

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
WATER'S EDGE PROPERTY OWNERS ASSOCIATION, INC.**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration"), is made as of the _____ day of _____, 2020, by the undersigned Owners of certain real property located in, Franklin County, Virginia, as identified in Exhibit A hereto (individually, and collectively, the "Declarant").

WITNESSETH

WHEREAS, the Declarants are the owners of certain real property within Water's Edge Sections 1, 2, 3, 4, 5, 6, 7, and 8, located in, Franklin County, Virginia; and

WHEREAS, the Property is subject to one or more Section Declarations; and

WHEREAS, other than the owner/declarant rights in the Section Declarations that shall be assigned to the Association, there shall be no period of Declarant control under this Declaration and the Declarant shall not be subject to the terms of Section 55.1-1803 and Section 55.1-1804 of the Property Owners' Association Act; and

WHEREAS, the Property Owners' Association shall be under the immediate control of the Members; and

WHEREAS, it is the desire and intent of the Declarant to subject the Property to this Declaration, as more fully set forth herein; and

WHEREAS, any defined terms used herein shall have the meaning ascribed to them in Article I below; and

NOW, THEREFORE, THIS DECLARATION WITNESSETH that in consideration of the premises and of the mutual benefits and duties herein contained, the Owners of such Lot hereby declares, for themselves, and for their successors and assigns, that the real property described in Exhibit A will be held, sold and conveyed in perpetuity subject to this Declaration, and such covenants, reservations, easements, conditions and restrictions as set forth in Exhibit B, upon membership in the Water's Edge Property Owners Association, Inc. (the "Association"). Membership in the Association is voluntary and requires the execution and recording of a Joinder Exhibit in the form of Exhibit C.

**ARTICLE I
DEFINITIONS**

Section 1. The "*Architectural Review Committee*" or the "*Committee*" is the committee of three natural individuals appointed by the directors of the Association to perform the functions enumerated in Article X of this Declaration.

Section 2. The "*Association*" is the WATER'S EDGE PROPERTY OWNERS ASSOCIATION, INC., a Virginia nonstock corporation, formed for the purposes of administering and enforcing this Declaration, performing all functions reserved it, including but not limited to maintenance of common areas and facilities (e.g., boat/personal watercraft trailer parking area, community street lights, etc.), performing architectural review functions, collecting assessments and paying all Association

maintenance, insurance and other operational and administrative expenses, and/or such other purposes as are consistent with this Declaration and with the Articles of Incorporation and By-laws of the Association.

Section 3. The "*Common Property*" and "*Common Area*" shall mean all real property (including the improvements thereto) owned or leased by the Association for the common use and enjoyment of the members of the Association and all real property for which the Association is responsible for maintenance, repair or replacement including street lights within the Property as set forth more particularly in Exhibit D.

Section 4. The "Declarant" shall mean the owners of the Lots signing this Declaration and their successor and assigns who may submit property to this Declaration. The Declarant shall not be subject to the terms of Section 55.1-1803 and Section 55.1-1804 of the Property Owners' Association Act.

Section 5. A "*Joinder Agreement*" is the form agreement by which an owner of property within Water's Edge Sections 1, 2, 3, 4, 5, 6, 7, and 8 or other additional property subjects his, her or their property to this Declaration and becomes a member of the Association. Joinder Agreements shall be recorded amongst the land records of Franklin County, Virginia.

Section 6. (a) A "*Lot*" is any lot, parcel or tract of land subdivided out of the Property, other than Common Property, which is subjected to this Declaration including any parcel identified on an approved subdivision plat as a "lot," "parcel," "outlot" or "residue," but excluding any area dedicated for public street purposes and Common Property; (b) a "*Developed Lot*" shall mean a Lot upon which a single family residence dwelling has been constructed in accordance with Franklin County, Virginia zoning ordinances and regulations as well as the Section Declaration; (c) an "*Undeveloped Lot*" shall mean a Lot upon which a single family residence dwelling has not as yet been constructed or erected. Common Property is not a Lot.

Section 7. A "*Member*" is any Owner of a Lot who is also a member of the Association, as memorialized by the execution and recording of a Joinder Agreement.

Section 8. An "*Owner*" is the record owner of fee simple title to any Lot, including WCRV, contract sellers and any owner of a Lot that has acquired title by foreclosure or similar proceedings, but excluding any party having an interest in the Lot solely as security for the performance of an obligation. For purposes of this Declaration, unless expressly stated otherwise, the term "Owner" also refers collectively to all persons or entities holding a fee simple interest in a single Lot owned by multiple parties.

Section 9. The "*Property*" is the real property described in Exhibit E attached hereto and made a part of this Declaration, together with any additional property made subject to this Declaration by an instrument recorded in the land records of Franklin County, Virginia.

Section 10. A "*Section Declaration*" refers to any one of the recorded Restrictions, Covenants and Conditions for the Eight Sections of the Water's Edge, as identified in Exhibit B.

Section 11. "*WCRV*" refers to Willard Construction of Roanoke Valley, Inc., a Virginia corporation.

ARTICLE II THE ASSOCIATION

Section 1. *Directors.* The management of the affairs of the Association is vested in the directors, with no less than three (3) nor more than nine (9) natural persons serving as directors at any given

time. Management of the Association by the Board of Directors shall be conducted in accordance with the Articles of Incorporation and By-laws of the Association.

Section 2. *Meetings of Members.* Meetings of the Members will be held in accordance with the Articles of Incorporation and By-laws of the Association.

ARTICLE III MEMBERSHIP

Section 1. *Classes of Membership.* The Association has three classes of voting members, as set forth below, and will not issue shares of capital stock. Every owner of fee simple title to any portion of the real property subject to a Section Declaration, commonly known as Water's Edge Sections 1, 2, 3, 4, 5, 6, 7, and 8, located in, Franklin County, Virginia is eligible to become a member of the Association.

