

## DISCLOSURE LETTER

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The following is given pursuant to the provisions of the Property Owner's Association Act contained in Section 55-508, et seq., of the Code of Virginia, 1950 as amended. The Disclosure deals with OLD MILL PLANTATION, and is referenced to the plat of record in the Clerk's Office of the Circuit Court of the County of Roanoke, Virginia.

1. The name of the Association is OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC. The Association is incorporated under the Laws of the State of Virginia. The name and address of the Registered Agent of the Corporation is Edward A. Natt, 3140 Chaparral Drive, Suite 200-C, Roanoke, VA 24018.

2. A copy of the following documents are attached hereto:

- (a) Association Disclosure Packet Notice required by Section 55-512 of the *Code of Virginia*, 1950, as amended, to accompany the Association Disclosure Packet;
- (b) Charter issued by the State Corporation Commission on November 14, 2005;
- (c) Articles of Incorporation dated November 8, 2005;
- (d) By-Laws dated November 15, 2005;
- (e) Declaration of Covenants, Conditions and Restrictions dated November 30, 2005, and recorded in the Clerk's Office of the Circuit Court of the County of Roanoke on February 9, 2006 as Instrument No. 200602108, and re-recorded in the aforesaid Clerk's Office on February 23, 2006 as Instrument No. 200602827;
- (f) Amendment to Declaration dated May 19, 2006, and recorded in the Clerk's Office of the Circuit Court of the County of Roanoke on May 22, 2006 as Instrument No. 200608077; and
- (g) Amendment to Declaration dated October 26, 2007, and recorded in the Clerk's Office of the Circuit Court of the County of Roanoke on November 13, 2007 as Instrument No. 200717506.
- (h) Amendment to Declaration dated March 5, 2008, and recorded in the Clerk's Office of the Circuit Court of the County of Roanoke on March 5, 2008 as Instrument No. 200803054.
- (i) Amendment to Declaration dated January 20, 2010, and recorded in the Clerk's Office of the Circuit Court of the County of Roanoke on January 21, 2010 as Instrument No. 201000658.

There are no additional rules or regulations or architectural guidelines which have been promulgated by the Association.

3. A copy of the Association's current budget is attached hereto.

4. The current annual assessment payable to the HOMEOWNERS ASSOCIATION for

each lot within the subdivision is \$506.00. There shall also be an initial assessment, payable upon the purchase of a Lot. This initial assessment shall consist of a \$250 assessment payable to the Association and a \$1,000 payment to MAGNOLIA CLUB, L.L.C., in its capacity as owner of the recreational facilities/property. These assessments are separate and apart from the mandatory annual fee of \$750 that must be paid for use of the recreational facilities.

5. There is no other entity or facility to which the owner of a lot may be liable for fees or other charges relating to the common areas owned and maintained by the Association.

6. No capital expenditures are anticipated by the Association within the current year. None are anticipated within the next two (2) succeeding fiscal years.

7. There is no current reserve study report, or summary thereof, as this development is a new development. At present, all funds of the Association are allocated for current operating expenditures. A reserve study report shall be prepared for future years, which will include a figure within the budget for establishment of a capital reserve pursuant to the provisions of Section 55-514.1 of the Code of Virginia, 1950, as amended.

8. There are no pending suits or unpaid judgments involving the Association which would have a material impact on the Association or its members or which relate to the property.

9. The Association has obtained insurance coverage for general liability coverage. The coverage is provided through Nationwide Insurance Company.

10. Any improvement or alteration made to the lot, or uses made of the lot or common area assigned thereto for single-family residential purposes shall not be in violation of any of the instruments identified in Paragraph 2 hereof.

11. There are no restrictions, limitations or prohibitions on the right of a lot owner to display any flag identified in Section 55-513.1 of the Code of Virginia, 1950, as amended, on the owner's lot.

12. There has been no notice given to the undersigned that any improvement or alteration made to the property or any use made of the property or the common areas are in violation of the Declaration of Restrictions, Articles of Incorporation or By-laws.

13. The Restrictions limit or prohibit the placement of signs on the lot for advertising the lot for sale.

14. The Association has filed with the Virginia Real Estate Board the Annual Report required by Section 55-516.1 of the Code of Virginia, 1950, as amended. The filing number assigned by the Real Estate Board is 0550 005626 and the expiration date of such filing is December 31, 2010.

The above information is given pursuant to the provisions of the Virginia Property Owner's Disclosure Act.

\_\_\_\_\_

I acknowledge receipt of a copy of this  
information and the required Disclosure Package

Date: \_\_\_\_\_

\_\_\_\_\_

I acknowledge receipt of a copy of this  
information and the required Disclosure Package

Date: \_\_\_\_\_

## ASSOCIATION DISCLOSURE PACKET NOTICE

**Note to prospective purchasers:** The lot you are considering purchasing is in a development which is subject to the provisions of the Virginia Property Owners' Association Act. Living in a community association carries with it certain rights, responsibilities and benefits.

Some of the benefits include the right to use common areas, which may include swimming pools, parks, playgrounds and other recreational facilities. In order to finance the operation of the community, each owner is responsible for and obligated to pay regular assessments, and if necessary, special assessments to ensure that the financial requirements are met. Failure to pay any of these assessments may result in a lien being placed on your property.

The use of common areas, financial obligations of lot owners' and other information concerning the rights, responsibilities and benefits resulting from the purchase of a lot in this common interest community are subject to the provisions of governing documents that typically include a declaration, bylaws, articles of incorporation and rules and regulations. These documents play an important role in association living and should be reviewed carefully prior to your purchase.

Some decisions of your association will be made by the board of directors, while others will be made by a vote of all association members, made up of the other lot owners in your development. You will be bound by all decisions of the association and the board of directors. The documents cited above contain information concerning the selection of members of the board of directors, meetings, voting requirements, and other important information you should become familiar with. **REMEMBER:** Failure to comply with the governing documents of your association can result in legal action being taken against you.

You may wish to become active in your association, either by running for the board of directors or by serving on a committee. Your involvement is important, as you will be bound by all decisions of the association and the board of directors.

**The name of your association is:**

OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC.

**Lot number and address:**

**Assessments and/or Mandatory Fees you are responsible for:**

**Assessments:** \$506 to Assoc. per year

**Special assessments:** As needed

Upon purchase of a lot \$250 to Association and \$1,000 to Magnolia Club, LLC; \$750 annually to Magnolia Club, LLC, separate and apart from initial \$1,000.

**Other entity or facility:**

**Other fees:** n/a

**Failure to pay any of the above Assessments and/or mandatory Fees may result in nonjudicial foreclosure on your property or the following:**

A lien being placed upon your property.

**ALL DOCUMENTS AND INFORMATION CONTAINED IN THIS DISCLOSURE PACKET PLAY AN IMPORTANT ROLE IN LIVING WITHIN A COMMON INTEREST COMMUNITY AND SHOULD BE REVIEWED CAREFULLY PRIOR TO YOUR PURCHASE OF THE PROPERTY. A LIST OF THOSE DOCUMENTS YOU ARE ENTITLED TO RECEIVE IN ACCORDANCE WITH THE PROPERTY OWNERS' ASSOCIATION ACT IS PRINTED ON THE BACK OF THIS NOTICE.**

**Recipient Name (print):**

**Recipient signature:**

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**Date:**

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**The following is a list of documents you are entitled to receive in accordance with the Property Owners' Association Act.**

- the name of your association, and if incorporated, the state of incorporation and the name and address of the registered agent;
- ◆ a statement of any approved expenditures that shall require an additional assessment during the current year or the immediately succeeding fiscal year;
- ◆ a statement of all assessments and other mandatory fees currently imposed by the association;
- ◆ a statement whether there is any other entity or facility to which the lot owner may be liable for fees or charges;
- ◆ the current reserve study report (or a summary thereof), a statement of the status and amount of any reserve or replacement fund and any portion of the fund allocated by the board for a specified project;
- ◆ a copy of the association's current budget (or a summary thereof) and a copy of its statement of income and expenses or financial condition for the last fiscal year available;
- ◆ a statement of the nature and status of any pending suit or unpaid judgment to which the association is a party which either could or would have a material impact on the association or which relates to the lot being purchased;
- ◆ a statement setting forth what insurance coverage is provided for all lot owners by the association, including any fidelity bond maintained by the association, and what additional insurance would normally be secured by each individual lot owner;
- ◆ a statement that any improvement or alteration made to the lot, or uses made of the lot or common area assigned thereto by the prior lot owner, are not in violation of any of the instruments referred to in this disclosure notice;
- ◆ a statement setting forth any restriction, limitation, or prohibition on the right of a lot owner to place a sign on the owner's lot advertising the lot for sale;
- ◆ a statement setting forth any restriction, limitation, or prohibition on the right of a lot owner to display any flag on the owner's lot, including, but not limited to reasonable restrictions as to the size, place and manner of placement or display of such flag and the installation of any flagpole or similar structure necessary to display such flag;
- ◆ a copy of the current declaration, the association's articles of incorporation and bylaws, and any rules and regulations or architectural guidelines adopted by the association;
- ◆ a copy of notice given to the lot owner by the association of any current or pending rule or architectural violation;
- ◆ a copy of the fully completed one-page cover sheet developed by the Real Estate Board pursuant to § 54.1-2105.1; and
- ◆ certification; if applicable, that the association has filed with the Real Estate Board the annual report required by §55-516.1 of the Code of Virginia; which certification shall indicate the filing number assigned by the Real Estate Board and the expiration date of such filing.

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

*Richmond, November 14, 2005*

*This is to certify that the certificate of incorporation of*

**OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC.**

*was this day issued and admitted to record in this office and that the said corporation is authorized to transact its business subject to all Virginia laws applicable to the corporation and its business. Effective date: November 14, 2005*



*State Corporation Commission*

*Attest:*

*Joel H. Beck*  
Clerk of the Commission

ARTICLES OF INCORPORATION  
OF  
OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC.

We hereby associate to form a corporation under the provisions of Title 13.1, Code of Virginia, and to that end set forth the following:

**ARTICLE I**

NAME

The name of the corporation is OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC.

**ARTICLE II**

REGISTERED AGENT

The post office address of the initial registered office of the corporation is 3140 Chaparral Drive, Suite 200-C, Roanoke, Virginia 24018, located in the County of Roanoke. The name of its initial registered agent is Edward A. Natt, Esquire, who is a resident of Virginia and a member of the Virginia State Bar, whose business address is the same as the address of the initial registered office of the Corporation and who meets the requirements of Section 13.1-634 of the Code of Virginia.

**ARTICLE III**

INITIAL BOARD OF DIRECTORS

The number of directors constituting the initial Board of Directors is two (2) and the names and addresses of the persons to serve as the initial Directors are:

<u>NAME</u>	<u>ADDRESS</u>
James R. Jackson	P. O. Box 21721 Roanoke, VA 24018

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NATT, HELSCHER, YOST,  
MAXWELL & FERGUSON, PLC  
ATTORNEYS-AT-LAW  
ROANOKE, VIRGINIA  
24018-0049



David A. Vaughn

P. O. Box 21309  
Roanoke, VA 24018

At the first annual meeting after Developer is no longer a Class B Member of the Association, the Board shall increased to five (5) Members. The Members of the Association shall elect one director for a term of three years, two directors for terms of two years, and two directors for a term of one year and, at each annual meeting thereafter, the Members shall elect directors for whose term expire for a term of three years for a total of five (5) directors.

#### ARTICLE IV

##### PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and control of that certain tract of property described as:

OLD MILL PLANTATION, plat of which is, or is to be,  
recorded in the Clerk's Office of the Circuit Court of the  
County of Roanoke, Virginia

and to promote the health, safety and welfare of the residents within the above-described property and for this purpose to:

- (a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Clerk of the Circuit Court of the County of Roanoke, Virginia, and as the same may be amended from time to time as therein

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provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and with the assent of all Members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area which it may own, if any, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument has been signed by the Declarant as identified in the Declaration of Covenants, Conditions and Restrictions or approved by the Membership and then signed by all Members of the Board, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional property provided that any such merger, consolidation or annexation shall be in

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accordance with the provisions of the Declaration and the By-Laws;

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Virginia by law may now or hereafter have or exercise.

## ARTICLE V

### MEMBERSHIP

The Declarant and every person or entity who is a record owner (owner) of a fee or undivided fee interest in any Lot as defined in the Declaration which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

## ARTICLE VI

### VOTING MEMBERSHIP

The Association shall have two (2) classes of voting Membership:

Class A. Class A Members shall be all Lot Owners (with the exception of the Developer) and shall be entitled to one (1) vote for each Lot. When more than one Person holds an interest in any Lot, all persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Developer or affiliate of Developer and shall be entitled to the total number of Class A votes *plus* one so that the

Developer shall retain a majority vote until it conveys the last Lot or parcel to a Class A Member. The Class B Membership shall cease and terminate at such time that the Developer has conveyed the last Lot or Parcel of the Property and any Additional Land to a Class A Member but shall terminate in any event by December 31, 2025.

## ARTICLE VII

### AMENDMENTS

Amendments to these Articles of Incorporation may be proposed by any Member or director and shall be adopted in the same manner as is provided for the amendment of the Declaration as set forth in the Declaration of Covenants, Conditions and Restrictions. Said amendment(s) shall be effective when a copy thereof, together with an attached certificate of its approval by the Membership, sealed with the Corporate Seal, signed by the Secretary or an Assistant Secretary, and executed and acknowledged by the President or Vice-President, has been filed with the State Corporation Commission and all filing fees paid. Notwithstanding any provision of this Article to the contrary, these Articles shall not be amended in any manner which shall abridge, amend or alter the rights of the Declarant of OLD MILL PLANTATION as set forth in the Declaration or By-Laws, without the prior written consent to such amendment by the Declarant.

## ARTICLE VIII

### DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than seventy-five percent (75%) of the Members *provided that* upon dissolution

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of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

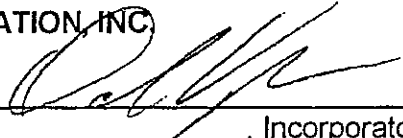
**ARTICLE IX**

**DURATION**

The corporation shall exist perpetually.

IN WITNESS WHEREOF, the incorporator has signed these Articles of Incorporation this 8<sup>th</sup> day of November, 2005.

**OLD MILL PLANTATION HOMEOWNERS  
ASSOCIATION, INC.**

BY , Incorporator

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**BY-LAWS**  
**OF**  
**OLD MILL PLANTATION**  
County of Roanoke, Virginia

**BY-LAWS  
OF  
OLD MILL PLANTATION**

County of Roanoke, Virginia

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**BY-LAWS  
OF  
OLD MILL PLANTATION  
HOMEOWNERS ASSOCIATION, INC.**

**County of Roanoke  
Virginia**

**ARTICLE 1  
IDENTITY**

These are the By-Laws of OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC., non-stock corporation organized under the laws of the Commonwealth of Virginia, the Articles of the Incorporation of which were filed with the Virginia State Corporation Commission on November 14, 2005 OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC. (the "Association") has been organized for the purpose of operating and managing OLD MILL PLANTATION Homeowners Community situated in the County of Roanoke, Virginia.

- 1.1 Provisions of Declaration and Articles of Incorporation to Control. The provisions of these By-Laws are applicable to OLD MILL PLANTATION, and the terms and provisions hereof are expressly subject to those terms, definitions, provisions, conditions and authorizations contained in the Articles of Incorporation of the Association ("Articles") and the Declaration of Covenants, Conditions, and Restrictions of OLD MILL PLANTATION Community ("Declaration") which have been recorded in the Clerk's Office, Circuit Court, County of Roanoke, Virginia. The terms and provisions of the Articles of Incorporation and Declaration shall control wherever the same may be in conflict herewith.
- 1.2 Defined Terms. Unless otherwise specifically defined in these By-Laws or the Declaration, the applicable terms herein shall be defined as follows:
- 1.2.1 **"Additional or Expandable Land"** shall mean and refer to those tracts or parcels of land added to the Property pursuant to Paragraph 3.2, of the Declaration of Covenants, Conditions and Restrictions OLD MILL PLANTATION.
- 1.2.2 **"Affiliate"** shall mean a person or entity related to or affiliated with the Developer and includes, but not limited to, a joint venture, partnership or corporation in which the Developer or any of its Members have an interest.
- 1.2.3 **"Articles of Incorporation"** shall mean and refer to the Articles of Incorporation of the Association.

