessments for the operation, maintenance, repair and upkeep of the Common Properties. The Trustee may charge as part of the cost of such functions the reasonable value of his services in carrying out the duties herein provided. The Trustee shall not have the obligation to provide for operation, maintenance, repair and upkeep of the Common Properties once the funds provided by the annual assessment have been exhausted.

(e) The Trustee shall have the power to dispose of the Common Properties and other assets of the Association free and clear of the limitations imposed hereby; provided, however, that such dispositions shall first be approved in writing by fifty-one (51%) percent of the Owners or in the alternative shall be found to be in the best interest of the Owners by the Circuit Court of Chesterfield County, Virginia. The proceeds of such a sale shall first be used for the payment of any obligations incurred by the Trustee in the operation, maintenance repair and upkeep of the Common Properties, then shall be distributed among the Owners, exclusive of the Trustee, in a proportion equal to the portion that the Maximum Annual Assessment on property owned by a particular Owner bears to the total Maximum Annual Assessments for all property located within Reed's Landing.

*Channing J. Martin*  
Channing J. Martin  
President of the Association

*Denise C. Harrelson*  
Denise C. Harrelson  
Secretary of the Association

State of Virginia )  
 ) to wit  
County of Chesterfield )

This 7th day of January, 1997, Channing J. Martin, President of Reed's Landing Community Association, Inc., a Virginia nonstock corporation, appeared before me and executed and acknowledged this Addendum in my presence on behalf of the corporation.

My commission expires: May 31, 2000. *[Signature]*  
Notary Public



State of Virginia )  
City Richmond ) to wit  
County of Chesterfield )

This 9<sup>th</sup> day of January, 1997, Denise C. Harrelson, Secretary of Reed's Landing Community Association, Inc., a Virginia nonstock corporation, appeared before me and executed and acknowledged this Addendum in my presence on behalf of the corporation.

Loise W. Girvin  
Notary Public

My commission expires: February 28, 1997

Exhibit APARCEL I

ALL those certain tracts or parcels of land lying and being partially in Midlothian Magisterial District, Chesterfield County, Virginia, and partially in the City of Richmond, Virginia, containing 295.16 acres, more or less, shown as Parcel A containing 288.842 acres, more or less, and Parcel E containing 6.678 acres, all as shown on a certain plat of survey entitled "Plat Showing Five Parcels of Land Lying West of Old Gun Road East" dated April 13, 1981, made by J. K. Timmons & Associates, Inc., Engineers & Surveyors, Richmond, Virginia, which plat is recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, in Plat Book 38, page 80, reference to which is made for a more particular description.

BEING the same property made subject to this Declaration by the First Declaration which was recorded in the Clerk's Office of the Circuit Court of Chesterfield County on November 23, 1981 in Deed Book 1569, page 1572.

PARCEL II

ALL that certain piece or parcel of land lying and being in Midlothian Magisterial District, Chesterfield County, Virginia, containing 30.000 Acres, shown as Parcel D, all as shown on a certain plat of survey entitled "Plat Showing Five Parcels of Land Lying West of Old Gun Road East" dated April 13, 1981, made by J. K. Timmons & Associates, Inc., Engineers and Surveyors, Richmond, Virginia, which plat is recorded in the aforesaid Clerk's Office, in Plat Book 38, page 79, reference to which is made for a more particular description.

LESS AND EXCEPT:

A parcel of land containing 2.01 acres conveyed to J. K. Timmons & Associates, Inc. by deed from Oliver D. Rudy, Trustee, etc., dated September 17, 1981, and recorded September 29, 1981, in the aforesaid Clerk's Office in Deed Book 1565, page 1402.

BEING the same property made subject to this Declaration by the First Declaration which was recorded in the Clerk's Office of the Circuit Court of Chesterfield County on November 23, 1981 in Deed Book 1569, page 1572.