- (a) Class A Members shall include any Member who owns one or more Developed Lots.
- (b) Class B Members shall include any Member who owns a single Undeveloped Lot.
- (c) Class C Members shall include any Class A Member who also owns one or more Undeveloped Lot(s), and any Class B Member who owns more than one Undeveloped Lot. For purposes of clarification, an Owner of one or more Developed Lot(s) and one or more Undeveloped Lot(s) shall be a Class A Member with regard to the Developed Lot(s) and a Class C Member with regard to the Undeveloped Lot(s). Similarly, an Owner of two or more Undeveloped Lots shall be a Class B Member with regard to a single Undeveloped Lot and a Class C member with regard to the additional Undeveloped Lot(s).

Section 2. *Membership Rights.* Membership is voluntary and may be exercised by the execution of a Joinder Agreement. Record of such membership shall be maintained by the Association. Membership is appurtenant to and cannot be separated from ownership of an interest in the Property, and ownership of such interest is the sole qualification for membership once a Joinder Agreement has been executed. A mortgagee-in-possession of an interest in any portion of the Property is entitled to exercise the rights of a member of the Association with respect to such portion of the Property.

ARTICLE IV VOTING RIGHTS

Section 1. *Right to Vote.* Each Member is entitled to one vote for each Lot owned by such Member, irrespective of membership class, and for which a Joinder Agreement has been executed. A vote of the Members shall be based on the aggregate total of all votes received from the Class A, Class B and Class C Members. If more than one person holds an interest in any Lot, all such persons are Members, but only the individual designated, in writing to the Secretary of the Association by all of the individual Owners holding interests in the Lot, prior to the relevant meeting of the Members, is entitled to cast such votes. In the absence of such a designation, if an individual appears at a meeting purporting to act for such group of co-Owners he or she will be permitted to exercise the votes allocated to such Lot in the absence of objection by the other co-Owner(s). However, if no written designation has been filed and more than one co-Owner appears at a meeting and objects to the voting by another co-owner, then no one is entitled to exercise the votes attributable to such Lot until the matter has been resolved to the satisfaction of the Board of Directors, at its and their sole discretion.

Section 2. *Suspension of Voting Rights.* The Association has the right to suspend the voting rights of any Member for any period during which any assessment against that Owner's Lot remains unpaid or during which that Member or that Member's Lot is in violation of this Declaration, the By-Laws, or the Association's rules and regulations.

ARTICLE V COMMON LANDSCAPING, SIGNAGE AND UTILITIES

Section 1. *Maintenance by the Association.* The Association will operate and maintain the Common Property in an attractive, safe and functional manner, subject to the qualification that (i) each Member is solely responsible for any and all repair costs and other damages to the Common Property or to any third party caused by, arising out of or related to such Member's intentional or negligent acts, or the intentional or negligent acts of such Member's agents, employees, contractors, tenants or invitees, with respect to the Common Property, and (ii) each Member is strictly liable for the cost of any repairs or damage to the Common Property or to any third parties arising out of or related to the discharge on or from such Member's Lot of any environmentally hazardous, toxic or damaging substances or pollutants, including without limitation any pollutants or substances defined as hazardous or toxic by any federal, state or local law, statute, ordinance or regulation. Notwithstanding the foregoing, the Association shall assume responsibility for the maintenance of the street lights within the Property as of January 1, 2021.

Section 2. *Improvements for Compliance.* The Association will make necessary improvements to the Common Property required to bring the Common Property into compliance with applicable federal, state and local laws, ordinances and regulations and the cost of making such improvements shall be shared among the Members as a common expense. If any improvements to the Common Property are required in whole or in part by Member's use or development of its Property, the costs and expenses of such improvements, to the extent attributable to the proposed use or development, are to be borne solely by the Member proposing the use or development and will not be allocated among all of the Members as a common expense under this Declaration.

Section 3. *Assignment of Rights from WCRV.* Notwithstanding Section 1 and Section 2 of this Article V, WCRV assigns all of its rights, title and interest in, to and under the Section Declarations to the Association, together with all rights, privileges and benefits appertaining thereto, as set forth more clearly in Instrument # _____ recorded among the land records of Franklin, County, Virginia.

ARTICLE VI COVENANT FOR ASSOCIATION ASSESSMENTS

Section 1. *Creation of the Lien and Personal Obligation of Assessments.* Each Member, hereby covenants, and each Member, by acceptance of a deed for any Lot, whether or not so expressed in any such deed or conveyance, is deemed to covenant to pay to the Association annual assessments and special assessments, which annual and special assessments will be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest and costs of collection as hereinafter provided, will be a charge on the land and a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, will also be the personal obligation of each individual Member, for each Lot owned by such Member, at the time when the assessment fell due, but will not pass to successors in title as a personal obligation unless expressly assumed by them. The Association is entitled to maintain a suit to recover a money judgment (together with reasonable attorney's fees and costs as aforesaid) for unpaid assessments without filing or foreclosing a lien securing such unpaid assessment. Notwithstanding the foregoing, any Lot owned by WCRV shall not be subject to assessments under this Article VI until such

time as the Lot is sold or conveyed to a third-party or three years of the recording of this Declaration, whichever occurs first.

Section 2. *Purpose of Assessments.* The assessments levied by the Association will be used for the sole purposes of operating, maintaining, repairing, improving, and reconstructing the Common Property, operating and administering the Association (including the Architectural Review Committee) and enforcing this Declaration. For purposes of this Declaration, the cost associated with maintaining and the Common Property will include all public liability and hazard insurance premiums, utility costs, annual maintenance and periodic repair and reconstruction or replacement costs of capital improvements to the Common Property. Without limiting the generality of the foregoing, the Association is entitled to use the assessments for any accounting costs, attorney's fees, costs of enforcement, and similar management or overhead expenses in connection with managing, operating and administering the Association, and enforcing this Declaration.