- 1.2.4 **"Assessment"** shall mean and refer to a Member's share of the Common Expenses from time to time assessed against a Member by the Association in the manner herein provided.
- 1.2.5 **"Association"** shall mean and refer to the OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC., its successors and assigns.
- 1.2.6 **"Association Property"** shall mean and refer to the real property owned by or acquired in the future by the Association.
- 1.2.7 **"Board"** or **"Board of Directors"** shall mean and refer to the Board of Directors of the Association.
- 1.2.8 **"Common Areas"** shall mean all portions of the Property designed for the use, enjoyment, and access of all Members. This shall not include Recreational Areas owned by another entity.
- 1.2.9 **"Common Expense"** shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation or maintenance of reserves, pursuant to the provisions of the Declaration.
- 1.2.10 **"Common Maintenance Areas"** shall mean the areas to be maintained by the Association pursuant to the Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, which shall include all Common Areas and Association Property.
- 1.2.11 **"Declaration"** shall mean and refer to the Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, as the same now exists or may be hereafter amended.
- 1.2.12 **"Developer"** or **"Declarant"** shall mean and refer to Vaughn & Jackson, LLC., a Virginia Limited Liability Company, and any of its affiliates, successors or assigns.
- 1.2.13 **"Lot"** or **"Lots"** shall mean any or all of the subdivided real property parcels for residential dwelling purposes created at once or in one or more phases from the Property or Expandable Land, including the dwellings and other improvements located thereon. In the event a single residence is constructed on two lots, the two lots shall be considered to be one Lot for all purposes herein, regardless of whether the two lots remain as is or one lot is created by the vacation of the common lot line. No Lot shall be subdivided so as to create two (2) or more Lots from one single Lot. However, a Lot may be divided and added to the adjoining Lots.

- 1.2.14 "**Member**" shall mean and refer to all Members who are Members of the Association as provided in Paragraphs 2.1 and 2.2, of the Declaration of Covenants, Conditions and Restrictions OLD MILL PLANTATION.
- 1.2.15 "**Mortgage**" shall mean and refer to any mortgage, deed of trust or similar instrument encumbering a Lot as security for the performance of any obligation.
- 1.2.16 "**Occupant**" shall mean and refer to any person, including, without limitation, any guest, invitee, tenant, lessee or family member of a Member, occupying or otherwise using or visiting a Lot.
- 1.2.17 "**Owner**" or "**Lot Owner**" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure.
- 1.2.18 "**Property**" shall mean and refer to the real property described in the attached Exhibit "A" and all subsequent additions thereto brought under the regime of the Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION. The Property is further shown on the attached survey plat marked Exhibit "B".
- 1.2.19 "**Recreational Property**" shall mean those parcels of land located within the bounds of OLD MILL PLANTATION Subdivision and deeded to MAGNOLIA CLUB, L.L.C., or its successors or assigns, for the purpose of operating a swim club, clubhouse, tennis courts and other recreational facilities on the Property. The owner of the Recreational Property shall not be deemed to be a Member of the Association and shall not be obligated to pay assessments on the Recreational Property.
- 1.2.20 "**Review Committee**" The term Review Committee shall refer to the Architectural Review Committee as more particularly provided for in Article (8) (8.1) of the Declaration of Covenants, Conditions, and Restrictions OLD MILL PLANTATION.
- 1.3 Subject Parties. All present or future Owners, present or future tenants, the employees of tenants or Owners, or any other person who might use the Association or any of the facilities thereof in any manner, are subject to all the terms and provisions of these By-Laws.
- 1.4 Office. The office of the Association shall be at 2774 Electric Road, Roanoke, VA 24018, or such other place as the Board of Directors shall designate from time to time.

ARTICLE 2  
THE ASSOCIATION

- 2.1 Qualification of Members. The qualification of Members of the Association, the manner of their admission to Membership and termination of such Membership shall be as set forth in the Declaration. For all purposes having to do with the administration of the Association Property, the Association shall act as an agent for the Members of the Association.
- 2.2 Powers of the Association. The Association shall have, in addition to those powers listed in the Articles of Incorporation, all of the powers reasonably necessary to implement and effectuate the rules and objectives set forth in the Declaration, these By-Laws and all other documents pertaining to the Association.
- 2.3 Annual Meetings. The annual meetings of the Association shall be held on the first Tuesday of NOVEMBER of each year. At such annual meetings, the Directors of the Association shall be elected by ballot of the Members in accordance with the requirements of Section 2.10 of this Article. Meetings of the Association shall be held on the premises of the Association, at the principal office of the Association, or at such other suitable place convenient to the Members as may be designated by the Board of Directors.
- 2.4 Special Meetings.
- 2.4.1 The President of the Association shall call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Members, of not less than one-third of the aggregate voting interest of the Membership. The notice of any Special Meeting shall state the time, place and purpose thereof. No business shall be transacted at a Special Meeting except as stated in the notice. Ten (10) days' written notice of such meeting shall be given.
- 2.4.2 On the earlier of (i) a day within thirty days after one hundred per cent of the Lots in the Property including Expandable Lands have been delivered to Lot Owners by the Developer, or (ii) not more than thirty days after December 31, 2025, a Special Meeting of the Association shall be held at which all the Directors of the Association designated by the Developer shall resign, and the Members, including the Developer, if the Developer owns one or more Lots in the Property, shall thereupon elect successor Directors of the Association to act in the place and stead of those resigning. The Board of Directors shall be divided into three classes: The first class shall have one Director, the second class shall have two Directors and the third class shall have two Directors, with the term of office of one class expiring each year. The Director of the first class shall be elected to hold office for a term of office expiring at the next succeeding

annual meeting, the Directors of the second class shall be elected to hold office for a term of office expiring at the second succeeding annual meeting and the Directors of the third class shall be elected to hold office for a term of office expiring at the third succeeding annual meeting. Upon expiration of the terms of the Directors, other persons who would qualify under the provisions contained in these By-Laws shall be elected at the annual meeting of the Association to be Directors for a term of three (3) years in the place of the Director or Directors whose terms have expired.

- 2.5 Notice of Meetings. The Secretary shall mail to each Member a Notice of each annual or regularly scheduled meeting of the Members at least twenty-one, but not more than thirty days, and of each special meeting of the Members, at least seven but not more than thirty days, prior to such meeting, stating the time, place and purpose thereof. The mailing of a notice of meeting in the manner provided in this Section and in Section 11.1 of Article 11 of these By-Laws shall be considered proper service of notice.
- 2.6 Adjournment of Meetings. If at any meeting of the Association a quorum or the required percentage of attendance is not present, Members representing a majority of the total voting interest present at such meeting in person or by proxy may adjourn the meeting to a time when a quorum is present.
- 2.7 Order of Business. The order of business at all meetings of the Association shall be as follows:
- Roll Call and Certifying of Proxies.
  - Proof of Notice of Meeting.
  - Reading of minutes of preceding meeting.
  - Report of Board of Directors and Officers.
  - Reports of committees, if any.
  - Election or appointment of inspectors of election (when so required).
  - Election of Directors (when so required).
  - Unfinished Business.
  - New Business.
  - Adjournment.
- 2.8 Title to Lots. The Association may acquire, hold and transfer full legal title to one or more Lots or Common Areas in the Property in its own name.
- 2.9 Proxies and Multiple Owners Voting. Votes may be cast in person or proxy. No proxy shall be revocable except by actual notice to the person presiding over the meeting by any one or more of the Lot Owners that it be revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice aforesaid, or if the signatures of any of those executing the same have not been witnessed by a person who shall sign his full name and address. The proxy of any person shall be void if not signed by a person having authority at the time of execution thereof to

execute deeds on behalf of that person. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy.

In the instance where a Lot is owned by more than one person, if one of the co-Owners of the Lot is present at an Association meeting, that person shall be entitled to cast the vote for that Lot. If more than one of such persons is present, the vote appertaining to the subject Lot shall be cast only in accordance with their unanimous agreement and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to the subject Lot without protest being made forthwith by any of the other co-Owners to the person presiding at the meeting.

- 2.10 Voting. Voting at all meetings of the Association shall be as set forth in the Declaration. The Members representing at least forty percent of the total voting interest voting in person or by proxy at one time at a duly convened meeting at which a quorum is present are required to adopt decisions made at any meeting of the Association. No Member may vote at any meeting of the Association or be elected to serve as an Officer of the Association if said Member is delinquent in the payment of any assessment or is under suspension for any rules violation.
- 2.11 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Members representing forty percent or more of the lots shall constitute a quorum at all meetings of the Association.
- 2.12 Conduct of Meetings. The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted and all transactions occurring at the meeting. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration or the Articles. All votes shall be tallied by inspectors appointed by the President or other Officer presiding over the meeting.

### ARTICLE 3 BOARD OF DIRECTORS

- 3.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. The Board of Directors shall be composed of two (2) to five persons, who shall be appointed by the Developer so long as the Developer is a Class B Member and thereafter Directors shall be elected by the Members of the Association. During the times when it has the right to designate who the Directors will be, the Developer shall have the right in its sole discretion to replace any Director or Directors and to designate their successors.
- 3.2 Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things not prohibited by the Declaration or Articles. The Board of

Directors shall have the power from time to time to adopt any rules and regulations ("Rules and Regulations") deemed necessary for the benefit and enjoyment of the Property; provided, however, that such Rules and Regulations shall not be in conflict with the Declaration or the Articles. The Board of Directors shall delegate to one of its Members or to a person employed for such purpose the authority to act on behalf of the Board of Directors on such matters relating to the duties of the Managing Agent which may arise between meetings of the Board of Directors as the Board of Directors deems appropriate. In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors, shall, on behalf of the Association.

- 3.2.1 Prepare an annual budget, in which there shall be established the assessments of each Member for the Common Expenses.
- 3.2.2 Make assessments against Members to defray the costs and expenses of the Association, establish the means and methods of collecting such assessments from the Lot Owners and establish the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the Board of Directors, the annual assessment against each Member for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for such month.
- 3.2.3 Provide for the operation, care, upkeep and maintenance of all of the Property and services of the Association.
- 3.2.4 Designate, hire and dismiss the professional management necessary for the maintenance, operation, repair and replacement of the Association Property, Common Area and Common Maintenance Areas and provide services for the Association and, where appropriate, provide for the compensation of such personnel and for the purpose of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of the property owned by the Association.
- 3.2.5 Collect the assessments against the Members; deposit the proceeds thereof in bank depositories designated by the Board of Directors and use the proceeds to carry out the administration and purposes of the Association.
- 3.2.6 Pay all taxes, charges and assessments which are or may become liens against any part of the Association, other than individual Lots and the appurtenances thereto, and assess the same against the Members and their respective Lots subject to such liens.

- 3.2.7 Make, or contract for the making of, repairs, and improvements to the Association Property and repairs to and restoration of the Association Property, in accordance with these By-Laws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.
- 3.2.8 Enforce by legal means the provisions of the Declaration, the Articles of Incorporation, these By-Laws, the Rules and Regulations, and act on behalf of the Members with respect to all matters arising out of any eminent domain proceedings.
- 3.2.9 Obtain and carry insurance against casualties and liabilities, as provided in Article 6 of these By-Laws, pay the premiums therefore and adjust and settle any claims thereunder.
- 3.2.10 Pay the cost of all authorized services rendered to the Association and not billed to Members of individual Lots.
- 3.2.11 Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Property and the administration of the Association, specifying the expenses of maintenance and repair of the Association Property and any other expenses incurred. Such books and vouchers accrediting the entries thereupon shall be available for examination by the Members, or their duly authorized agents or attorneys during general business hours on working days at the times and in the manner set and announced by the Board of Directors for the general knowledge of the Members. All books and records shall be kept in accordance with good and accepted accounting practices, and the same shall be reviewed at least once each year by an independent accountant retained by the Board of Directors who shall not be a resident of a Lot or a Member. The cost of such review shall be a Common Expense.
- 3.2.12 Notify all Mortgagees of all or any Lots in the Property (the "Mortgagees") of any default hereunder by any Member subject to such mortgage, in the event such default continues for a period exceeding thirty days.
- 3.2.13 Acquire, lease, manage, hold and dispose of Lots and mortgage the same if such expenditures and hypothecations are included in the budget adopted by the Association.
- 3.2.14 Do such other things and acts not inconsistent with the Declaration or the Article which the Board of Directors may be authorized to do by its own resolution.



- 3.3 Organizational Meeting. Within 30 days after the election of Directors in accordance with Article 2, Section 2.4.2 of these By-Laws, a meeting of the Board of Directors shall be held to elect Officers of the Association.
- 3.4 Regular Meetings. Regular Meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by a majority of the Members of the Board, but such meetings shall be held at least once every three months during each fiscal year. Notice of regular meetings of the Board shall be given to each member of the Board by mail or telegraph or actual delivery at least five business days prior to the day named for such meeting.
- 3.5 Special Meetings. Special Meetings of the Board of Directors may be called by the President on three business days notice to each member, given by mail or telegraph, or actual delivery, which shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or in like manner and on like notice on the written request of at least two Members of the Board.
- 3.6 Waiver of Notice. Any member may at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time, place and purpose of such meeting, unless such member attends for the specific purpose of challenging such notice. If all Members are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.
- 3.7 Quorum of Board of Directors. At all meetings of the Board of Directors a majority of the Board shall constitute a quorum for the transaction of business, and the votes of a majority of the Board present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, the meeting may be adjourned to a new time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.
- 3.8 Compensation. Directors' compensation, if any, shall be determined by the Association.
- 3.9 Conduct of Meetings. The President who shall be a Director shall preside over all meetings of the Board of Directors and the Secretary who may be but does not have to be a Director shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration or the Articles.

3.10 Action without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the Members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

3.11 Vacancies. Vacancies in the Board of Directors may be filled by the remaining Directors selecting someone to serve until the next Annual Meeting. In the event of three or more vacancies on the Board, a special meeting of the Association shall be called by the President and the vacancies filled by an election for such purpose except that should any vacancy in the Board of Directors be created in any Directorship previously filled by any person designated and selected by the Developer, such vacancy shall be filled by the Developer designating and selecting, by written instrument delivered to any Officer of the Association, the successor Director to fill the vacated directorship for the expired term thereof.

3.12 Liability of the Board of Directors, Officers, Members and Association.

3.12.1 The Officers and Members of the Board of Directors of the Association shall not be liable to the Association for any mistake of judgment caused by negligence or otherwise, except for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each member of the Association (including Officers and Directors who are not Members) from and against all contractual liability to others arising out of contracts made by the Officers or the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration, Articles of Incorporation, or these By-Laws, in which case those persons dealing in bad faith or dealing knowingly in a contrary manner to the aforesaid provisions shall not be indemnified. Other than has been previously stated in this Section, Officers and Members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association and shall be considered as only acting as agents for the Association. The liability, if any, of any Member arising out of any contract made by the Officers or Board of Directors or out of the aforesaid indemnity in favor of the Members of the Board of Directors or Officers, or for damages as a result or injuries arising in connection with the Association or its property, or for liabilities incurred by the Association, shall result solely by virtue of his Ownership of a Lot and shall be limited to the total liability per Lot multiplied by a fraction created by one as the numerator and the total number of Lots as the denominator. Every agreement made by the Officers, the Board of Directors or the Managing Agent on behalf of the Association shall, if obtainable, provide that the Officers, the Members of the Board of Directors, or the Managing Agent, as the case may be, are acting only as agents of the Association

and that they shall have no personal liability thereunder (except as Members), and that each Member's liability thereunder shall be limited to the liability thereunder, if any, multiplied by said fraction.

3.12.2 The Association shall not be liable for any failure of water supply or other services to be obtained by the Association or paid for as a Common Expense, or for injury or damage to any person or property caused by the elements or by any Member, or any other person, or resulting from electricity or water, snow or ice which may leak or flow from any portion of the Association's Property or from any pipe, drain, conduit, appliance or equipment. The Association shall not be liable to any Member for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Association's Property. No diminution or abatement of any assessments, as elsewhere provided herein, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Association Property, or from any action taken by the Association to comply with any law, ordinance, or with the order or directive of any municipal or other governmental authority.

3.13 Common or Interested Members. Each Officer of the Association shall exercise his powers and duties in good faith and with a view to the best interests of the Association. No contract or other transaction between the Association and any of its Members. Or between the Association and any of its Members, or between the Association and any corporation, firm or association (including the Developer) in which any of the Members of the Association are Members or Officers or are pecuniarily or otherwise interested, is either void or voidable because any such Member is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

3.13.1 The fact of the common Membership or interest is disclosed or known to the majority of the Board of Directors or noted in the minutes, and the Board of Directors authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

3.13.2 The fact of the common Membership or interest is disclosed or known to at least a majority of the Members, and the Members approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

3.13.3 The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

Any common or interested Members may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize or

disallow any contract or transaction with like force and effect as if each member were not such member or officer of the Association or not so interested.

3.14 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of Two Thousand Dollars shall be executed by any two persons designated by the Board of Directors. All such instruments for expenditures or obligations of Two Thousand Dollars or less may be executed by any one person designated by the Board of Directors.