PARCEL III

ALL that certain piece or parcel of land, lying and being in Midlothian Magisterial District, Chesterfield County, Virginia, containing 5.134 acres, all as shown on plat made by J. K. Timmons & Associates, P.C., Engineers - Surveyors - Planners, Richmond, Virginia, dated January 16, 1989, a copy of which is attached to and made a part of the below mentioned deed.

BEING the same property first made subject to this Declaration by a Supplemental Declaration of Covenants and Restrictions which was recorded in the Clerk's Office of the Circuit Court of the County of Chesterfield on February 8, 1989 in Deed Book 2001, page 1487;

BEING a part of the same property conveyed to Oliver D. Rudy, Trustee, under the provisions of a trust agreement dated April 21, 1981, by deed from E. Eugene Cooke and Mary Jane Prillaman Cooke, husband and wife, dated in January, 1989 and recorded in the Clerk's Office of the Circuit Court of the County of Chesterfield.

PARCEL IV

ALL that certain piece or parcel of land, lying and being in Midlothian Magisterial District, Chesterfield County, Virginia, containing 11.072 acres, all as shown on plat made by J. K. Timmons & Associates, P.C., Engineers - Surveyors - Planners, Richmond, Virginia, dated June 27, 1989, a copy of which is attached to the Supplemental Declaration referenced below.

BEING the same property made subject to this Declaration by a Supplemental Declaration of Covenants and Restrictions which was recorded in the Clerk's Office of the Circuit Court of the County of Chesterfield on June 4, 1990 in Deed Book 2092, page 462.

BEING the same property conveyed to Oliver D. Rudy, Trustee, under the provisions of a trust agreement dated April 21, 1981, by deed from E. Eugene Cooke and Mary Jane Prillaman Cooke, husband and wife, dated November 30, 1989, recorded December 28, 1989, in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, in Deed Book 2064, page 595.

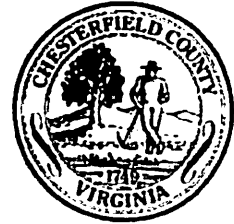
0261885.05

VIRGINIA:

IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF CHESTERFIELD COUNTY, THE 17 DAY OF JAN 1997, THIS DEED WAS PRESENTED AND WITH THE CERTIFICATE...., ADMITTED TO RECORD AT 8:53 O'CLOCK. THE TAX IMPOSED BY SECTION 58.1-802 IN THE AMOUNT OF \$ .00 HAS BEEN PAID.

TESTED JUDY L. WORTHINGTON, CLERK

**CHESTERFIELD COUNTY**  
P.O. Box 40  
CHESTERFIELD, VIRGINIA 23832-0040



**LANE B. RAMSEY**  
COUNTY ADMINISTRATOR

**BOARD OF SUPERVISORS**

**HARRY G. DANIEL, CHAIRMAN**  
DALE DISTRICT

**ARTHUR S. WARREN, VICE CHAIRMAN**  
CLOVER HILL DISTRICT

**J. L. McHALE, III**  
BERMUDA DISTRICT

**RENNY B. HUMPHREY**  
MATOACA DISTRICT

**EDWARD B. BARBER**  
MIDLOTHIAN DISTRICT

December 30, 1996

Channing J. Martin, President  
Reed's Landing Community Association  
10930 Reed's Landing Road  
Midlothian, Virginia 23113

Re: Amendments to the Declaration of Covenants and Restrictions for Reed's Landing

Dear Mr. Martin:

On behalf of the Planning Department, I have reviewed the aforementioned addendum set forth in your correspondence dated October 22, 1996 and find this proposal acceptable. This County review was required per condition #16 of the 1981 tentative subdivision approval. This tentative condition has now been eliminated per tentative amendment 97TS0190. Future County reviews of proposed covenant changes will be limited to Article 5 relative to road fund assessments.

We appreciate your diligence and comprehensive approach in adhering to this tentative condition. If you have any questions, please contact me at 748-1049.

Sincerely,

**Kirkland A. Turner**  
Planning Administrator