Section 3. *Special Assessments.* In addition to the annual assessments authorized above, the Association is entitled to levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Common Property, or for any other purpose specified in a notice duly given in accordance with this Agreement, if such assessment is approved by a majority of votes, in person or by proxy, entitled to be cast by the entire membership at a meeting duly called for this purpose, written notice of which must be sent to all Members no less than twenty-five (25) days and no more than fifty (50) days in advance of the meeting.

Section 4. *Individual Assessments.* The Board of Directors shall have the power to assess an Owner of a Lot, individually: (i) for the amount of any costs or expenses incurred by the Association as provided for in the Declaration; (ii) for any charges imposed by the Association as provided for in the Declaration or pursuant to the Virginia Property Owners Association Act; and (iii) for any other costs incurred by the Association due to any act or omission for which such Owner is responsible under the Declaration; or (iv) any expenses, assessments or charges designated in a license agreement for a Reserved Boat/Personal Watercraft Trailer Parking Area on the Boat/Personal Watercraft Trailer Parking Lot. Each such Assessment shall be due fifteen (15) days after notice thereof is given to the Owner unless the notice specifies a later date.

Section 5. *Basis and Rate of Assessment.* Both annual and special assessments will be fixed at a uniform rate per Lot based on class of membership.

Section 6. *Date of Commencement of Annual Assessments; Due Dates.* The Board of Directors will fix the amount of the annual assessment at least thirty (30) days in advance of each annual assessment period, and will send written notice of the annual assessment to every Member. Any increase of the annual assessment by more than ten percent (10%) in a given year shall require approval by a majority of the Members. The Board of Directors will establish the due dates and frequency of payments, which may be monthly, quarterly, semi-annually or annually.

Section 7. *Remedies of the Association in the Event of Default.* If any assessment is not paid within thirty (30) days after the due date, the assessment will bear interest from the date of delinquency and a one-time penalty will be imposed, both at the rates then imposed by Franklin County for delinquent real estate taxes or at such other rates as may be established pursuant to the By-laws, and, further, the Association in its discretion is also entitled to (i) accelerate the required payment date of the entire annual assessment remaining, (ii) bring an action at law against any Owner personally obligated to pay the assessment, with interest, costs and reasonable attorney's fees added to the amount of such judgment, (iii) file a "Lien Notice" against the Lot, as further provided below in this Declaration, or (iv) foreclose upon

the Lot. Non-use of the Common Property or other common facilities, or abandonment of a Lot, will in no event be deemed a waiver or otherwise entitle an Owner to avoid liability for all or any portion of assessments imposed under this Declaration.

Section 8. *Limited Subordination of the Lien to Mortgages.* Sale or transfer of any Lot will not affect the assessment liens described in this Declaration and imposed hereunder. However, the sale or transfer of any Lot upon foreclosure of a mortgage or deed of trust securing a bona fide lender, or any conveyance to such Lender on its designee in lieu of foreclosure, will extinguish the lien of such assessments as to payments that became due prior to such sale or transfer. No sale or transfer will relieve such Lot from the liability for or lien of any assessment that becomes due after such sale or transfer, including any special assessment among all the Members of amounts necessary to recoup the assessments lost as a result of such foreclosure or deed in lieu of foreclosure.

Section 9. *Lien Notice.* To evidence its lien, the Association is entitled to prepare a written notice (a "Lien Notice") setting forth the amount of the unpaid assessment, the name of the record Owner(s) of the Lot, and a legal description of such Lot. The Lien Notice must be signed by an officer of the Association and, if the assessment and any unpaid penalty and interest remains unpaid thirty (30) days after receipt of the Lien Notice by such Owner(s), may be recorded in the Franklin County land records, in the sole discretion of the Board of Directors.

Section 10. *Foreclosure.* The Association has the right to enforce the lien of the assessments by foreclosure upon the Lot with respect to which the assessment has not been paid in like manner as a mortgage on real property is foreclosed under the laws of the Commonwealth of Virginia. In any such foreclosure, the Owner of the Lot that is subject to foreclosure proceeding will be required to pay all costs, expenses and reasonable attorney's fees incurred by the Association in preparing and filing the Lien Notice and in consummating the foreclosure.

Section 11. *Reserves.* Assessments imposed by the Association will include an adequate reserve fund for maintenance, repair and replacement for those portions of the Common Property that might be replaced or require maintenance on a periodic basis, which reserves will be payable in regular installments rather than by special assessment.

ARTICLE VII EASEMENTS AND COMMON PROPERTY

Section 1. *Easement of Landscaping and Related Purposes.* There shall be and is hereby reserved to the Association a perpetual and nonexclusive easement over all Lots, and the Common Property, for a distance of ten (10) feet behind any Lot line which parallels a street (whether public or private) for the purpose of erecting and maintaining street lights and related landscaping.

Section 2. *Section Declaration Easements and Rights.* Upon assignment by WCRV of easements and rights reserved to the owner-developer under the Section Declarations to the Association, the Association shall have the unilateral right to exercise, assign and further grant such easements and rights.

Section 3. *Easement for Use of Common Property.*

(a) Each Owner and each person lawfully occupying a Lot is hereby granted a non-exclusive right and easement of use and enjoyment in common with others over the Common Property

for their reasonably intended purposes, subject to any rules and regulations or policies as may be established by the Board. Such right and easement of use and enjoyment shall be appurtenant to each Lot, whether or not mentioned in the deed thereto. Any purported conveyance or other transfer of such rights and easements apart from the Lot to which such rights and easements are appurtenant shall be void.