3.15 Removal. Any one or more of the Members of the Board of Directors may be removed, either with or without cause, at any time by an affirmative vote of the majority of Members at any special meeting called for such purpose, or at an annual meeting; provided, however, that only the Developer shall have the right to remove a Director appointed by it.

#### ARTICLE 4 OFFICERS

4.1 Numbering of Officers. The Officers of the Association shall be a President, who shall be a Director, a Vice-president, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed, with or without cause, by a vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be Vice-President, Secretary or an Assistant Secretary. The Board of Directors shall, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

4.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the president of any association, including, but not limited to, the power to appoint committees from among the Members from time to time, as he may, in his discretion, determine appropriate to assist in the conduct of the affairs of the Association.

4.3 Vice-President. The Vice-President shall, in the absence or disability of the president, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be described by the Directors.

4.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the Members. He shall attend to the giving and serving of all notices to the Members and Directors, and such other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of

secretary of an association and as may be required by the Directors or the President.

- 4.5 Treasurer. The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He shall keep, or supervise the keeping of, the assessment rolls and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of the Treasurer.
- 4.6 Compensation. The compensation, if any, of all Officers and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association.
- 4.7 Vacancies. Vacancies in any office of the Association shall be filled by a vote of the majority of the Board of Directors at a special meeting held for such purpose promptly after the occurrence of such vacancy. Each person so elected shall be an Officer of the Association for the remainder of the term of the Officer being replaced and until a successor shall be elected at the next Annual Meeting of the Board of Directors.

## ARTICLES 5 AMENDMENT TO BY-LAWS

- 5.1 Amendments and Termination. These By-Laws may not be terminated unless two-thirds (2/3) of the total voting interest in the Association consents.
- 5.2 Method of Amending. These By-Laws may be amended in the following manner:
- 5.2.1 Developer shall retain the exclusive right to amend, modify, revoke, alter, expand and update the contents of these By-Laws, or amendments thereto, without the permission of any party. Any amendment or alteration to these By-Laws shall take effect only after Developer, or any entity in which one or more of the principals is a principal of the Developer, has caused to be recorded an amended By-Laws among the Roanoke County land records.
- 5.2.2 An Amendment or Amendments may be proposed by the Board of Directors of the Association acting upon a vote of more than two-thirds (2/3) of the Directors, or by more than two-thirds (2/3) of the Members, whether meeting as Members or by instrument in writing signed by them. Upon any Amendment or Amendments being proposed by the Board of Directors or Members, such proposed Amendment or Amendments shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a special meeting of the Members of the Association. It shall be the duty of the Secretary to give to each member written or printed notice of the

special meeting, stating the time and place thereof, and reciting the proposed Amendment or Amendments in reasonably detailed form. NO AMENDMENT NOT WITHSTANDING ANY OTHER PROVISION HEREIN CONTAINED AND REGARDLESS OF THE VOTE SHALL CHANGE ARCHITECTURAL, ENGINEERING, LANDSCAPING, OR DECORATIVE DESIGN OF THE PROPERTY AS FINALLY CONSTRUCTED. Any member may, by written waiver of notice signed by such member, waive such notice and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of notice to such member. At the meeting, the Amendment or Amendments proposed must be approved by an affirmative vote of more than sixty percent (60%) of the Members in order for such Amendment or Amendments to become effective. Thereupon such Amendment or Amendments shall be transcribed and certified by the President and Secretary of the Association as having been duly adopted. The original or an executed copy of such Amendment or Amendments, shall be recorded in the Clerk's Office, Circuit Court of Roanoke County, Virginia, within ten (10) days from the date on which the same were approved by the Members, such Amendment or Amendments to specifically refer to the recording date identifying the Declaration or By-Laws which are affected by such Amendment or Amendments. Thereafter, a copy of the Amendment or Amendments in the form in which the same were placed of record by the Officers of the Association shall be delivered to all the Members, but delivery of a copy thereof shall not be a condition precedent to the effectiveness of the Amendment or Amendments. At any meeting held to consider the Amendment or Amendments the written vote of any Members of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided written vote is delivered to the Secretary of the Association prior to such meeting or at such meeting.

- 5.2.3 No alteration, amendment or modification of the rights and privileges granted and reserved hereunder in favor of a Mortgagee shall be made without prior written consent of all Mortgagees being first obtained.
- 5.2.4 No alteration, amendment or modification of the rights and privileges of the Developer shall be made without the written consent of the Developer being first had and obtained.

## ARTICLE 6 MISCELLANEOUS

- 6.1 Notices. All notices, demands, statements or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally (a) if to a Member, at the address which Member shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Lot of such Member; or (b) if to the Association, the Board of

Directors or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Members pursuant to this Section. If a Lot is owned by more than one person, each person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

6.2 Captions. The Captions used herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision thereof.

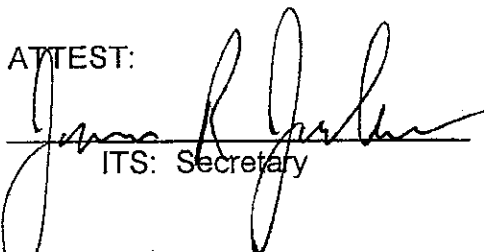
6.3 Gender, Singular/Plural. The use of masculine gender in these By-Laws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, the foregoing By-Laws have been adopted as the By-Laws of OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC., at the organizational meeting of its Board of Directors held November 15, 2005.

OLD MILL PLANTATION  
HOMEOWNERS ASSOCIATION, INC

BY   
ITS: President


ATTEST:

  
ITS: Secretary

STATE OF VIRGINIA,  
CITY/COUNTY OF Roanoke, to-wit:

The foregoing instrument was acknowledged before me this 1st day of March, 2005<sup>6</sup>, on behalf of OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC. by David A. Vaughn, its President.

My commission expires: 12/31/06

  
Notary Public

PG 0129 '06 FEB 09 12:01

PG 0154 '06 FEB 23 13:29

200602108

Ost. / 11

200602827

This document is being re-recorded  
in order to attach Exhibits "A" and "B"

**DECLARATION  
OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS**

**OLD MILL PLANTATION**

**Roanoke County, Virginia**

**Tax Map No. 95.01-02-36**

OSTERHOUDT, PRILLAMAN,  
NATT, HELSCHER, YOST,  
MAXWELL & FERGUSON, PLC  
ATTORNEYS-AT-LAW  
ROANOKE, VIRGINIA  
24018-0049



DECLARATION  
OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS

OLD MILL PLANTATION  
Roanoke County, Virginia

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ROANOKE, VIRGINIA  
24018-0049

DECLARATION  
OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS

OLD MILL PLANTATION

Roanoke County, Virginia

THIS DECLARATION, dated as of the 30<sup>th</sup> day of November, 2005, by VAUGHN & JACKSON, L.L.C., hereinafter referred to as "Developer" or "Declarant", recites and provides:

RECITALS

The Developer is the fee simple Owner of certain real Property located in Roanoke County, Virginia, as described in Exhibit "A" attached hereto and made a part hereof (the Property), and is building a residential development thereon.

The Developer desires to provide for the preservation of the values and amenities of the Property and, to this end, desires to subject the Property to the covenants, restrictions, easements, charges and liens (hereinafter referred to collectively as the Restrictions) as hereinafter set forth for the benefit of the Property and each Lot Owner thereof.

The Developer has incorporated, under the laws of the Commonwealth of Virginia, as a non-stock corporation, OLD MILL PLANTATION HOMEOWNERS ASSOCIATION INC., for the purpose of exercising the functions of administering these restrictions and the Property in general.

The Developer desires that the Restrictions shall run with, burden and bind the Property.

DECLARATION

NOW THEREFORE, the Developer hereby declares the Property is and shall be held, transferred, sold, conveyed, occupied and used subject to the provisions of the Restrictions hereinafter set forth, for and during the period of time hereinafter specified.

OSTERHOUDT, PRILLAMAN,  
NATT, HELSCHER, YOST,  
MAXWELL & FERGUSON, PLC  
ATTORNEYS-AT-LAW  
ROANOKE, VIRGINIA  
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ARTICLE 1  
DEFINITIONS

The following words when used in this Declaration or any supplement hereto (unless the context shall prohibit) shall have the following meanings:

- 1.1 "**Additional or Expandable Land**" shall mean and refer to those tracts or parcels of land added to the Property pursuant to Paragraph 3.2 hereof.
- 1.2 "**Affiliate**" shall mean a person or entity related to or affiliated with the Developer and includes, but is not limited to, a joint venture, partnership, limited liability company, or corporation in which the Developer or any of its Members have an interest.
- 1.3 "**Articles of Incorporation**" shall mean and refer to the Articles of Incorporation of the Association.
- 1.4 "**Assessment**" shall mean and refer to a Member's share of the Common Expenses from time to time assessed against a Member by the Association in the manner herein provided.
- 1.5 "**Association**" shall mean and refer to the OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC., its successors and assigns.
- 1.6 "**Association Property**" shall mean and refer to the real Property owned by or acquired in the future by the Association.
- 1.7 "**Board**" or "**Board of Directors**" shall mean and refer to the Board of Directors of the Association.
- 1.8 "**Common Areas**" shall mean all portions of the Property designed for the use, enjoyment, and access of all Members. This shall not include Recreational Areas owned by another entity.
- 1.9 "**Common Expenses**" shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation or maintenance of reserves, pursuant to the provisions of the Declaration.
- 1.10 "**Common Maintenance Areas**" shall mean the areas to be maintained by the Association pursuant to this Declaration which shall include but not be limited to all Common Areas and Association Property.
- 1.11 "**Declaration**" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, as the same now exists or may be hereafter amended.

- 1.12 **"Developer"** or **"Declarant"** shall mean and refer to VAUGHN & JACKSON, LLC a Virginia Limited Liability Company, and any of its affiliates, successors or assigns.
- 1.13 **"Lot"** or **"Lots"** shall mean any or all of the subdivided real Property parcels for residential dwelling purposes only created at once or in one or more phases from the Property or Expandable Land, including the dwellings and other improvements located thereon. In the event a single residence is constructed on two Lots, the two Lots shall be considered to be one Lot for all purposes herein, regardless of whether the two Lots remain as is or one Lot is created by the vacation of the common Lot line. No Lot shall be subdivided so as to create two (2) or more Lots from one single Lot. However, a Lot may be divided and added to the adjoining Lots.
- 1.14 **"Member"** shall mean and refer to all those Members who are Members of the Association as provided in Paragraphs 2.1 and 2.2, of this Declaration.
- 1.15 **"Mortgage"** shall mean and refer to any mortgage, deed of trust or similar instrument encumbering a Lot as security for the performance of any obligation.
- 1.16 **"Occupant"** shall mean and refer to any person, including, without limitation, any guest, invitee, tenant, lessee or a family Member of a Member, occupying or otherwise using or visiting a Lot.
- 1.17 **"Owners"** or **"Lot Owners"** shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure.
- 1.18 **"Property"** shall mean and refer to the real Property described in the attached Exhibit "A" and all subsequent additions thereto brought under the regime of this Declaration. The Property is further shown on the attached survey plat marked Exhibit "B".
- 1.19 **"Recreational Property"** shall mean those parcels of land located within the bounds of OLD MILL PLANTATION Subdivision and deeded to MAGNOLIA CLUB, L.L.C., or its successors or assigns, for the purpose of operating a swim club, clubhouse, tennis courts and other recreational facilities on the Property. The owner of the Recreational Property shall not be deemed to be a Member of the Association and shall not be obligated to pay assessments on the Recreational Property.
- 1.20 **"Review Committee"** the term Review Committee shall refer to the Architectural Review Committee as more particularly provided for in Article (8) (8.1).

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ARTICLE 2  
MEMBERSHIP AND VOTING RIGHTS

- 2.1 Every Lot Owner shall be a Member of the Association, provided, however, that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member, unless and until such person or entity has succeeded to such Owner's interest by enforcement of such security interest. Membership shall be appurtenant to and may not be separated from Ownership of any Lot.

The Association shall have two (2) classes of voting Membership:

- 2.2.1 Class A. Class A Members shall be all Lot Owners (with the exception of the Developer) and shall be entitled to one (1) vote for each Lot. When more than one Person holds an interest in any Lot, all persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

- 2.2.2 Class B. The Class B Member shall be the Developer or affiliate of Developer and shall be entitled to the total number of Class A votes *plus* one so that the Developer shall retain a majority vote until it conveys the last Lot or parcel to a Class A Member. The Class B Membership shall cease and terminate at such time that the Developer has conveyed the last Lot or Parcel of the Property and any Additional Land to a Class A Member but shall terminate in any event by December 31, 2025.

ARTICLE 3  
PROPERTY SUBJECT TO THIS DECLARATION

- 3.1 Description. The real Property subject to this Declaration is all that Property located in Roanoke County, Virginia, as described in Exhibit "A" attached hereto and made part hereof.
- 3.2 Expansions by Developer. Developer hereby reserves the exclusive right to incorporate Additional or Expandable Land, whether now owned or to be acquired in the future by Developer, into the Property, for a period terminating on December 31, 2025. This right is unilateral in nature, requiring no consent from any purchaser or mortgagee. If Developer exercises this right, it shall record proper documents incorporating such other lands into the Property, thereby enlarging the Property and subjecting such Additional or Expandable Land to this Declaration and its amendments.

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3.3 Effects of Expansion. In the event that any Additional or Expandable Land is incorporated as a part of the Property:

3.3.1 Such Additional or Expandable Land shall be considered within the definitions herein recited for all purposes of this Declaration; and

3.3.2 All voting of the Membership of the Association shall include Members in Additional or Expandable Land, and all voting by the Members hereunder, shall be aggregated, it being intended that (i) any voting requirements need not be fulfilled separately for the real Property described in Additional or Expandable Land, and (ii) any Class B Member shall have a majority of the votes of the Association.

ARTICLE 4  
PROPERTY RIGHTS IN THE COMMON AREAS

4.1 Owner's Easements of Enjoyment. Subject to the provisions of Paragraph 4.2.4, every Member shall have a right and easement of enjoyment in and to the Association Property and such easement shall be appurtenant to and shall pass with the title to every Lot.

4.2 Extent of Members' Easements. The right and easements of enjoyment created hereby shall be subject to the following.

4.2.1 The right of the Developer so long as Developer owns any Property as defined herein or any Lot of the Association, to grant and reserve easements and right of ways through, under, over and across the Association Property and Common Maintenance Areas for the installation, relocation, replacement maintenance and inspection of the lines and appurtenances for public or private water, public sewer, septic tanks, drainage, gas, electricity, telephone and other utilities even after title has passed to a Lot Owner;

4.2.2 The right of the Association to adopt rules and regulations governing the use by the Members of the Association Property.

4.2.3 Developer also reserves the right to locate at any point within the Public Utility Easement ("PUE") which runs across the front portion of each Lot, gas and/ or electric street lights together with the right to enter upon said PUE for the purpose of installing, repairing, maintaining, relocating and removing such street lights.



4.2.4 Delegation of Use. Any Member may delegate his rights of enjoyment of the Association Property and facilities to the Members of his family, tenants or contract purchaser (and Members of the family of any tenant or contract purchaser) who reside on the Property or to such other persons as may be permitted by the Association.

4.2.5 The right of the Association to suspend the enjoyment rights of any Member in the recreational facilities (i) for any period during which any assessment remains unpaid, and (ii) for any period not to exceed sixty (60) days for any infraction of its published rules and regulations; and

4.2.6 The right of the Association to charge reasonable admission and other fees for the use of the Association Properties;

4.3 Obligations of the Association. The Association shall:

4.3.1 Operate and maintain, for the use and benefit of all Members of the Association, all Association Property, easements and facilities and all Common Maintenance Areas, including all storm water detention facilities constructed now or in the future by Developer and the drainage easements conveyed, whether these easements and facilities are on site or off site and serving this community.

4.3.2 Maintain, reseed, and mow the grass and replace all dead or destroyed landscaping in the Association Property and Common Maintenance Areas.

4.3.3 Maintain and operate the Association Property and Common Maintenance Areas.

4.3.4 Require any destroyed improvements on Association Property and Common Maintenance Areas, and any landscaping and decorative items to be reconstructed in the same architectural, engineering, design, including paint colors, and in the same manner as originally constructed.

4.3.5 Prohibit any additional improvements or alterations on Association Property and Common Maintenance Areas by any Member. This provision shall not apply to Developer.

4.3.6 Prohibit any construction, painting or landscaping (which term shall be defined in its broadest sense as including grass, fences, hedges, vines, trees and the like) whatsoever by any Member, other than to maintain or reconstruct any improvement installed by

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Developer on Association Property and Common Maintenance Areas.

4.3.7 Have no rights to change any original architectural landscape or decorative designs, provided however, the Developer shall have the absolute right without the permission of the Association to change the architectural landscape or decorative design to any extent whatsoever and/or make additional improvements to the Association Property and Common Maintenance Areas even after conveyance to a Class A Lot Owner without the permission of the Association or Lot Owner so long as Developer owns any Lot or Property, as defined herein.

4.3.8 The Home Owner's Association, its successors, transferees or assigns, shall maintain in full force and effect, at its cost, comprehensive general liability and Property damage insurance in the minimum amount of One Million Dollars, combined single limited with no annual aggregate. Roanoke County, its officers, agents and employees, shall be named as additional insureds on the policy if required by the County. A certificate of insurance reflecting such coverage shall be provided to the County upon recordation of the Declaration of Covenants, Conditions and Restrictions and from year to year thereafter. The policy shall provide that the coverage shall not be canceled or materially altered except after sixty (60) days written notice to the County; in the event of cancellation, material alteration, or termination of said policy for any reason, the Home Owner's Association, its successors, transferees, or assigns shall provide a comparable policy acceptable to the County, or shall forthwith comply with all federal, state and local laws or regulations as may be in affect at such time for fencing of detention pond(s) / stormwater management areas or other "common areas." Every five (5) years from the date hereof, the policy limits set forth herein shall increase by the total annual increase reflected by the Consumer Price Index Detailed Report for all urban consumers published by the United States Department of Labor, Bureau of Labor Statistics, in January of the anniversary year.

4.3.9 Entrance Signage. Prohibit any changes in the design, color, or content of the entrance signage which shall be maintained by the Association as originally installed by the Developer, including, but not limited to, that portion designating Developer's name.

4.3.10 Pond. The Association shall be responsible for maintenance of the pond and the surrounding area as shown on the subdivision plat.

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- 4.3.11 Street Lights. The Association shall be responsible for operation and maintenance of the street lights.
- 4.3.12 Entrance Area. The Association shall be responsible for the landscaping and signage on the entrance area to the subdivision.
- 4.3.13 Recreational Property. The Association shall enter into and maintain a Lease for use by Owners of the Recreational Property.

ARTICLE 5  
COVENANT FOR MAINTENANCE ASSESSMENTS

5.1 Creation of the Lien and Personal Obligation of Assessments. The Developer, for itself and its successors or assigns, and for each Member, hereby covenants, and each Lot Owner, by acceptance of a deed or other transfer document therefor, whether or not it shall be so expressed in such deed or other transfer document, is deemed to covenant and agree to pay to the Association:

- 5.1.1 Annual assessments or charges; and
- 5.1.2 Special assessments for capital improvements and operating, repair and replacement reserve funds, such assessments to be fixed, established and collected as hereinafter provided.
- 5.1.3 An initial assessment fee of \$250.00 upon purchase of a Lot as a contribution to the operating capital.
- 5.1.4 The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to the Member's Successors in title (other than as a lien on the land) unless expressly assumed by them.

5.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the Members and in particular for the maintenance of the Association Property, the Common Area and Common Maintenance Areas and for services and facilities devoted to this purpose and related to the use and enjoyment of the Association Property and Common Maintenance Areas, including, but not limited to, the payment of taxes and insurance thereon and repair and replacement, for

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the cost of labor, equipment, materials, management and supervision thereof, and for operating reserve funds, and reserve funds for repair and replacement of the Association Property, the Common Area and Common Maintenance Areas and facilities thereon. Assessments shall also be used to pay lease payments for the Recreational Property.

5.3 Basis and Maximum of Annual Assessments; Variable Rate Assessment. The initial payment of \$250.00, in addition to all assessments, shall be payable by the initial Owner other than the Developer, at the closing of the sale of each Lot. Commencing with the conveyance of the first Lot from the Developer to an Owner and until changed by the Board of Directors as herein provided, the annual assessment imposed upon each Member of the Association shall be at a rate determined by initial Board of Directors of the Association. The annual assessment may be collected monthly or quarterly as the Association may determine and may be increased as hereinafter provided in Paragraphs 5.3.1 and 5.4. Developer shall pay no annual or special assessment on any Lot owned by it on which a house is not occupied while Developer is a Class B Member.

5.3.1 Change in Annual Assessments. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the annual assessment for any year in an amount below the maximum annual assessment set forth in Paragraph 5.3, as the same may be increased pursuant to Paragraph 5.4, provided that it shall be an affirmative obligation of the Association and its Board of Directors to fix such assessments at an amount sufficient to maintain and operate the Association Property and Common Areas and to provide reserves for operating, repair and replacement of the Association Property.

5.3.2 Change in Maximum of Annual Assessments. The Board of Directors of the Association may without a vote of the Members of the Association, prospectively increase the maximum of the Annual Assessments (fixed by Paragraph 5.3.1) to an amount which is no greater than twenty-five percent (25%) above the annual assessments for the previous year. The Association may prospectively increase the maximum assessments above the amount permitted pursuant to the preceding sentence, provided that any such change shall have the assent of a majority of Members of the Association voting, who are voting in person or by proxy, at a meeting duly called for this purpose at which a quorum is present.

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5.4 Determination of Annual Assessments.

5.4.1 Fiscal Year. The fiscal year of the Association shall consist of the twelve-month period commencing on January 1 of each year and terminating on December 31 of that year.

5.4.2 Preparation and Approval of Budget. Each year on or before October 15, the Board of Directors shall adopt a budget containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the improvements; and the cost of wages, materials, insurance premiums, services, supplies and other expenses and the rendering to the Members of all related services. Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements. The Board of Directors, on or before December 15 preceding the fiscal year to which the budget applies, shall send to each Member a copy of the budget, in a reasonably itemized form which sets forth the amount of the common expenses payable by each Member. The said budget shall constitute the basis for determining each Member's assessment as hereinbefore provided.

5.4.3 Reserves. The Board of Directors shall build up and maintain an adequate reserve for working capital and contingencies, and an adequate reserve for replacement of all facilities on the Association Property, Common Area and Common Maintenance Areas which shall be collected as part of the annual assessment as hereinbefore provided. All funds accumulated for reserves shall be kept in a separate bank account, segregated from the general operating funds, and, if the Board of Directors deems it advisable, funds accumulated for each type of reserve shall be kept in a separate bank account, identified by reference to the specific category of reserve. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except where an emergency required an expenditure to prevent or minimize loss from damage to, or deterioration of, the Association Property, Common Area and Common Maintenance Areas, reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Members of the Association. If the reserves are inadequate for any reason, including non-payment of any Owner's assessment, the Board of Directors may at any time levy a future assessment in accordance with the provisions hereof, which may be payable in a lump sum or in installments as the Board of Directors may determine. In the event there is a balance

of reserves at the end of any fiscal year and the Board of Directors determines the Association may lose its tax exempt status due to such balance, the balance shall be returned on an equal basis to all Members who are current in payments of all assessments due to the Association.

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

5.4.5 Accounts. Except as otherwise provided, all sums collected by the Board of Directors with respect to assessments against the Members may be commingled into a single fund but shall be held for each Member in accordance with his votes in the Association.

5.5 Special Assessments for Capital Improvements and Operating Reserves. In addition to the annual assessments authorized by Paragraph 5.3, the Association may levy in any assessment year a special assessment (which must be fixed at one uniform rate for each Lot) applicable to that year only, for the purpose of defraying in whole or in part, the cost of any reconstruction, repair or replacement of a capital improvement upon the Association Property, Common Area and Common Maintenance Areas, including the necessary fixtures and personal Property related thereto, and for operating the Association Property, Common Area and Common Maintenance Areas, for which a reserve fund does not exist or is not adequate, provided that any such assessment shall have the assent of the majority of the Members who are voting in person or by proxy at a meeting duly called for this purpose at which a quorum is present. Developer shall not pay any assessments, annual, special or capital, while Developer is a Class B Member of Association on any Lot owned by it on which there is not an occupied home.

5.6 Date of Commencement of Annual Assessments; Due Dates. The annual assessments as to any Lot shall commence on the conveyance of such Lot from the Developer to an Owner and shall be due and payable thereafter on the first day of each calendar month thereafter. The due date of any special assessment under Paragraph 5.5 hereof shall be fixed in the resolution authorizing such assessment.

5.7 Duties of the Board of Directors. In the event of any change in the annual assessment as set forth herein, the Board of Directors of the Association shall fix

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

- 5.8 Non-Payment of Assessments; Remedies of Association. Any assessment, or portion thereof, not paid when due shall be delinquent. If the same is not paid within ten (10) days after the due date, then a late charge of Twenty-five Dollars (\$25.00) or ten percent (10%) of the amount of each assessment or installment thereof not paid when due, whichever is greater, shall also be due and payable to the Association. If any assessment or portion thereof is delinquent for a period of more than five (5) days, then if not paid within ten (10) days after written notice is given to the Member to make such payment, the entire unpaid balance of the assessment for that year may be accelerated at the option of the Board of Directors and be declared due and payable in full, and legal proceedings may be instituted to enforce such lien. Such notice shall be sent by certified mail, or courier service (Federal Express, UPS, etc.) to the Member both at the address of the Lot or at any other address or addresses the Member may have designated to the Association in writing, specifying the amount of the assessments then due and payable, together with authorized late charges and interest accrued thereon. In addition, the Association may cause to be recorded among the land records of Roanoke County, Virginia, a memorandum of lien against the Lot and Owner thereof for all charges specified herein. Any assessment or portion thereof, together with authorized late charges, not paid when due can, at the option of the Board of Directors, bear interest from the date of delinquency until paid at twelve percent (12%) per annum, or the maximum rate allowed by law, whichever is greater. The Board of Directors may suspend the voting rights of the Member or the rights of the Member and his Occupants to use the recreational facilities, if any, of the Property during the period in which any assessment or portion thereof remains unpaid and after at least ten (10) days written notice is given to the Member as aforesaid, and the Association may bring an action at law against the Member personally obligated to pay the same or foreclose its lien against such Member's Lot, in which events late charges, interest and costs of collection shall be included in such lien, with such costs of collection to include court costs, the expenses of sale, any expense required for the protection and preservation of the Lot, and reasonable attorney's fees. All payments on account shall be applied first to the aforesaid costs of collection, then to late charges, then to interest, and then to the assessment lien first due.

All late charges and interest collected shall be credited to the Common Expense fund. Each Member vests in the Board of Directors the right and power to bring all actions against him personally for the collection of such assessments as a debt and to foreclose the aforesaid lien in the same manner as other liens for the improvement of real Property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all Members. No Member may waive or otherwise escape liability for the assessment provided for herein by non-use of the Lot, Common Maintenance Areas or Association Property. The requirements and time limitations for filing the lien are the same as contained in the Virginia Property Owners Association Act, Va. Code Ann. § 55-516 (Effective July 1, 2004) et seq. (the "Act"). The provisions of this Act as presently existing, or as it may be amended from time to time, including the definitions therein contained, are adopted and included herein by express reference.

- 5.9 Subordination of the Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage on a Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot by foreclosure of any first mortgage on the Lot, or any proceeding in lieu thereof, shall extinguish the lien of such assessments (but not the personal obligation to pay) as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.
- 5.10 No Alienation of Lots. No Member shall be permitted to convey, mortgage, hypothecate, sell, lease give, or devise his Lot unless and until he (or his personal representative) shall have paid in full to the Association all unpaid assessments against his Lot, except as otherwise specifically provided herein. The Association shall promptly furnish to any Member (or his devisee or personal representative) requesting the same in writing pursuant to this Section, a recordable statement certifying whether or not such Member is then obligated for any outstanding expenses previously levied against such Lot and the amount, if any, then outstanding. In the event that the Lot is subject to outstanding expenses previously levied against such Lot, the statement shall certify any waiver of, or failure or refusal to exercise, the right of the Association to prevent the disposition of such Lot, in all cases where the Association allows such disposition. Failure or refusal to furnish promptly such a statement in such circumstances shall make the above-mentioned prohibition inapplicable to any such disposition of the Lot. Any such statement shall be binding on the Association and every Member.
- 5.11 Exempt Property. The following Property which is subject to this Declaration shall be exempted from the assessments, charges and liens created herein:



- 5.11.1 All Association Properties, Common Areas; and
- 5.11.2 All Lots on which there is not an occupied home and tracts of real estate within the Property owned by the Developer while Developer is a Class B Member of this Association.
- 5.11.3 On all Lots which are conveyed to Vaughn, Inc., Old Mill Builders, or Jackson Associates Ltd. of Virginia, Inc. for the sole purpose of constructing a home on said Lot. Assessments shall be due and owing on said Lots upon the sale of the Lot by any of the above entities or the rental of the Property to an individual upon the completion of a home on said Lot.
- 5.11.4 The Recreational Property.
- 5.12 Initial Payment. At such time as any Owner acquires a Lot within OLD MILL PLANTATION, the Owner shall pay at Closing the sum of ONE THOUSAND Dollars (\$1,000.00) to MAGNOLIA CLUB, L.L.C., its successors and assigns, to be used for the purpose of constructing the recreational facilities and the sum of TWO HUNDRED FIFTY Dollars (\$250.00) to the Association, which shall be placed in the operational account for the Association.

## ARTICLE 6 RECREATIONAL PROPERTY

- 6.1 The Declarant shall convey to MAGNOLIA CLUB, L.L.C., its successors or assigns, a parcel of land located within the overall bounds of the Property on which is to be constructed a swimming pool, clubhouse, tennis courts and other recreational facilities. The Owner of the Recreational Property shall employ a Management Entity for the recreational operations, which Management Entity shall be separate and apart from the Management Agent for the Homeowners Association.
- 6.2 The Association shall be required to enter into a Lease with MAGNOLIA CLUB, L.L.C. its successors or assigns, under which all Owners of Lots within OLD MILL PLANTATION shall be entitled to use the recreational facilities located on the Recreational Property. The Lease payment required to be paid shall be equal to the necessary costs of operation of the recreational facilities. MAGNOLIA CLUB, L.L.C. shall be entitled to sell memberships to individuals who are not Owners of Lots within OLD MILL PLANTATION upon such terms and conditions as MAGNOLIA CLUB, L.L.C. shall determine to be in its best interest.
- 6.3 In addition to assessments paid to the OLD MILL PLANTATION HOMEOWNERS ASSOCIATION, INC. for other purposes, the Owner of any Lot shall be required

to pay as part of the Owner's assessment the Owner's pro rata share of the Lease payment.

- 6.4 The Owners of the swimming pool specifically reserve the right to accept pool memberships from persons other than those living within OLD MILL PLANTATION.

**ARTICLE 7**  
**MANAGING AGENT**

The Board of Directors shall employ for the Property a "Professional Managing Agent" at a compensation to be established by it.

7.1 Requirements. The Managing Agent shall employ persons possessing a high level of competence in the technical skills necessary for proper management of the Property. The Managing Agent must be able to advise the Board of Directors regarding the administrative operations of the Property and may with consent of the Board of Directors employ personnel expert in the areas of insurance, accounting and Property regulations.

7.2 Duties. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by the Declaration and By-Laws other than its power to make and amend any Rules and Regulations issued by the Board of Directors. The Managing Agent shall perform obligations, duties and services relating to management of the Association, relating to the rights of Mortgagees and relating to the maintenance of reserve funds in compliance with the provisions By-Laws hereof.

7.3 Standards. The Board of Directors shall impose appropriate standards of performance upon the Managing Agent. Unless the Managing Agent is instructed otherwise by the Board of Directors:

7.3.1 Cash accounts of the Association shall not be commingled with any other accounts except with the express permission of the Board of Directors.

7.3.2 No remuneration shall be accepted by the Managing Agent from vendors, independent contractors or others providing goods or services to the Association whether in the form of commissions, finders fees, service fees or otherwise.

7.3.3 Any discounts received shall benefit the Association: and

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- 7.3.4 Any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors.