(b) The right of use and enjoyment in subsection (a) above is subject to the Association's right to grant non-uniform revocable licenses in the Common Property to an Owner of a Lot by designating portions of the Common Property as Reserved Boat/Personal Watercraft Trailer Parking Areas on the Boat/Personal Watercraft Trailer Parking Lot and to charge reasonable fees for the use thereof. Such Reserved Boat/Personal Watercraft Trailer Parking Area shall be subject to all restrictions in this Declaration and such restrictions, rules and charges (which shall be considered assessments) and conditions on the use thereof as imposed by resolution of the Board of Directors of the Association. The power of the Association, acting through the Board of Directors, to grant revocable licenses in the Common Property, shall include the right to designate Reserved Boat/Personal Watercraft Trailer Parking Areas for the exclusive use of Owners on a non-uniform and preferential manner.

(c) The right of use and enjoyment in subsection (a) is further subject to Owners' rights of enjoyment and use in and to the Common Property shall be subject to the following:

(1) any restriction expressly stated in this Declaration, Section Declaration, any Supplementary or amendment to the Declaration, the Articles, Bylaws, or Rules and Regulations;

(2) the power of the Board of Directors to establish reasonable rules, regulations and policies concerning the Common Property and to charge reasonable admission charges, Individual Assessments and other fees for the use of the Common Property;

(3) the power of the Board of Directors to suspend the right of an Owner or any person occupying a Lot to the use or benefit of any nonessential portion(s) of the Common Property for any period during which any assessment against such Owner's Lot is delinquent as provided under the law;

(4) the power of the Board of Directors to suspend or terminate the right of an Owner or any person occupying a Lot to the use or benefit of any nonessential portion(s) of the Common Property for any period during which any other infraction by such Owner or person under this Declaration, Section Declaration, a Supplementary Declaration, Bylaws or the Rules and Regulations or policies of the Association remains uncorrected after the last day of a period established for correction;

(5) the power of the Association to mortgage any or all of the Common Property for the purpose of financing improvements or repairs thereto;

(6) the power of the Association, to grant exclusive permits, licenses, rights-of-way, leases, and easements across the Common Property for utilities, roads and other purposes such as Reserved Boat/Personal Watercraft Trailer Parking Areas and boating slips;

(7) The power of the Association to dedicate or transfer all or any part of the Common Property to any public agency, authority or utility for such purposes and subject to such conditions as may be approved by the Board of Directors;

(8) the restriction that the Common Property may be used only for the purpose or purposes for which they are reasonably intended and to any and all applicable restrictions under law; and

(9) all other easements, covenants and restrictions provided for in this Declaration, Section Declarations or Supplementary Declaration applicable to the Common Property.

ARTICLE VIII REGULATION OF DEVELOPMENT

Section 1. *Property Subject to Covenants.* The real estate, which is subject to this Declaration as of the first date of its recordation in the Clerk's Office, is described in **Exhibit "A"** hereto, and any additional property added by Joinder Agreement or other written instrument subject property to the Declaration.

Section 2. *Establishment of Architectural Review Committee.* The Association will establish an Architectural Review Committee to perform the duties and exercise the powers provided in this Article VIII and elsewhere in this Declaration ("ARC"). The ARC will consist of three (3) natural individuals, who will be appointed by the Association's Board of Directors. The ARC shall review, comment upon and approve or disapprove plans submitted to it, and otherwise enforce the terms and conditions based upon and in accordance with Association's Design Guidelines, to be adopted by the Board of Directors, which are subject to the covenants, conditions and restrictions in the Section Declarations. The ARC shall also establish and manage an appeals process to consider requests for review of decisions rendered.

Section 3. *Committee Member's Terms and Meetings.* Each member of the ARC will serve for a term of one (1) year and can be appointed to successive terms. The ARC will meet at such time and place as determined by a majority of its members. All decisions made by the ARC require the consent of a majority of the ARC members. The ARC is entitled to act, at its discretion, by written consent in lieu of a formal meeting, or by proxy.

Section 4. *Removal and Replacement of Members.* The Board of Directors is entitled to remove and replace any ARC members at a special meeting of the directors upon the affirmative vote of a majority of the directors, after having notified such ARC member in writing of such motion to remove him and affording such ARC member an opportunity to be heard at such special meeting. Notwithstanding the foregoing opportunity to be heard, ARC members serve at the pleasure of the Board and may be removed with or without cause in the Board's sole discretion.

Section 5. *Approval of Architectural Review Committee.*

(a) No construction or installation of any improvement, or reconstruction, repair, refinishing, change of exterior color to a color not consistent with the other exterior colors permitted on the Property, addition to or alteration of any part of the exterior of any improvements; or removal or planting of any trees, hedges, or shrubs or any landscaping activity not consistent with a pre-approved plan for landscaping; or any excavation, fill, change in grade or similar activity that alters the exterior appearance of any portion of the Property (such activity being called, individually and collectively, a "Controlled Activity") will be commenced until the ARC has received and approved in writing such plans, specifications and other

information prepared by or on behalf of an Member as are necessary, in the sole discretion of the ARC, to define, illustrate and permit analysis by the ARC of the proposed activity and the manner in which it is to be performed. For purposes of this Article VIII, the term "improvements" shall refer to any and all structures and other improvements on or within the Property, whether above- or below-grade, including buildings, walls, fences, lighting, signage, parking and loading areas, walkways and driveways, and water, sewer, electrical, telephone, gas and other utility distribution lines, systems and facilities. The ARC shall be deemed to have given its approval to the Controlled Activity for which approval was requested unless the ARC has approved, rejected, or approved subject to stated conditions, in writing, the proposed Controlled Activity, or has notified the requesting Member of the plans, specifications, or other information necessary to approve the Controlled Activity within sixty (60) days following the receipt by the ARC of such Member's request to approve a proposed Controlled Activity. Notwithstanding the sixty (60) day requirements, no application will be deemed to have approved if the proposed activity or modification violates any express covenants, conditions or restrictions in the respective Section Declaration to which the Lot is subjected.

(b) The ARC is entitled to withhold approval of any Controlled Activity only if the ARC in its reasonable discretion determines that the proposed activity is not in accordance with the Design Guidelines of the Association, as then-currently adopted by the Board of Directors, is in violation of or incompatible with any Federal, State or County laws or ordinances, or is not compatible with the general architectural scheme of the Property.

(c) Applications for approval of a proposed activity or material modification of any plans or specifications previously approved must be submitted to the ARC in writing, in triplicate, and must include adequate site plans, building plans, specifications and other information in accordance with the foregoing. IF THE PROPOSED ACTIVITY REQUIRES THE APPROVAL OF FRANKLIN COUNTY, APPLICATIONS (SPECIFICALLY INCLUDING COPIES OF ALL SITE PLANS AND BUILDING PLANS) MUST BE SUBMITTED TO THE ARC NO LATER THAN THE DATE OF SUBMISSION TO FRANKLIN COUNTY.

(d) All applicable laws and ordinances of Franklin County will control such matters as the permitted floor-area ratio, height limitations, setbacks and requirements for open space, buffering and parking; the ARC will not have authority to impose conditions on such matters or conditions that would otherwise materially limit or restrict the potential maximum development of any Lot.

(e) Lots owned by WCRV shall not be subject to the terms of this Article VIII until the Lots are conveyed to a third party. For purposes of clarification, Lots owned by WCRV shall be subject to the covenants, conditions and restrictions set forth in the Section Declarations.

ARTICLE IX REGULATION OF USES

Section 1. *Conditions of Use.* No use will be permitted or maintained in, on, under or over the Property, any Lot or any Lot's improvements that violates any law, statute, ordinance, rule or regulation of any governmental or quasi-governmental body having jurisdiction over the Property or the Section Declarations.

Section 2. *Lot Maintenance.* In addition to the covenants, conditions and restrictions in the Section Declarations, all landscaping, including existing natural vegetation, foliage, trees and shrubs, must be maintained in a clean, orderly, attractive and safe condition, and all Lots, including unimproved Lots,

must be kept clean, safe and free of debris. Members must maintain the exterior of improvements in good condition and repair and in a manner that will prevent such improvements from becoming unsightly. If all or any portion of the improvements on a Lot is damaged or destroyed, the Member either must promptly restore and rebuild such improvements or promptly demolish and raze such improvements, fill all excavations and perform such other work as may be necessary to put the Lot in a clean, safe and debris-free condition.

Section 3. *Street Maintenance.* Each Member must protect the pavements, curbs, gutters, walks, streets, shoulders, utility structures and storm water management facilities lying within any area dedicated for public use or any utility or other easement area, or on any other Lot, from damage during any periods of construction activity on such Member's Lot and, further, must promptly repair any damage that occurs. In addition, each Member must clean streets affording access to such Member's Lot whenever construction activity in and around the Lot renders such streets in need of cleaning in order to maintain their clean, orderly and attractive appearance and safe condition.

Section 4. *Boat/Personal Watercraft Trailer Parking Lot.* The Boat/Personal Watercraft Trailer Parking Lot is provided for the use and enjoyment of the Owners and their tenants, agents, guests and the members of the Owners' families and households. The Association shall have the right to grant non-uniform revocable licenses on the Boat/Personal Watercraft Trailer Parking Lot for Reserved Boat/Personal Watercraft Trailer Parking Areas to Owners and impose reasonable charges (which shall be assessed as Individual Assessment) for the use thereof by designating portions of the Boat/Personal Watercraft Trailer Parking Lot as Reserved Boat/Personal Watercraft Trailer Parking Areas. Notwithstanding the foregoing, if payment in full of such designated Individual Assessment for a Reserved Boat/Personal Watercraft Trailer Parking Area is not received by the Association within sixty (60) days after the Due Date, the Board of Directors reserves the right to revoke and terminate the Owner's use of the designated Reserved Boat/Personal Watercraft Trailer Parking Area(s). The revocation and termination of the license agreement(s) shall apply to the Owner and all occupants of the Lot. Owner shall be afforded the right to a hearing and to have counsel present at the hearing in accordance with the requirements of the Property Owners' Association Act, as amended, before the license agreement is terminated.

ARTICLE X ENFORCEMENT OF DECLARATION

Section 1. *Enforcement Actions.*

(a) Upon violation or breach of any restriction, condition, covenant, term or provision contained in this Declaration and the Section Declarations, the Association or its authorized agent(s) shall have the right (i) to enter the Lot upon or as to which the violation or breach exists, or (ii) to summarily abate, remove, or otherwise remedy the violation or breach, all at the expense of the Lot's Owner, or (iii) to prosecute a proceeding at law or in equity, against the Member, or other persons or entities who are responsible for, have committed or are about to commit such violation or violations to cause the prevention thereof or the abatement thereof, to cause said violation to be remedied, and/or to recover damages for violation, or (iv) to do all or any combination of the foregoing. The rights and remedies provided in this subsection (a) will be effective upon twenty-four (24) hours' prior written notice delivered to the Member or posted at the Lot, except in the case of emergencies, in which case no notice will be required.

(b) The result of every action or omission, if any covenant or restriction set forth in this Declaration is violated in whole or in part thereby, is hereby declared to be and to constitute a nuisance. The Association and any Member shall have all remedies allowed by law or equity against a person committing a nuisance, either public or private.