ARTICLE 8  
ARCHITECTURAL REVIEW COMMITTEE

- 8.1 Architectural Guidelines: OLD MILL PLANTATION has been planned to make it one of the most distinctive and unique communities in the Roanoke Valley. Only compatible architecture, design and landscape features will be approved in order to create a setting in which different architectural styles are blended in a way that overall Property values will be protected. To accomplish these goals, certain guidelines and protective covenants have been established. The Review Committee herein described will have the task of implementing any guidelines. Although the guidelines contain specific requirements, because the nature of the design process involves esthetics, it is not an exact science. Therefore, the Review Committee, using the OLD MILL PLANTATION covenants as a guide will be making judgments based on those covenants as they apply to each situation. Approval or disapproval of plans, exterior elevations, color or finishes, locations for improvements (driveway surfaces, fences, pools, outbuildings, landscaping, statues, removal of trees) and decisions on requested changes and specifications will be based in many instances on purely aesthetic considerations. These guidelines recognize that no two sites are alike and a design solution on one site may not be appropriate on another. However, the design concepts and the guidelines used for OLD MILL PLANTATION are based on a synthesis of the best features from several successful communities. The intention of these guidelines is to provide each Owner with the maximum protection for his community and his investment.
- 8.2 The Review Committee: An Architectural Review Committee ("Review Committee") consisting of three persons shall be appointed by the Developer to review all plans and specifications for improvements to all Lots, and shall be given authority to make final decisions on all architectural and development matters relating to these Covenants, Conditions, and Restrictions. Developer shall be the exclusive appointing party of said Review Committee Members so long as it owns any Lot or portion of the Property. The initial committee shall be composed of David Vaughn and Ron Jackson. At such time as Developer is no long a Class B Member, three Review Committee Members shall be elected by the Board of Directors of the Association for terms of two years each, with one of the three being elected initially for one year so that the terms are staggered. Except for Developer appointed committee Members, a Review Committee Member must be a Lot Owner in good standing in order to be elected.
- 8.2.1 The Review Committee shall approve or disapprove the preliminary and final sets of specifications and details within fifteen (15) days

from the receipt thereof. One set of plans, specifications and details with the approval or disapproval, endorsed thereon shall be returned to the person submitting them and the other copy thereof shall be retained by the Review Committee for its files. The Review Committee shall have the right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with all the provisions of the covenants, conditions and restrictions; if the design or color scheme of the proposed building or other structure is not in harmony with the general surroundings of such Lot or with the adjacent buildings or structures; if the plans and specifications submitted are incomplete; or in the event the Review Committee deems the plans, specifications or details, or any part thereof to be contrary to the interest, welfare or rights of all or any part of the Property of other Lot Owners. The decisions of the Review Committee shall be final and binding.

8.2.2 Neither the Review Committee nor any architect or agent of the Developer shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such plans and specifications, nor for any violations of any state or local code or ordinance.

8.3 Plans and specification: The plans and specifications to be submitted to the Review Committee shall be required to include the following; however, Developer shall be exempt from all requirements set forth herein:

8.3.1 Review Process:

8.3.1.1 Preliminary. At an early stage during the design process (before beginning working drawings), two sets of schematic designs (including floor plans for all elevations at a scale of 1/4" = 1'-0") should be submitted so that any changes required or suggestions made by the Review Committee can be easily incorporated into final working drawings. A preliminary site plan must also accompany this submission indicating well and septic system locations, setbacks, erosion control, landscaping and home placement for confirmation. This process will save Owner time and offers an opportunity to the Owner to secure the expertise and advice of the Review Committee. With changes incorporated from this preliminary review, the final review will be less

complicated. At this time Owner is required to have an engineer design and locate a septic system for their specific Lot. The engineer shall incorporate all Roanoke County Health Department Requirements for a sub surface soil condition report prepared by SETEC (Soil and Environmental Technology, Inc.) report in their design.

- 8.3.1.2 Final. This submission should consist of two sets of the final working drawings, specifications and details of how the improvements will actually be constructed incorporating any changes required by the Review Committee. A final site plan showing the location of all buildings, drives, walks, decks, fences, patios, pools, well, septic and landscaping areas and a soil erosion plan is required. Any future change or addition to the original plan approved by the Review Committee must be resubmitted to the Review Committee for approval. This includes exterior color changes and changes in landscape. Elevation plans of the front, back, and sides of proposed improvement showing the type of materials to be used for the roof, siding, foundation and windows; and further indicating the roof pitches on the elevations.

8.3.2 Plans and specifications submittal shall include the following:

- 8.3.2.1 A dimensional floor plan. The floor plan shall consist of a living area of not less than 2,500 S.F.
- 8.3.2.2 A schedule of materials to be used on the exterior of the house and the finish color of that material. Acceptable roofing finishes shall be 45 year minimum architectural asphalt shingles or slate. The exterior façade shall be limited to wood (stained or painted), stucco, E.I.F.S., brick, natural stone, or concrete siding.
- 8.3.2.3 The name of the proposed builder of the residence who shall be registered and in good standing with the Virginia State Registration Board for Contractors, posses a current Roanoke County Business License, Workers Compensation and General Liability Insurance and furnish sufficient financial and job performance references that are acceptable to the Review Committee.

- 8.3.2.4 A landscaping plan, showing proposed landscaping including at least two (2) Red Buds and one (1) Flowering Dogwood Tree shall be submitted to the Review Committee for approval. It is desirable that any plan minimize the number of healthy, sizable trees to be removed and that trees and other planting be placed so as not to interfere with or obstruct sight at intersections. Shrubs and final plantings shall be completed no later than one year after completion of house. Plantings should also be maintained, with dead plantings replaced as necessary. The Review Committee reserves the right to specify what trees must be retained. Driveway entrance must be constructed to conform to the existing standards of the Virginia Department of Highways.
- 8.3.2.5 Any non-conforming improvement may be corrected or re-installed correctly or to conformity standards by the Review Committee without notice to or permission from any party, and expense thereof shall be paid by the subject Lot Owner. The Association may record a lien setting forth any expenses among Roanoke County land records against the subject Lot and its Owner.
- 8.3.2.6 Any driveway must be surface-treated within nine months from the date of issuance of the building permit on the subject Lot. Said driveway must be blacktopped within six (6) months from the date of occupancy of the dwelling on subject Lot. The requirement of blacktopping shall be the obligation of the Lot Owner and not the Developer.
- 8.3.2.7 Site Plan, showing the location of all buildings, drives, walks, decks, fences, patios, pools, well, septic system, landscaping areas and a soils erosion plan must be submitted to the Review Committee for approval. Any future change or addition to the original plan approved by the Review Committee must be resubmitted for approval. This includes exterior color changes and changes in landscape. No building shall be located on any Lot nearer to the front line than the minimum setback lines shown on the recorded subdivision plat of the Property. No building shall be placed within ten (10) feet of any side Lot line. The

Roanoke County Building Code requirements shall prevail to determine the rear building setback line. Where a setback line requirement is found to create an undue hardship for the Lot Owner, it may be changed with written consent of the Review Committee provided it is not in violation of the Roanoke County Code.

8.3.2.8 Elevation plans of front, back and both sides of proposed improvements, showing the type of materials to be used for the roof, siding, foundation and windows; and further indicating the roof pitches on the elevations.

#### 8.4 Construction Procedures:

8.4.1 Stakeout Review. A Member of the Review Committee will accompany the Owner or builder to the site to review the survey stakes and approve the flagging for clearing, where necessary. Each corner of the improvements should be clearly marked and where the improvements will require clearing, this area should be defined with the flagging tapes. The well location and the septic system distributions boxes and extent of drain fields must be clearly staked.

8.4.2 Well and Septic System. Owner is required to install the well according to standards approved by the Developer and construct the entire septic system prior to clearing any land for construction purposes.

8.4.3 An erosion and sediment control plan to be approved by the appropriate departments at Roanoke County and by the Review Committee.

8.4.4 Final Compliance. The exterior of the improvements must be built substantially in conformance with the plans to secure final compliance. All conditions of Article 6 and other requirements of these covenants must also be complied with.

#### 8.5 Landscape Guidelines:

8.5.1 Topographic and vegetation characteristics of the Property within OLD MILL PLANTATION shall not be altered by excavation, grading, removal, reduction, addition, clearing, cutting, pruning, seeding, planting, transplanting, or any other means without the prior written approval of the Review Committee. Approval or

disapproval of such plans by the Review Committee may be based upon any criteria, including purely aesthetic considerations, which in the sole discretion of the Review Committee, are deemed relevant.

- 8.5.2 The Developer reserves the right to promulgate and amend from time to time landscape and / or architectural guidelines which will provide guidance for standards, methods, and procedures for landscape maintenance as well as construction on Property within the OLD MILL PLANTATION community, and such standards, methods and procedures may be utilized by the Property Owner without prior written approval by the Review Committee; provided, however, no trees measuring three (3) inches or more in diameter at a point two (2) feet above ground level may be removed without the prior written approval of the Review Committee. Approval for the removal of trees located within ten (10) feet of the main dwelling or within ten (10) feet of the approved site for a dwelling will be granted unless such removal will substantially decrease the beauty of the Property, at the sole discretion of the Review Committee. The provisions of this paragraph shall in no way constitute a waiver of the requirement to receive prior written approval for any alteration in topographic or vegetation characteristics as hereinabove provided other than for those alterations specifically authorized in the landscape guidelines.

## ARTICLE 9 EASEMENTS

- 9.1 Utility Easements. Each Lot Owner shall have an easement in common with the Owners of all other Lots to use all pipes, wires, ducts, cables, conduits, public utility lines and other elements located on any of the others Lots and serving his Lot. Each Lot shall be subject to an easement in favor of the Owner of all other Lots to use the pipes, ducts, cables, wires, conduits and public utility lines of any nature.
- 9.2 Easement of Access - Association Property. Developer, every Member, and personnel of the Association Property, Common Areas and Common Maintenance Areas shall have an easement of access over and across any Association Property and such easement shall be appurtenant to and pass with the title to every Lot. Any Member may delegate his right of access to the Association Property to the Members of his family, tenants, or contract purchasers (and Members of the family of any tenant or contract purchasers) who reside on the Property, or such other persons as may be permitted by the Association.



- 9.3 Easement of Access - Common Areas and Common Maintenance Areas. Developer, personnel of the Association, the managing agent, if any, and its employees and contractors, shall have an easement of access over and across all Common Areas and Common Maintenance Areas. This easement, in addition for the purpose of access, shall also be for ingress and egress and for performing any and all tasks, obligations, and duties of the Developer, Association, and managing agent, including, but not limited to, maintenance, repairs, rebuilding, relocation of utility lines, grounds care, and replacement of components.
- 9.4 Facilitate Sales. All Lots shall be subject to an easement in favor of Developer or any affiliate thereof to use any portion of the Property for Management offices or Sales offices or sale promotions until such time as Developer or any affiliate thereof conveys title to all Lots. Developer reserves the right to relocate the same from time to time within the Property. Developer reserves the right to maintain on the Property, such advertising signs and banners which may be placed in any location on the Property and be relocated or removed, all at the sole discretion of Developer. This easement to facilitate sales shall continue in full force and effect until Developer is no longer a Class B Member and shall include such areas even after title has passed to an Owner.
- 9.5 The Developer, or any affiliate, may use the Property for general real estate advertising purposes, including the taking and use of photographs and advertisements of any residences located in the OLD MILL PLANTATION with express limitation that neither the names of the Owner nor the address of the residence will be given in the advertisement. This reservation of rights will be used without notice to or permission of any residence Owner and shall be binding on all future Owners of residences in OLD MILL PLANTATION. No residence Owner shall be entitled to any compensation for the use of any such photographs or advertisements.

## ARTICLE 10 INSURANCE

### 10.1 Authority to Purchase.

- 10.1.1 All insurance policies relating to the Association Property shall be purchased by the Board of Directors. Neither the Board of Directors nor the Managing Agent, if any, nor the Developer shall be liable for failure to obtain any coverage required by this Article or for any loss or damage resulting from such failure is due to the unavailability of such coverage from an insurance company having the qualifications set forth in Paragraph 8.4 or if, in the opinion of the Board of Directors, such coverage is prohibitively expensive.

- 10.1.2 Each such policy shall provide that:
- 10.1.2.1 The insurer waives any right to claim by way of subrogation against the Developer, the Association, the Board of Directors, the Managing Agent or the Members, and their respective Agents, Employees, Guests and, in the case of the Members, the Members of their households;
  - 10.1.2.2 Such policy shall not be cancelled, invalidated or suspended due to the conduct of any Member (including his invitees, agents and employees) or of any Member, officer or employee of the Board of Directors or the Managing Agent without a prior demand in writing that the Board of Directors or the Managing Agent cure the defect and without sixty days having elapsed after such demand without a cure of the defect.
  - 10.1.2.3 Such policy may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least a sixty day prior written notice to the Board of Directors and the Managing Agent and, in case of physical damage insurance, to all the Mortgagees of the Lots.
  - 10.1.2.4 The Developer, so long as it shall own any Lot, shall be protected by all such policies as a Member.
  - 10.1.2.5 All policies of insurance shall be written by reputable companies licensed to do business in the Commonwealth of Virginia and holding a rating of "AAA", or better, by Best's Insurance Reports and a policyholder's rating of "A" or better. Physical damage policies shall be in form and substance acceptable to the Mortgagees of the Lots.

## 10.2 Fire and Extended Coverage.

- 10.2.1 All Lot Owners shall be responsible for securing policies for fire and extended coverage, vandalism, malicious mischief, windstorm, debris removal, and water damage endorsements, for the structure on each individual Lot, in an amount equal to 100% of the current replacement cost of the Property (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for the depreciation (such

amount to be redetermined annually by the Board of Directors with the assistance of the insurance company affording such coverage). All such policies shall be approved by the Board of Directors of this Association and the Board of Directors shall be a named party as their interests may appear.

10.2.2 Copies of all policies and any renewals shall be filed with the Board of Directors of this Association.

10.3 Liability Insurance. The Board of Directors shall obtain and maintain comprehensive general liability in the amount of \$1,000,000.00 (including libel, slander, false arrest and invasion of privacy coverage for Officers) and Property damage insurance in such limits as the Board of Directors may from time to time determine, insuring each Member of the Board of Directors, the Officers, the Managing Agent, the County of Roanoke, each Member and the Developer against liability to the public or to the Members (and their invitees, agents and employees) arising out of, or incident to, the ownership and/or use of the Association Property and Common Maintenance Areas including storm water detention areas. Additionally, such liability insurance shall insure each Member of the Board of Directors, the Officers and the Managing Agent and The County of Roanoke against liability to the public or to Members (their invitees, agents and employees) arising out of, or incident to the ownership and/or use any Association Property or Common Maintenance Areas including storm water detention areas. Such insurance shall be issued on a comprehensive liability basis and shall contain: (a) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; (b) hired and non-owned vehicle coverage; (c) host liquor liability coverage with respect to events sponsored by the Association; (d) deletion of the normal products exclusive with respect to events sponsored by the Association; and (e) a "severability of interests" endorsement which shall preclude the insurer from denying liability to a Member because of negligent acts of the Association or of another Member. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than One Million Dollars covering all claims for bodily injury or Property damage arising out of one occurrence. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits may also be obtained.

10.4 Other Insurance. The Board of Directors shall obtain and maintain:

10.4.1 Workmen's compensation insurance if and to the extent necessary to meet the requirements of law;

10.4.2 Such other insurance as the Board of Directors may determine or as may be requested from time to time by a majority of the Members.

10.5 Insurance Trustee.

10.5.1 All physical damage insurance policies purchased by the Board of Directors shall be for the benefit of the Association, the Members, their Mortgagees and the Developer, as their interests may appear, and shall provide that, with respect to any single loss, if the proceeds thereof exceed Twenty-Five Thousand Dollars then all such proceeds shall be paid in trust to such lending institution in the general vicinity of where the Property is located with trust powers as may be designated by the Board of Directors (which Trustee is herein referred to as the Insurance Trustee). If such proceeds do not exceed Twenty-Five Thousand Dollars then all such proceeds shall be paid to the Board of Directors to be applied pursuant to the terms of Article 7.

10.5.2 The Board of Directors may enter into an Insurance Trust Agreement with the Insurance Trustee which shall provide that the Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness of any amounts received on account of the proceeds of any insurance policies nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in these By-laws for the benefit of the insured and their beneficiaries thereunder.

10.6 Board of Directors as Agent. The Board of Directors is hereby irrevocably appointed the agent for each Member, each Mortgagee, other named insured and their beneficiaries and any other holder of a lien or other interest in the Association to adjust and settle all claims arising under insurance policies purchased by the Board of Directors and to execute and deliver releases upon the payment of Claims.

ARTICLE 11

REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

11.1 In the event of damage to, or destruction of, all or any of the improvements on any Association Property, Common Area or Common Maintenance Areas as a result of fire or other casualty, the Board of Directors of the Association and/or Lot Owner shall cause and supervise the prompt repair and restoration of such improvements including landscaping in accordance with the plans and specifications under which the improvements were originally constructed. The Board of Directors and/or Lot Owner shall proceed towards reconstruction of such improvements as quickly as practicable under the circumstances and shall

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obtain funds for such reconstruction from the insurance proceeds and any special assessments that may be necessary after exhaustion of reserves for the repair and replacement of such improvements. Any dwelling or outbuilding on any Lot which may be destroyed in whole or in part by fire, windstorm or for any other cause or act of God, must be rebuilt, and all debris must be removed, and the Lot restored to a slightly condition with reasonable promptness. In no event shall debris remain longer than three (3) months after the casualty.