(c) The enforcement rights contained in this Article X are in addition to other enforcement rights specified herein. Nothing contained in subsection (a) of this Section 1 of this Article X is to be construed to prevent any Member from enforcing by any proceeding at law or in equity the easement provisions of Article VII.

(d) In any legal or equitable proceeding for enforcement or to restrain a violation or breach of this Declaration, Section Declarations or any of its provisions, the losing party or parties must pay the reasonable attorney's fees of the prevailing party or parties.

(e) The failure of the Association or any Member to enforce any restriction, condition, term or provisions contained in this Declaration, Section Declarations or easement created hereby will not be deemed to be a waiver of the right to do so thereafter nor of the right to enforce any other such restriction, condition, term, provision or easement.

(f) In addition to the other enforcement rights set forth herein, the Board of Directors may suspend an Owner's voting rights, impose monetary charges, suspend other rights of membership, or revoke a license agreement in the case of any Owner found to be responsible for a violation of this Declaration, Section Declarations or rules and regulation. No suspension of rights, termination of license agreement, or imposition of monetary charges shall be imposed until the person charged with such a violation has been given notice and an opportunity for a hearing in accordance with the requirements in Section 55.1-1819 of the Property Owners' Association Act. Monetary charges may not exceed the statutory maximum for each separate violation. The Board retains the power to characterize any separate violation as a continuing violation if the Owner fails to correct the violation after written notice. In such cases, the Board may charge ten dollars (\$10.00) a day for every day in which the violation continues, provided that such charge may be increased or decreased as from time to time may be determined by the Board of Directors, in accordance with then applicable law and pursuant to prior published resolution. Monetary charges are assessments and shall be collectible as such and shall also constitute a lien against a Lot to the extent permissible under Virginia law.

ARTICLE XI TERM, AMENDMENT AND WITHDRAWAL

Section 1. *Term.* This Declaration will continue and remain in full force and effect until terminated in whole or in part by written instrument executed by the Members and by all first mortgagees and holders of notes secured by first deeds of trust on all Lots, acknowledged and recorded among the County land records.

Section 2. *Amendment.* This Declaration can be amended by an instrument executed and acknowledged by Members owning two-thirds (2/3) of the total number of Lots. Any amendment of this Declaration that would adversely affect the ability of a Member to develop or use its Lot or that would impose any additional restrictions or obligations upon the Owner of any Lot requires the approval of the Owner of such Lot.

ARTICLE XII MISCELLANEOUS PROVISIONS

Section 1. *Member Register.* Each Member must, within ten (10) days after becoming a Member, and thereafter promptly after any change, notify the Association in writing of its name and mailing address.

Section 2. *Release of Liability.* Each Owner, in and for its capacity as Owner, and each occupant and other user of the Property or any portion thereof, hereby releases the Association and its officers and directors, the Declarant and its successors, assignees and designees, and the ARC and the individual ARC members, of and from any and all liability for (i) any injury to persons or property suffered by such Owner, occupant or user and arising out of the performance, nonperformance or breach by the Declarant, the Association, or any of their successors, assignees and designees, of their duties or out of the exercise of their rights under the Declaration, or (ii) the failure of any Owner or other person or entity to comply with any restrictions, conditions, terms and provisions of this Declaration. Neither the ARC nor any ARC member will be responsible to the Owner of any Lot or to any other person for the structural design or architectural validity of all or any portions of any plans submitted to the ARC. The provisions of this Section 2 will survive termination of this Declaration.

Section 3. *Rules and Regulations.* The Association has the right to from time to time adopt and promulgate reasonable rules and regulations regarding the administration, interpretation and enforcement of the provisions of this Declaration. The Association will notify Members of the adoption and promulgation of such rules and regulations prior to the effective date thereof. In the event of a conflict between the provisions of this Declaration and any such rule or regulation, the provisions of this Declaration will govern.

Section 4. *Right of Entry.* The Association, and its representatives, have the right to enter upon any Lot at reasonable times and upon reasonable prior notice to the Owner for the purpose of inspections to ensure compliance with this Declaration.

Section 5. *Section and Subsection Headings; Other Interpretation.* Article, section and subsection headings used in this Declaration are inserted for convenience only and are not intended to be a part of this Declaration or in any way to define, limit or describe the scope and intent of the particular articles, sections or subsections to which they refer. The term "including" as used in this Declaration is to be deemed to mean "including without limitation" or "including but not limited to," except where expressly stated otherwise.

Section 6. *Binding Effect.*

(a) This Declaration and the restrictions, conditions, terms and provisions hereof will run with the land and be binding upon all Members and any other occupants or users of the Property or any portion thereof, and on their respective heirs, successors, assigns and personal representatives. Any and all conveyances, leases, mortgages, deeds of trust, licenses or agreements covering all or any portion or portions of the Property, the Lots and any improvements thereon will be subject to the provisions of this Declaration.

(b) Each Member covenants for itself, himself and its or his heirs, successors, personal representatives and assigns to observe, perform and be bound by the restrictions, conditions, terms and provisions of this Declaration and to incorporate the same by reference in any deed, lease, mortgage, deed of trust or other instrument conveying all or any portion of its or his interest in any property subject to this Declaration.

Section 7. *Partial Invalidity.* If any restriction, provision, term or condition of this Declaration or the application of this Declaration to any Owner or to any circumstances is, to any extent, held invalid, inoperative or unenforceable, by final decision of a court having jurisdiction thereover, the remainder of this Declaration will be given effect as if such invalid or inoperative portion had not been included herein.

Section 8. *Notice.* Except as otherwise specifically set forth herein to the contrary, every notice, demand, consent, approval or document or instrument required or permitted to be served by an Owners, the Association or the ARC, or other interested party must either (i) be in writing and shall be deemed to have been duly served on the day of mailing by registered or certified United States Mail, postage prepaid, return receipt requested, addressed to a Member at the mailing address provided pursuant to Section 1 above, and to the Association at its principal place of business or such other address designated by the Association; or (ii) be in writing and be hand delivered and receipted. A change in address by an Owner or other interested parties will be effective upon ten (10) days' prior written notice to the Association. A change in address by the Declarant is effective upon ten (10) days' prior written notice to the Owners.

Section 9. *Effect on Mortgages and Deeds of Trust.* No violation of any of the restrictions, provisions, terms and conditions of this Declaration or any portion thereof will defeat or render invalid a lien of any mortgage or deed of trust made in good faith and for value upon any portion of the Property; provided that any mortgagee or trustee in actual possession or any purchaser at any foreclosure sale will be bound by said restrictions, provisions, terms and conditions as fully as any other Owner hereunder.

Section 10. *Annexation.* Additional lots or property in the vicinity of the Property may be annexed to the Property by the Association with the consent of the Board of Directors. Any annexations made pursuant to this Section, or otherwise, shall be made by recording a Supplementary Declaration among the land records of Franklin County, which Supplementary Declaration shall extend the scheme of this Declaration to such annexed property or by the recordation of a deed of dedication, deed of subdivision, or Joinder Agreement for such additional property to the operation of the provision of this Declaration. On the first day of the month following recordation of the above described Supplementary Declaration, Deed of Dedication or Joinder Agreement, all lots described in the Supplemental Declaration, Deed of Dedication or Joinder Agreement shall be assessed a pro rata share of the annual assessments and any special assessments then due.

Section 11. *Applicable Law.* This Declaration is to be construed in accordance with and governed by the laws of the Commonwealth of Virginia.

Section 12. *Effective Date.* This Declaration is effective upon its recordation among the Franklin County, Virginia land records.

Section 13. *Recitals.* The recitals set forth at the beginning of this Declaration are hereby incorporated herein by reference, as if fully set forth in this Section 16.

EXHIBIT B

SECTION DECLARATIONS INCORPORATED HEREIN

1. Restrictions, Covenants and Conditions of The Water's Edge, Section 1, as recorded in Book 388 at page 1831 among the land records of Franklin County, Virginia. (Applies to all lots shown on the Map of the Water's Edge, Section 1, prepared by Buford T. Lumsden & Associates, Engineers & Surveyors, dated May 15, 1985 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia).
2. Restrictions, Covenants and Conditions of The Water's Edge, Section 2, as recorded in Book 389 at page 1419 among the land records of Franklin County, Virginia. (Applies to all lots shown on the Map of the Water's Edge, Section 2, prepared by Buford T. Lumsden & Associates, Engineers & Surveyors, dated June 25, 1985 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia).
3. Restrictions, Covenants and Conditions of The Water's Edge, Section 3, as recorded in Book 416 at page 1519 among the land records of Franklin County, Virginia. (Applies to all lots shown on the Map of the Water's Edge, Section 3, prepared by Buford T. Lumsden & Associates, Engineers & Surveyors, dated May 25, 1987 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia).
4. Restrictions, Covenants and Conditions of The Water's Edge, Section 4, as recorded in Book 428 at page 383 among the land records of Franklin County, Virginia. (Applies to all lots shown on the Map of the Water's Edge, Section 4, prepared by Buford T. Lumsden & Associates, Engineers & Surveyors, dated February 29, 1988 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia).
5. Restrictions, Covenants and Conditions of The Water's Edge, Section 5, as recorded in Book 431 at page 664 among the land records of Franklin County, Virginia. (Applies to all lots shown on the Map of the Water's Edge, Section 5, prepared by Buford T. Lumsden & Associates, Engineers & Surveyors, dated February 15, 1988 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia).
6. Restrictions, Covenants and Conditions of The Water's Edge, Section 6, recorded as Instrument Number 05740 for the Year 1988, among the land records of Franklin County, Virginia. (Applies to all lots shown on the Map of the Water's Edge, Section 6, prepared by Buford T. Lumsden & Associates, Engineers & Surveyors, dated August 9, 1988 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia).
7. Restrictions, Covenants and Conditions of The Water's Edge, Section 7, as recorded in Book 548 at page 466 among the land records of Franklin County, Virginia. (Applies to all lots shown on the Map of the Water's Edge, Section 7, prepared by Lumsden Associates, Engineers & Surveyors, dated December 30, 1993 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia).
8. Restrictions, Covenants and Conditions of The Water's Edge, Section 8, as recorded in Book 752 at page 917 among the land records of Franklin County, Virginia. (Applies to all lots shown on the Map of the Water's Edge, Section 8, prepared by Lumsden Associates, Engineers & Surveyors, dated August 29, 2002 and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia).

**EXHIBIT C
JOINDER AGREEMENT**

Prepared by:
Whiteford, Taylor & Preston, LLP
Richa Fortuna, Esq., VSB# 83890
Falls Church, VA 22142

Tax Map No.:

Consideration: \$0
Exemption: VA Code § 58.1-809

JOINDER AGREEMENT

Reference is hereby made to the Declaration of Covenants, Conditions and Restrictions of Water's Edge Property Owners Association, Inc., recorded as Instrument Number _____ among the land records of the County of Franklin, Virginia, as amended from time to time (the "**Declaration**"). Pursuant to and in accordance with Article III of the Declaration, the undersigned hereby acknowledges that he or she has received and reviewed a complete copy of the Declaration and agrees that upon execution of this Joinder, such party shall become a Member of the Water's Edge Property Owners Association, Inc. (the "**Association**") and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Association's Declaration as though an original party thereto and shall be deemed, and is hereby admitted as, a Member for all purposes thereof and entitled to all the rights incidental thereto, and shall hold the status of Member.