## ARTICLE 12 MORTGAGES

- 12.1 Notice to Board of Directors. A Member who mortgages his Lot shall notify the Association of the name and address of his Mortgagee and shall file a confirmed copy of the note and mortgage with the Board of Directors. In the event of a sale or transfer of a Lot to a third party, the purchaser or transferee shall notify the Association in writing of his interest in the Lot purchased or received.
- 12.2 Notice of Default, Casualty or Condemnation. The Board of Directors when giving notice to any Member of a default in paying an assessment for Association Expenses or any other default, may simultaneously send a copy of such notice to the Mortgagee of such Lot. Each Mortgagee may also be notified of any casualty giving rise to a possible claim under any insurance purchased under Article 6, of all actions taken under Article 7. For purposes of this Section only, when notice is to be given to a Mortgagee, the Board of Directors may also give such notice to the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration, the Federal Housing Administration, the Government National Mortgage Association and any other public or private secondary mortgage market entity participating in purchasing or guaranteeing Mortgages of Lots if the Board of Directors has notice of such participation.
- 12.3 Notice of Amendment of Declaration or By-Laws. The Board of Directors may elect to give notice to all Mortgagees, seven days prior to the date on which the Members meet in accordance with the provisions of these By-Laws, when the purpose of the meeting is to make material changes to the Declaration or By-Laws which would affect a mortgagee's security position.
- 12.4 Other Rights of Mortgagees. All Mortgagees or their representatives shall be entitled to attend meetings of the Association and shall have the right to speak. All such Mortgagees shall have the right to examine the books and records of the Association and, upon written request, to receive the annual report filed by the Developer and copies of the annual financial reports and other budgetary information

ARTICLE 13  
COMPLIANCE AND DEFAULT

Each Member shall be governed by, and shall comply with, all of the terms of the Declaration, and the rules and regulations promulgated by the Association and any amendments of the same. A default by a Member shall entitle the Association, acting through its Board of Directors or through its agent, to the following relief:

- 13.1 Legal Proceeding. Failure to comply with any of the terms of the Declaration, and the rules and regulations shall be grounds for relief which may include, without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for herein including reasonable attorneys fees, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, its agent, or if appropriate, by an aggrieved Member. The Association and/or any Member shall be responsible for Developer's costs and reasonable attorneys fees in the event an unsuccessful action is brought against Developer for any reason whatsoever.
- 13.2 Additional Liability. Each Member shall be liable for the expense of all maintenance, repair or replacement to Association Property, Common Area and Common Maintenance Areas rendered necessary by his act, neglect or carelessness, or the act, neglect or carelessness of any Member of his family or his employees, agents or licensees, but only to the extent that such expense is not covered by the proceeds of any insurance carried by the Association. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its right subrogation.
- 13.3 Costs and Attorneys' fees. In any proceeding arising out of any alleged default by a Member, the Association shall be entitled to recover the costs of the proceeding, and such reasonable attorney's fees as may be determined by the court. The Association and/or any Member shall be responsible for Developer's reasonable attorney's fees and cost in the event either or both institute a legal action against Developer, and Developer prevails in such action.

In the event any Owner or purchaser of a Lot files a suit against the Association, the party filing such legal action shall be responsible for all court costs and attorney's fees incurred by the Association, if such legal action is dismissed or decided in favor of Association.

In the event any Owner or purchaser of a Lot files a suit against the Association, the Lot Owner filing such legal action shall also be responsible for all court costs and attorney's fees incurred by the Association, if said legal action is decided in favor of said Lot Owner but the decision is consistent with a previous settlement offer made by the Association.

- 13.4 No Waiver of Rights. The failure of the Association, the Board of Directors, or of a Member to enforce any right, provision, covenant, or condition which may be granted by the Declaration, or the rules and regulations, shall not constitute a waiver of the right of the Association, the Board of Directors or the Member to enforce such right, provision, covenant, or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors or any Member pursuant to any term, provision, covenant or condition of the Declaration, or the rules and regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration or the rules and regulations, or at law or in equity.
- 13.5 Abatement and Enjoinment of Violations by Owners. The violation of any rule or regulation adopted by the Association, or the breach of any provision of the Declaration, shall give the Association or Agent, the right, in addition to any other rights set forth herein or at law to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

ARTICLE 14  
RULES REGULATIONS AND RESTRICTIONS

The Property, including all improvements comprising a part thereof, shall be subject to the rules and regulations set forth as follows:

- 14.1 No more than two motor vehicles may be parked on the exterior of a Lot at any time (this is not intended to prevent an Owner from having more than two cars parked on the exterior for a short period of time should the Owner be having a party). This does not preclude the parking of additional vehicles in a garage.
- 14.2 No improper, offensive or unlawful use shall be made of any Lot or part thereof. No Owner shall permit or suffer anything to be done or kept in or on his Lot, which will (a) increase the rate of or cause the cancellation of insurance on the Lot, (b) obstruct or interfere with the rights of other occupants of the Property (c) be a nuisance to those occupants, or (d) interfere with the peaceful possession or proper use of any portion of the Property.
- 14.3 To preserve the architectural appearance of the Lots, no construction, painting or other changes of any nature whatsoever shall be commenced or maintained by any Owner other than Developer with respect to the exterior of any structure or any other portion of the Lot whether appurtenant thereto or not, without first obtaining the written consent of the Review Committee. An Owner may make improvements and alterations within his structure; provided however that no Owner shall make any structural alterations or remove any portion thereof or

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make any additions thereto or do anything which would or might jeopardize or impair the safety, soundness or structural integrity of that structure or any other structure; nor shall any Owner impair any easement without first obtaining the written consent of the Association and that of the Owner or Owners and their mortgagees for whose benefit such easement exists. No alteration of original landscaping (which term shall be defined in its broadest sense as including grass, fences, hedges, vines, trees and the like), or change in the exterior of any Lot or Common Maintenance Area, including color, except as made by the Developer, even after a Lot is sold, will be permitted, without first obtaining written consent of the Review Committee. In the event an Owner violates this Section, the Board of Directors shall have the right without notice to remove any alteration and restore the original alteration or landscaping at the Owner's expense. Said expenses shall be a lien, as is herein defined, on Owner's Lot. No healthy trees, other than those cut by Developer, may be cut unless terminally diseased or extensively storm damaged.

- 14.4 Any Lot Owner who rents his Lot to a lessee(s) shall deliver to the Association a written statement designating the name or names of those persons entitled to use the Lot, together with a written covenant from the party or those parties in favor of the Association stating that there will be full compliance with all the terms and provisions of this Declaration, the Articles, and Bylaws and all rules and regulations adopted thereunder. In the event that such covenants are violated, the aforesaid Owner shall cause such party or parties to vacate the Lot and in the event such party or parties do not vacate the Lot, the Association shall take whatever measures are necessary to have party or parties removed from the Lot and shall assess the Owner for any costs or attorney's fees caused by such measures. No lease term on any Lot shall be for a period less than one (1) year.
- 14.5 The design, type, location, size, intensity (wattage) and color of all exterior lights shall be maintained as installed by Developer unless the Review Committee approves any alteration. The Review Committee must approve in writing all changes or additions.
- 14.6 No animal, other than common household pets shall be kept or maintained in any Lot or thereabout, and no more than two (2) common household pets shall be kept or maintained on any Lot. Common household pets shall not be kept, bred, or maintained for commercial purposes.
- 14.7 Except as the Board of Directors may otherwise provide, or as otherwise provided herein, no commercial pick-up trucks, commercial vehicles, recreation vehicles, abandoned or disabled vehicles, motor homes, motorcycles, campers, boats or boat trailers may be parked upon any Association Property or Lot. However, any such vehicles may be kept in an enclosed garage. No car covers shall be allowed. No unlicensed vehicles or vehicles with expired inspection stickers shall be allowed on any street or Lot. No repair work to any type of motor vehicle shall be conducted on Association Property, on any street, or any Lot



other than very minor repairs. Notwithstanding the foregoing, a moped or a motorized bicycle may be kept in a structure, provided that same is not visible from the street. All vehicles in violation of the above rules and regulations are subject to towing without notice at Owner(s) expense.

No temporary house, trailer, tent, garage, or other outbuildings shall be placed or erected on any Lot, provided, however, that the Board of Directors may grant permission for any such temporary structure for storage or use during construction. No such temporary structure shall be used as a dwelling place.

- 14.8 Unless written approval from the Review Committee is given no awnings, shades, or other item shall be attached to, hung or used on the exterior of any window or door of the structure or on the exterior of any building. No screen or storm door shall be permitted on any windows or doors other than those approved by the Review Committee. No foil, window tinting or other sun-shielding materials or devices shall be permitted upon any glass surfaces. Outside clothes lines or other outside facilities for drying or airing clothes are specifically prohibited and shall not be erected, placed or maintained on any portion of any Lot, nor shall any furniture, clothing, rugs, or any item be hung or placed on any portion of any Lot, or inside any structure where such items can be seen from any portion of any Lot. All glass surfaces, windows and doors, shall be cleaned and maintained in a clean state inside and outside by the Owner. Nothing herein contained shall prohibit lawn furniture on rear patios, or decks. In the event any storm door is approved by the Association, such storm door shall be maintained in a proper state of repair by and at sole expense of such Lot Owner. If such storm door is not properly maintained, the Association may maintain such door and charge the repair thereof to the Owner. If a Lot Owner is planning on storing such service items as lawnmowers, grills, etc. outside of dwelling, it must construct a screening fence to shield and hide the items from view. Plans and specifications for such screening fence, must be approved by the Review Committee prior to construction.
- 14.9 No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of any Lot, except in containers specifically designated for such residential purpose by Roanoke County and Developer, and such containers shall be kept out of view at all times. The Board of Directors reserves the right to approve the refuse containers used by Lot Owner and occupants, and such containers shall be purchased at Lot Owner' expense unless provided by Roanoke County. On Lots without garages, trash, garbage and their containers shall be kept in areas approved by the Board of Directors. Trash Containers may be brought to the curb no earlier than 7 PM the night before pickup and must be removed from curb by 7 PM the day of pick up.
- 14.10 No odors shall be permitted, so as to render any portion of the Property unsanitary, unsightly, offensive, or detrimental to persons using or occupying

other Lots. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes which have been approved in writing by the Board of Directors shall be located, used, or placed on any Lot.

- 14.11 Unless installed by Developer, no exterior antennas, aerials, satellite dishes, or other apparatus for the reception of television, radio, or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Property, unless approval of such antenna, dish or other machine and the proposed location thereof has been first obtained in writing from the Review Committee. All additional electric, telephone, cable TV or other utility lines shall be installed below ground. No additional overhead utility lines shall be permitted for any purpose.
- 14.12 Notwithstanding any provisions contained in this Declaration to the contrary, during the period of sale of the Lots, it shall be expressly permissible for Developer, its contractors, agents, employees, assigns and representatives to maintain and carry on at the Development such facilities and activities as in the sole opinion of Developer may be reasonably required, convenient or incidental to the completion and sale of the Lots, including without limitation; business offices, signs, model units and sales offices. The right to maintain and carry on such facilities and activities shall include specifically the right to use the Lots owned by Developer as models and as offices for the sale of the Lots and related activities.
- 14.13 A Lot Owner shall not display on the outside of any structure or Lot an advertisement, poster, a "For Sale" or "For Rent" sign, or any other type of sign. If the Lot is for sale or rent, an Owner can only display a sign that reads "Open" or "Open House," and the area of the face of the sign may not exceed six square feet, and such sign can only be displayed while the Owner of the Unit or the Owner's agent is present, but not more frequently than once in seven days and not more than six hours continuously but in any event, not while Developer owns any Lots. The Owner or Owner's agent can display in one window a "For Sale" or "For Rent" sign but said sign must be of the standard size and design approved by the Association. Notwithstanding the foregoing, the Developer shall be entitled to place such signs and banners of such size and design as the Developer determines, including directional signs, upon any structure or any Lot, even after title to such Lot has been conveyed by the Developer.
- 14.14 The Board of Directors shall, at the request of the mortgagee of any Lot, report any delinquent assessments and fines due from the Owner of such Lot.
- 14.15 Employees of the Association shall not be sent off any Lot by any Owner at any time for any purpose. No Owner or Resident shall direct, supervise, or in any manner attempt to assert any control over the employees of the Association. In order to implement effective insect and fire control, the Association reserves for

itself and its agents the right to enter upon any Lot on which a residence has not been constructed, and upon which no landscaping plan has been implemented, such entry to be made at the expense of the Lot Owner by personnel with tractors or other suitable devices, for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth, which in the opinion of the Association detracts from the overall beauty, setting and safety of the Property. The Association and its agents may likewise enter upon such Lot to remove any trash which has collected on such Lot. The provisions in this subsection shall not be construed to create an obligation on the part of the Association to perform any act or service.

- 14.16 Regulations and fines promulgated by the Board of Directors concerning the use of the Property shall be observed by the Members and their family, invitees, guests and tenants; provided, however that copies of such regulations are furnished to each Member prior to the time the said regulations become effective.
- 14.17 No flammable, combustible or explosive fluid or chemical substance shall be kept in any structure except such as are required for normal household use, and except for a portable gas barbecue grill. No Owner shall permit or suffer anything to be done or kept in its dwelling which will increase the rate of insurance as to other Lot Owners or as to their Lots or to the Association as to Common Areas.
- 14.18 No person shall be permitted to use the Common Areas or the recreational facilities, if any, located thereon except in accordance with the rules and regulations established by the Association's Board of Directors.
- 14.19 No Owner shall make or permit any disturbing noises or do or permit anything to be done on any Lot which will interfere with the rights, comforts or conveniences of other Owners.
- 14.20 No solar panels shall be erected on any Lot or structure.
- 14.21 No Lot and improvements thereon shall be used for any purpose other than residential purposes, except for sales, models and offices by Developer and so provided in this Declaration. No structure shall be permitted on any Lot which replaces the original structure and improvements unless such structure and improvements is the same as the original structure destroyed or removed.
- 14.22 No underground storage tanks of any nature, auxiliary building or structure or the like or aboveground swimming pools which are detached from a structure and not originally constructed as part of the original improvements to the Lot shall be permitted on a Lot, except as approved by the Association's Review Committee.
- 14.23 The Association, or its Managing Agent, shall have the right, after seven (7) days' written notice, to remove any items which are unsightly (Example: bird baths, painted rocks, etc.) or which are infractions of these restrictions. Any expense

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incurred by such removal, including costs and reasonable attorney's fees, shall be the expense of such Lot Owner. The Committee shall have sole discretion regarding what is deemed unsightly.

- 14.24 The personal Property of all Owners shall be stored within their structures.
- 14.25 Fencing must be integral to the design of the dwelling. Fences shall not be placed so that they appear to run together from Lot to Lot. No fence will be allowed in a front yard. Fences inside a rear yard may be permitted ONLY with the prior written approval from the Review Board. Fencing of rear yards must extend off the rear corners of the house. Fences may go towards the side Property line from the rear corner of the house on one side only; the other side must go straight back to the rear Property line. ALL FENCING MUST BE APPROVED IN ADVANCE IN WRITING BY THE DEVELOPER OR REVIEW COMMITTEE. Exceptions to these design standards may be made by the Review Committee based on specific circumstances and the uniqueness of a particular Lot. An example might be a full backyard fencing may be approved on a corner Lot or a Lot restrictive size such as an extreme "pie-shape" Lot. CHAIN LINK OR STOCKADE STYLE FENCING will not be permitted. Fencing which faces a street on the front or side should be picket style or some other finished material and painted or stained to match the dwelling color. Rear yard fencing must be stained and may be of treated wood posts and wire, split rail, or painted treated lumber or redwood.
- 14.26 Each Lot Owner shall maintain its Lot and the area between the front Lot line and the street curb or pavement and landscaping thereon, including timely lawn mowing and snow removal. Association reserves the right to perform maintenance on any Lot where such maintenance is deficient, without permission from any party, and charge the cost thereof to the subject Lot Owner.
- 14.27 Only one specific type of mailbox and post shall be erected on any Lot, and said mailbox and post type shall be approved by the Architectural Review Committee.
- 14.28 During construction of any dwelling, Lot Owner is responsible to insure that erosion control measures are enforced (i.e. silt fences, tracking mud on roads, etc.) and port-o-johns and dumpsters are provided and removed and/or emptied as required. Construction debris will not be allowed to accumulate on the site. The Lot Owner is also responsible for any damage to roadways, curbs and gutters due to transportation of any construction equipment or materials. The Association reserves the right, without notice to Lot Owner, to correct any violation of this article at the Lot Owner's expense.
- 14.29 The Association, Developer or any Lot Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions and covenants imposed hereby. Failure by the Association, Developer, or by any Lot Owner to enforce any covenant or restriction herein contained shall in no event be deemed a

waiver of the right to do so thereafter, and the invalidation of one or more of the restrictions, conditions, covenants, or reservations herein shall not affect the right to enforce the remaining restrictions. The Association and/or any Lot Owner shall be responsible for Developer's reasonable attorney's fee in the event either or both institute a legal action against the Developer, and Developer prevails in such action.

In the event the Owner of a Lot files a suit against Developer and/or a Contractor secured by Developer, pursuant to any terms and conditions of this Agreement, or pursuant to the construction of a residence on such Lot, the party filing such legal action shall be responsible for all court costs and all attorney's fees incurred by Developer and/or a Contractor secured by Developer, if such legal action is dismissed or a decision is rendered in favor of Developer.

ARTICLE 15  
TERMINATION OF ASSOCIATION

- 15.1 Termination of the Association may be effected only by an affirmative vote of three-quarters (3/4) of the Members and only after a termination agreement has been executed by three quarters (3/4) of the Membership and recorded in the Clerk's Office, Circuit Court of Roanoke County, Virginia. In addition to the foregoing, termination shall not be allowed unless two-thirds (2/3) of the holders of all mortgages or deeds of trust that are liens on the Lots consent in the aforesaid termination agreement.
- 15.2 In the event of termination, the Members shall own the Association Property as tenants in common in undivided shares with any holders or mortgages or deeds of trust on Lots having a lien on such undivided shares. Such undivided share of each Member shall be in the entire Association Property on an equal fractional basis with all other Members. So long as the tenancy in common lasts, each Member or his heirs, successors or assigns shall have an exclusive right of occupancy of the Association Property. All funds held by the Association including insurance proceeds, if any, shall be held for the Members in the same proportion as their former fractional interests. Any Costs incurred by the Association in connection with the termination shall be considered an Association expense.
- 15.3 Following termination the property that was formerly the Association Property may be partitioned and sold upon the application of any Member. Following a termination if the Board of Directors determines by not less than a majority vote to accept an offer for the sale of the Association Property, each member shall be bound to execute such deeds and other documents reasonably required to effect such sale at such times and in such form as the Board of Directors directs. In such event, any action for partition or other division of the Association Property shall be held in abeyance pending such sale, and upon the consummation thereof shall be discontinued by all parties thereto.

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15.4 The Members of the Board of Directors acting collectively as agent for all Members, shall continue to have such powers as are granted in this Article notwithstanding the fact that the Association itself may be dissolved upon termination.

## ARTICLE 16 MISCELLANEOUS PROVISIONS

- 16.1 Duration and Amendment. The Provisions of this Declaration run with and bind all the Property including the Lots therein, and shall inure to the benefit of and be enforceable by the Association, Developer, or the Member of any Lot subject to this Declaration, their respective legal representative, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time the Restrictions shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by Member holding more than two-thirds (2/3) of the votes of the Membership has been recorded, agreeing to terminate or change said Restrictions in whole or in part; provided, however, that no such agreement to terminate or change shall be effective unless written notice of the proposed agreement is sent to every Member at least sixty (60) days in advance of any action taken. Unless specifically prohibited herein, this Declaration may be amended by an instrument signed by Owners holding not less than two-thirds (2/3) of the votes of the Membership at any time until the end of the initial thirty (30) year term. Any amendment must be properly recorded to be effective. No amendment shall change architectural, engineering, landscaping (which term shall be defined in its broadest sense as including grass, hedges, vines, trees and the like) or decorative design of the Community as finally constructed by Developer, which without the written approval of Developer, so long as Developer is a Class B Member of the Association or, thereafter, by the Review Committee. Developer, as long as it is a Class B Member, shall retain the exclusive right to amend, modify, revoke, alter, expand and update the contents of this Declaration, or amendments thereto, or to add any real estate to the scope of this Declaration, or amendments thereto, without the permission of any party. Any amendment or alteration to the Declaration shall take effect only after Developer has caused to be recorded an amended Declaration among Roanoke County land records.
- 16.2 Consent of First Mortgagees. This Declaration contains provisions concerning various rights, priorities, remedies and interests of the mortgagees of Lots. Such provisions are to be constructed as covenants for the protection of the mortgagees on which may rely in making loans secured by mortgages on Lots. Accordingly, no amendment or modification of this Declaration impairing such rights, priorities, remedies or interests of a mortgagee shall be adopted without the prior written consent of such mortgagee. If there is more than one mortgagee holding mortgages on the Lots, it shall be sufficient to obtain the written consent of the mortgagee or mortgagees holding first liens on seventy-five percent (75%)

of the Lots encumbered by Mortgages. This paragraph shall not apply to or in any way be construed as a limitation upon those rights of the Developer under this Declaration which do not so adversely affect such mortgagees.

- 16.3 Notices. Any notice required to be sent to any Member under the provisions of this instrument shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member on the records of the Association at the time of mailing.
- 16.4 Future Roads. Except for Property and Lots owned by Developer, or any entity in which one or more of the principals is a principal of the Developer, no street or road connecting the Property to adjoining lands may be constructed on any Lot or portion of the Property unless such street or road is constructed by Developer, or any entity in which one or more of the principals is a principal of the Developer, or Developer gives its express written permission for such construction. The Developer shall have the absolute right to place a road to develop adjoining land over any recorded Lot, so long as the Developer owns said Lot.
- 16.5 Lot Grades. The Developer shall have the absolute right to change the grades (including the addition of fill dirt) on any Lot after conveyance of said Lot, or a Lot under contract to a purchaser, to accommodate grading of any adjacent vacant Lot owned by the Developer. This would allow the Developer to install driveways and/or turn-arounds and/or proper drainage on said adjacent Lot owned by Developer. It is the intention of this reservation that Developer shall have the right to alter grades on conveyed Lots to facilitate construction of homes by the Developer.Owner
- 16.6 Non-Waiver. The failure of the Developer, or any Member, or their respective legal representatives, heirs, successors and assigns, to enforce any restriction contained in this Declaration shall in no event be considered a waiver of the right to do so thereafter, as to the same violation or breach or as to such violation or breach occurring prior or subsequent thereto.
- 16.7 Construction and Interpretation. The Developer, to the extent specifically provided herein, may adopt and promulgate reasonable rules and regulations regarding the administration, interpretation and enforcement of the provisions of this Declaration. In so adopting and promulgating such rules and regulations, and in making any finding, determination, ruling or order or in carrying out any directive contained herein relating to the issuance of permits, authorizations, approvals, rules or regulations, the Developer shall take into consideration the best interests of the Members to the end that the Property shall be preserved and maintained in a high quality manner.
- 16.8 Severability. All of the covenants, conditions, restrictions and regulations contained in this Declaration are hereby declared to be severable and a finding

by any court of competent jurisdiction that any of them or any clause or phrase thereof, is void, unlawful or unenforceable, shall not affect the validity or enforceability of any other covenants, conditions, restrictions, reservations, or clause or phrase thereof.

16.9 Assignability. Developer, its successors and assigns, shall at all times have the right to fully transfer and assign any or all of its rights and powers under this Declaration, subject only to Developer's obligations hereunder.

16.10 Power of Attorney. All Lot Owners hereby appoint Developer as attorney-in-fact for each Lot Owner to change and alter any Lot lines set forth on the Plat of the Property recorded in the Circuit Court for the County of Roanoke, Virginia, so long as Developer is a Class B Member of the Association.

WITNESS the following signature:

VAUGHN & JACKSON, L.L.C.

BY

ITS

*[Handwritten signature]*  
*[Handwritten name]*

STATE OF VIRGINIA,  
CITY/COUNTY OF Roanoke, to-wit:

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of November, 2005, on behalf of VAUGHN & JACKSON, L.L.C. by DAVID VAUGHN, its Member.

My commission expires:

8/31/07

*[Handwritten signature]*

Notary Public

OSTERHOUDT, PRILLAMAN,  
NATT, HELSCHER, YOST,  
MAXWELL & FERGUSON, PLC  
ATTORNEYS-AT-LAW  
ROANOKE, VIRGINIA  
24018-0049



PG 0170 '06 FEB 09 12:03

PG 0195 '06 FEB 23 1332

INSTRUMENT #200602108  
RECORDED IN THE CLERK'S OFFICE OF  
ROANOKE COUNTY ON  
FEBRUARY 9, 2006 AT 12:01PM  
STEVEN A. MCGRAW, CLERK

RECORDED BY: FRS

PG 0196 '06 FEB 23 1332

**EXHIBIT "A"**

**REAL PROPERTY**

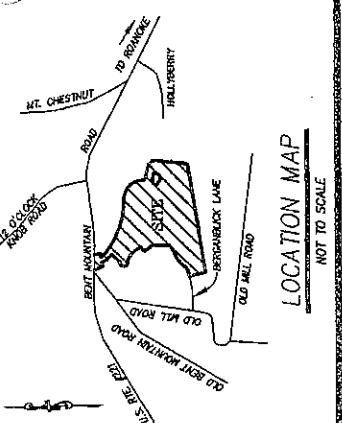
Lots 1 through 37, inclusive, as shown on the PLAT SHOWING SECTION NO. 1, OLD MILL PLANTATION, PROPERTY OF VAUGHN & JACKSON LLC, prepared by Lumsden Associates, P.C. under date of January 7, 2005, and of record in the Clerk's Office of the Circuit Court of Roanoke County in Plat Book 29, Page 188.

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24018-0049

LUMSDEN ASSOCIATES, P.C. ENGINEERS-SURVEYORS-PLANNERS ROANOKE, VIRGINIA

4664 BRAMBLETON AVENUE, SW ROANOKE, VIRGINIA 24018 PHONE: (540) 774-4444 FAX: (540) 772-9445 E-MAIL: MAIL@LUMSDENPC.COM

DATE	December 22, 2005
COM. NO.	02-241
SCALE	1" = 100'



LOCATION MAP NOT TO SCALE

APPROVAL: *Stephen S. Gordon* 1/19/06 AGENT, ROANOKE COUNTY PLANNING COMMISSION

CLERK'S CERTIFICATE IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF ROANOKE COUNTY, VIRGINIA, THAT PLAT WITH ITS CERTIFICATE OF ACKNOWLEDGMENT, HERETO AFFIXED, IS ADMITTED TO RECORD ON THIS 19th DAY OF JANUARY 2006 AT 10:12 O'CLOCK A.M.

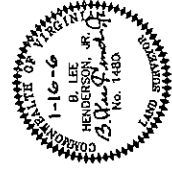
TESTED: STEVEN A. HOSKIN, CLERK DEPUTY CLERK

PLAT SHOWING SECTION No. 1

"OLD MILL PLANTATION"

PROPERTY OF VAUGHN & JACKSON L.L.C.

SITUATED ALONG U. S. ROUTE #221 WINDSOR HILLS MAGISTERIAL DISTRICT ROANOKE COUNTY, VIRGINIA



BOUNDARY COORDINATES ORIGIN OF COORDINATES ASSUMED		BOUNDARY COORDINATES EXCLUDED FROM SECTION #1	
CORNER	COORDINATES	CORNER	COORDINATES
1	58570.3552	1	58570.3552
2	58570.3552	2	58570.3552
3	58570.3552	3	58570.3552
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98	58570.3552	98	58570.3552
99	58570.3552	99	58570.3552
100	58570.3552	100	58570.3552

1.683 AC. - 84,708 S.F.

1.683 AC. - 84,708 S.F.

KNOW ALL THESE PRESENTS, TO WIT:

THAT VAUGHN & JACKSON L.L.C. AND HARRY PAUL CLAUSE, JR. ARE THE FEE SIMPLE OWNERS AND PROPRIETORS OF THE LAND SHOWN HEREON TO BE SURVEYED, BOUNDARY BY OUTSIDE CORNERS 1 THRU 52 TO 1 INCLUDING EXCLUSIONS THAT WERE MADE BY SAID VAUGHN & JACKSON L.L.C. AND HARRY PAUL CLAUSE, JR. AS SHOWN ON THE ATTACHED CLERK'S OFFICE MAP DATED FEBRUARY 28, 2004. SAID VAUGHN & JACKSON L.L.C. AND HARRY PAUL CLAUSE, JR. ARE SUBJECT TO THE DEED OF TRUST TO CELLS L. GUSTAVIN AND J. RICHARD WOODSON, TRUSTEES, ENTERED WITH ACT, SECURITIES VALLEY BANK, N.A. DATED FEBRUARY 28, 2004 AND RECORDED IN THE ROANOKE COUNTY CLERK'S OFFICE OF INSTRUMENT #20040227, WHICH COMPRISES A PORTION OF THE LAND AND CORNERED BY HARRY PAUL CLAUSE, JR. BY DEED DATED FEBRUARY 28, 1972 AND RECORDED IN THE ROANOKE COUNTY CLERK'S OFFICE IN DEED HARRY 977, PAGE 281, AND A PORTION OF THE LAND CORNERED TO HARRY PAUL CLAUSE, JR. BY DEED DATED JAN. 7, 1982 AND RECORDED IN THE ROANOKE COUNTY CLERK'S OFFICE IN DEED BOOK 1074, PAGE 104.

THE SAID OWNERS DO BY WRITING OF THE RECORDED OF THIS PLAT, RENOVATE IN FEE SIMPLE TO THE COUNTY OF ROANOKE THE AREA SHOWN FOR PUBLIC PURPOSES. ALL PUBLIC UTILITY EASEMENTS WITHIN AND OUTSIDE SAID BOUNDARY ARE HEREBY DEMONSTRATED FOR PUBLIC USE.

THE SAID OWNERS DO AS A CONDITION PRECEDENT TO THE APPROVAL OF THIS PLAT AND SUBDIVISION AND THE ACCEPTANCE OF THE BOUNDARY OF THE STREETS SHOWN HEREON BY THE BOARD OF SUPERVISORS OF ROANOKE COUNTY, VIRGINIA, ON ITS BEHALF AND FOR AND ON ACCOUNT OF ITS MEMBERS, SUPERVISORS AND ASSASS, SPECIFICALLY RELEASES THE COUNTY OF ROANOKE, VIRGINIA AND THE VIRGINIA DEPARTMENT OF TRANSPORTATION FROM ANY AND ALL CLAIM OF DAMAGES FOR DAMAGES WHICH SAID OWNERS, THEIR SUCCESSORS, AGENTS, SERVANTS OR EMPLOYEES MAY SUFFER OR INCUR AS A RESULT OF ANY SUCH CHANGES OR IMPROVEMENTS TO THE PLAT OF SUBDIVISION OR SUCH CHANGED STREETS AS MAY BE AGREED UPON IN WRITING BY THE BOARD OF SUPERVISORS OF ROANOKE COUNTY, VIRGINIA AND THE VIRGINIA DEPARTMENT OF TRANSPORTATION AND BY REASON OF ANY NECESSARY GRADING, CUTTING OR FILLING FOR THE PURPOSE OF PLACING SUCH STREETS UPON PROPER GRADE AS MAY FROM TIME TO TIME BE ESTABLISHED BY SAID COUNTY OR VIRGINIA DEPARTMENT OF TRANSPORTATION AND SAID COUNTY OF VIRGINIA DEPARTMENT OF TRANSPORTATION SHALL NOT BE REQUIRED TO CONSTRUCT ANY RETAINING WALL OR WALLS ALONG THE STREETS AND PROPERTY LINES THEREOF OR MAINTAIN ANY DRAINAGE AS SHOWN HEREON.

WITNESS THE FOLLOWING SIGNATURES AND SEALS ON THIS 16th DAY OF JANUARY, 2006.

BY: *David Vaughn* PRESIDENT, OWNER  
VAUGHN & JACKSON L.L.C.

BY: *Harry Paul Clause, Jr.* OWNER  
HARRY PAUL CLAUSE, JR. OWNER

STATE OF VIRGINIA, COUNTY OF ROANOKE

I, MATTHEW B. BAYNE A NOTARY PUBLIC IN AND FOR THE ABOVE SAID COUNTY AND STATE DO HEREBY CERTIFY THAT DAVID VAUGHN, PRESIDENT OF VAUGHN & JACKSON L.L.C. AND HARRY PAUL CLAUSE, JR. ARE PERSONALLY APPEARED BEFORE ME IN MY OFFICE AND COMMISSION EXPIRES ON JANUARY 31, 2007.

*Matthew B. Bayne*  
NOTARY PUBLIC

STATE OF VIRGINIA, CITY OF ROANOKE

I, SUGGESTION LINDSEY A. KUMLEY, TRUSTEE, SECURITIES VALLEY BANK, N.A. HAS PERSONALLY APPEARED BEFORE ME IN MY OFFICE AND COMMISSION EXPIRES ON JANUARY 16, 2006.

*Suggestion Lindsey A. Kumley*  
NOTARY PUBLIC

STATE OF VIRGINIA, COUNTY OF ALBERTA

I, MATTHEW B. BAYNE, NOTARY PUBLIC IN AND FOR THE ABOVE SAID COUNTY AND STATE DO HEREBY CERTIFY THAT HARRY PAUL CLAUSE, JR. IS PERSONALLY APPEARED BEFORE ME IN MY OFFICE AND COMMISSION EXPIRES ON JANUARY 31, 2007.