Member further acknowledges and agrees that upon execution of this Joinder Agreement, Member will be bound by, and subject to, all of the covenants, terms and conditions of the Association's Articles of Incorporation and By-laws, as may be amended from time to time.

Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Declaration.

IN WITNESS WHEREOF, the parties hereto have executed this Joinder Agreement as of the ____ day of _____, _____.

[Signature Page Follows]

LOT ADDRESS:

TAX MAP ID:

MEMBER/OWNER:

Name:

Address:

COMMONWEALTH OF VIRGINIA

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, in his/her capacity as the owner of _____.

Notary Public

MEMBER/OWNER:

Name:

Address:

COMMONWEALTH OF VIRGINIA

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, in his/her capacity as the owner of _____.

Notary Public

**EXHIBIT D
COMMON PROPERTY**

1. All streetlights within the Property, as listed below:

Section One	
Main Street	Street turn on to
Island View Dr	Waters Edge Dr
Waters Edge Dr	Shoreline Cr
Waters Edge Dr	Birdie Lane
Island View Dr	Sandpiper Cr.
Island View Dr	Island Bay Ct.
Section Two	
Main Street	Street turn on to
Cross Harbor Dr	Harbor View Cr
Lands End Rd	Cross Harbor Dr
Cross Harbor Dr	Driftwood Cr
Cross Harbor Dr	Bayfront Rd
Bayfront Rd	Bay Breeze Ln
Cross Harbor Dr	Water's Edge Dr
Sand Wedge Cr.	Water's Edge Dr
Section Three	
Main Street	Street turn on to
Silver Tee Dr	Findlay Cr.
Silver Tee Dr	Loving Cr.
Silver Tee Dr	Water's Edge Dr.
Section Four	
Main Street	Street turn on to
Waters Edge Dr	Marina Bay Dr
Marina Bay Dr	Hunterwood Cr
Marina Bay Dr	Lake Front CR
Marina Bay Dr	Flagstick
Section Five	
Main Street	Street turn on to
Silver Tee	Blackwater Cr.
Section Six	
Main Street	Street turn on to
Cross Tower Drive	Fairway Drive
Morgan Mill Dr	Mountain Shore Dr

Mountain Shore Dr	South Shore Cir
Morgan Mill Dr	Sandy Edge Cir
Morgan Mill Dr	Bay View Cir
Morgan Mill Dr	Low Country Dr
Morgan Mill Dr	Upland Shores Dr
Morgan Mill Dr	Dormie Lane
Morgan Mill Dr	Cross Tower Dr
Cross Tower Drive	Niblicks Cr.
Morgan Mill Dr	Waters EdgeDr
Section Seven	
Main Street	Street turn on to
Marina Bay Dr.	Bridleridge Rd
Bridleridge Rd	Saddleridge Dr
Section Eight	
Main Street	Street turn on to
Waters Edge Dr	East Pointe Dr
East Pointe Dr	Southwood Dr
Southwood Dr	Southview Cr
Southview Cr	Spur Court Dr
Southview Cr	Southwood Dr
Southwood Dr	Half way down
East Pointe Dr	East View Cr
East View Cr	East Pointe Dr
Miscellaneous	
Main Street	Street turn on to
Silver Tee	Island Green Dr.
Island Green Pte.	Island Green Cr.

2. Section 9, The Water's Edge, Lot 517 as shown on Instrument # _____ recorded among the land records of Franklin County, Virginia.

**EXHIBIT E
PROPERTY**

1. All Lots set forth in the Plat Showing Section No. 1, The Water's Edge, as recorded in Deed Book 388 at Page 1827 among the land records of the County of Franklin, Virginia. All of the land embraced within the streets of this subdivision have been dedicated to the County of Franklin and all the easements have been dedicated for public use.
2. All Lots set forth in the Plat Showing Section No. 2, The Water's Edge, as recorded in Deed Book 389 at Page 1416 among the land records of the County of Franklin, Virginia. All of the land embraced within the streets of this subdivision have been dedicated to the County of Franklin and all the easements have been dedicated for public use.
3. All Lots set forth in the Plat Showing Section No. 3, The Water's Edge, as recorded in Deed Book 416 at Page 1517 among the land records of the County of Franklin, Virginia. All of the land embraced within the streets of this subdivision have been dedicated to the County of Franklin and all the easements have been dedicated for public use.
4. All Lots set forth in the Plat Showing Section No. 4, The Water's Edge, as recorded in Deed Book 428 at Page 367 among the land records of the County of Franklin, Virginia. All of the land embraced within the streets of this subdivision have been dedicated to the County of Franklin and all the easements have been dedicated for public use.
5. All Lots set forth in the Plat Showing Section No. 5, The Water's Edge, as recorded in Deed Book 514 at Page 129 among the land records of the County of Franklin, Virginia. All the of the easements have been dedicated for public use.
6. All Lots set forth in the Plat Showing Section No. 6, The Water's Edge, as recorded in Deed Book 437 at Page 310 among the land records of the County of Franklin, Virginia. All of the land embraced within the streets of this subdivision have been dedicated to the County of Franklin and all the easements have been dedicated for public use.
7. All Lots set forth in the Plat Showing Section No. 7, The Water's Edge, as recorded in Deed Book [REDACTED] at Page [REDACTED] among the land records of the County of Franklin, Virginia. All of the land embraced within the streets of this subdivision have been dedicated to the County of Franklin and all the easements have been dedicated for public use.
8. All Lots set forth in the Plat Showing Section No. 8, The Water's Edge, as recorded in Deed Book 752 at Page 427 among the land records of the County of Franklin, Virginia. All of the land embraced within the streets of this subdivision have been dedicated to the County of Franklin and all the easements have been dedicated for public use.