*Matthew B. Bayne*  
NOTARY PUBLIC

STATE OF VIRGINIA, COUNTY OF ALBERTA

I, MATTHEW B. BAYNE, NOTARY PUBLIC IN AND FOR THE ABOVE SAID COUNTY AND STATE DO HEREBY CERTIFY THAT HARRY PAUL CLAUSE, JR. IS PERSONALLY APPEARED BEFORE ME IN MY OFFICE AND COMMISSION EXPIRES ON JANUARY 31, 2007.

*Matthew B. Bayne*  
NOTARY PUBLIC

STATE OF VIRGINIA, COUNTY OF ALBERTA

I, MATTHEW B. BAYNE, NOTARY PUBLIC IN AND FOR THE ABOVE SAID COUNTY AND STATE DO HEREBY CERTIFY THAT HARRY PAUL CLAUSE, JR. IS PERSONALLY APPEARED BEFORE ME IN MY OFFICE AND COMMISSION EXPIRES ON JANUARY 31, 2007.

*Matthew B. Bayne*  
NOTARY PUBLIC

NOTES:

- A PORTION OF THIS PROPERTY IS LOCATED WITHIN THE LIMITS OF A 100 YEAR FLOOD PRONENESS AS DETERMINED BY FEMA. THIS PROPERTY IS CLASSIFIED AS A 100 YEAR FLOOD PRONENESS AS DETERMINED BY FEMA.
- THIS PLAT WAS PREPARED WITHOUT THE BENEFIT OF A CURRENT TITLE REPORT AND THERE MAY EXIST ENCUMBRANCES WHICH AFFECT THIS PROPERTY NOT SHOWN HEREON.
- BOUNDARIES SET AT ALL CORNERS ARE BY THIS PLAT.
- THIS PLAT IS SUBJECT TO THE ROANOKE COUNTY SUBDIVISION AGENT IS FOR PURPOSES OF ENSURING COMPLIANCE WITH THE ROANOKE COUNTY SUBDIVISION ORDINANCE. PRIVATE MATTERS, SUCH AS COMPLIANCE WITH RESTRICTIVE COVENANTS OR OTHER TITLE REQUIREMENTS APPLICABLE TO THE PROPERTIES SHOWN HEREON, ARE NOT REVIEWED OR APPROVED BY THIS PLAT.
- THIS PLAT IS TO RESURVEY ROANOKE COUNTY TAX PARCEL #65-01-02-25, #65-01-02-26-01 & #65-01-02-26-02.
- SEE SHEET 2 OF 3 FOR CURVE TABLE, LINE TABLE & EASEMENT TABLES.



LUMSDEN ASSOCIATES, P.C.  
ENGINEERS-SURVEYORS-PLANNERS  
ROANOKE, VIRGINIA

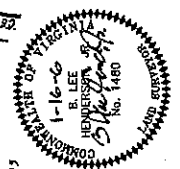
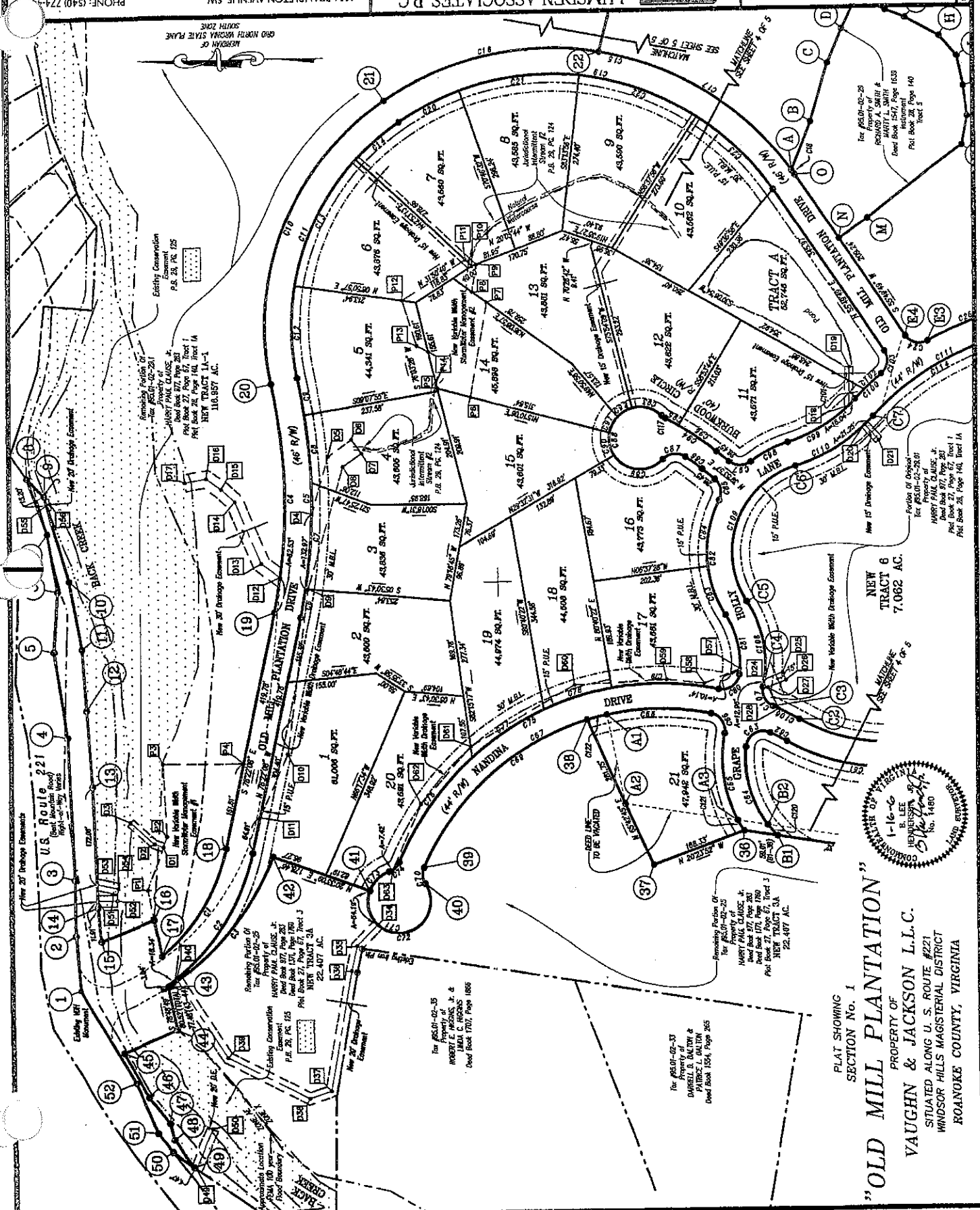


December 22, 2005  
02-241  
1" = 100'

DATE: December 22, 2005  
COML. NO.: 02-241  
SCALE: 1" = 100'  
SHEET 3 OF 3

PHONE: (540) 774-7744  
FAX: (540) 772-9445  
E-MAIL: MAIL@LUMSDENPC.COM

4664 BRABLTON AVENUE, SW  
ROANOKE, VIRGINIA 24018



PLAT SHOWING  
SECTION No. 1  
"OLD MILL PLANTATION"  
PROPERTY OF  
VAUGHN & JACKSON L.L.C.  
SITUATED ALONG U.S. ROUTE #221  
WINDSOR HILLS MAGISTERIAL DISTRICT  
ROANOKE COUNTY, VIRGINIA



PHONE: (540) 774-4571  
FAX: (540) 772-9445  
E-MAIL: MAIL@LUMSDENPC.COM

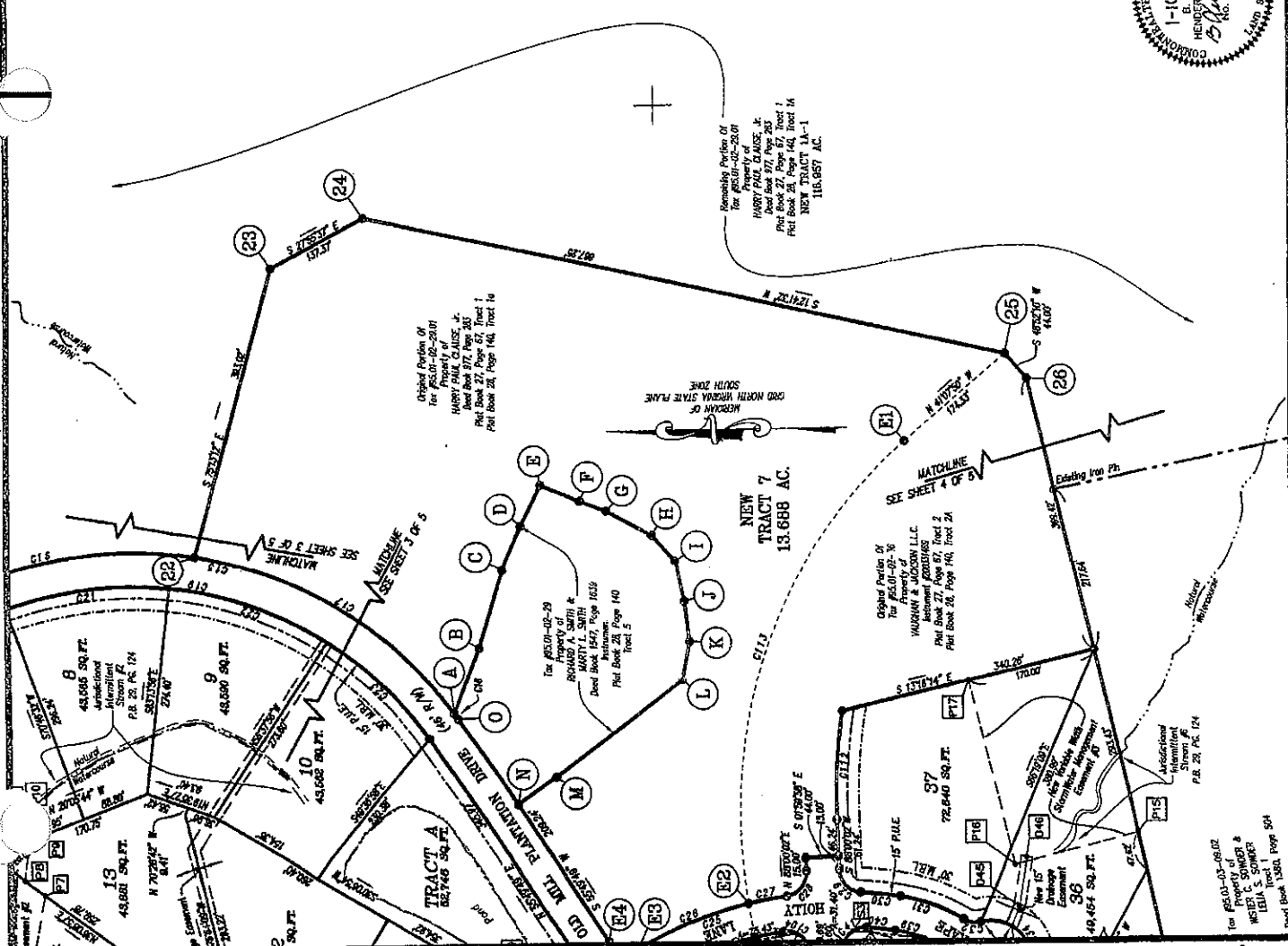
4664 BRIMBLETON AVENUE, SW  
PO BOX 20069  
ROANOKE, VIRGINIA 24018

LUMSDEN ASSOCIATES, P.C.  
ENGINEERS-SURVEYORS-PLANNERS  
ROANOKE, VIRGINIA



SCALE:	1" = 100'
DATE:	December 22, 2005
CDMA NO.:	02-241
SHEET 6 OF 6	

PLAT SHOWING  
SECTION No. 1  
"OLD MILL PLANTATION"  
PROPERTY OF  
VAUGHN & JACKSON L.L.C.  
SITUATED ALONG U. S. ROUTE #221  
WINDSOR HILLS MAGISTERIAL DISTRICT  
ROANOKE COUNTY, VIRGINIA



022418007P1-INSET 5.plt

\\lmsden\lmsden\2002\022418007P1-INSET 5.plt

ost,

Tax Map No. 95.01-02-36

200608077

AMENDMENT TO DECLARATION  
OF  
OLD MILL PLANTATION

THIS AMENDMENT TO DECLARATION OF OLD MILL PLANTATION, made and entered into this 19 day of May, 2006, by VAUGHN & JACKSON, L.L.C., Declarant.

WITNESSETH:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION was recorded on February 9, 2006, as Instrument No. 200602108; and

WHEREAS, the aforesaid Declaration of Covenants, Conditions and Restrictions was re-recorded on February 23, 2006 (in order to attach Exhibits "A" and "B" omitted from the first recordation) as Instrument No. 200602827; and

WHEREAS, the Declarant desires to amend said Declaration of Covenants, Conditions and Restrictions as hereinafter set out.

NOW, THEREFORE, the Declarant, VAUGHN & JACKSON, L.L.C., hereby amends said Declaration of Covenants, Conditions and Restrictions as follows:

1. That ARTICLE 4, PROPERTY RIGHTS IN THE COMMON AREAS, Section 4.3, Obligations of the Association, Paragraph 4.3.13, Recreational Property, be revised to read as follows:

**The Association shall enter into and maintain a Lease for use by Owners of the Recreational Property. Except as provided in Paragraph 5.12 hereof, no Lot shall be assessed for any portion of the initial construction cost for the development of the Recreational Property.**

PG 0405 '06 MAY 22 1428

OSTERHOUDT, PRILLAMAN,  
NATT, HELSCHER, YOST,  
MAXWELL & FERGUSON, PLC  
ATTORNEYS-AT-LAW  
ROANOKE, VIRGINIA  
74018-0049



2. That ARTICLE 5, COVENANT FOR MAINTENANCE ASSESSMENTS, Section 5.5, Special Assessments for Capital Improvements and Operating Reserves, be revised to read as follows:

In addition to the annual assessments authorized by Paragraph 5.3, the Association may levy in any assessment year a special assessment (which must be fixed at one uniform rate for each Lot) applicable to that year only, for the purpose of defraying in whole or in part, the cost of any reconstruction, repair or replacement of a capital improvement upon the Association Property, Common Area and Common Maintenance Areas, including the necessary fixtures and personal Property related thereto, and for operating the Association Property, Common Area and Common Maintenance Areas. Any special assessment shall require the assent of the majority of the Members who are voting in person or by proxy at a meeting duly called for this purpose at which a quorum is present. Developer shall not pay any assessments, annual, special or capital, while Developer is a Class B Member of Association on any Lot owned by it on which there is not an occupied home. No assessment imposing upon Lot Owners an obligation to pay for capital improvements to the Recreational Property shall be imposed without the affirmative vote of two-thirds of the Class A Membership taken at a duly called meeting of the Association.

3. That ARTICLE 6, RECREATIONAL PROPERTY, Section 6.2, be revised to read as follows:

The Association shall be required to enter into a Lease with the owner of the recreational facilities under which all Owners of Lots within OLD MILL PLANTATION shall be entitled to use the recreational facilities located on the Recreational Property.

4. That ARTICLE 16, MISCELLANEOUS PROVISIONS, Section 16.1 be revised to read as follows:

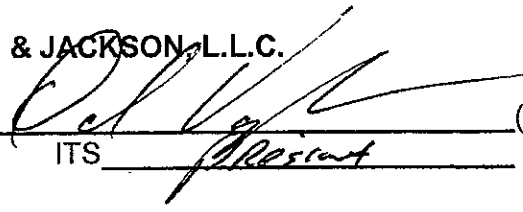
**Duration and Amendment.** The Provisions of this Declaration run with and

bind all the Property including the Lots therein, and shall inure to the benefit of and be enforceable by the Association, Developer, or the Member of any Lot subject to this Declaration, their respective legal representative, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time the Restrictions shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by Member holding more than three-fourths (3/4) of the votes of the Membership has been recorded, agreeing to terminate or change said Restrictions in whole or in part; provided, however, that no such agreement to terminate or change shall be effective unless written notice of the proposed agreement is sent to every Member at least sixty (60) days in advance of any action taken. Unless specifically prohibited herein, this Declaration may be amended by an instrument signed by Owners holding not less than three-fourths (3/4) of the votes of the Membership at any time until the end of the initial thirty (30) year term. Any amendment must be properly recorded to be effective. No amendment shall change architectural, engineering, landscaping (which term shall be defined in its broadest sense as including grass, hedges, vines, trees and the like) or decorative design of the Community as finally constructed by Developer, which without the written approval of Developer, so long as Developer is a Class B Member of the Association or, thereafter, by the Review Committee. Developer, as long as it is a Class B Member, shall retain the exclusive right to amend, modify, revoke, alter, expand and update the contents of this Declaration, or amendments thereto, or to add any real estate to the scope of this Declaration, or amendments thereto, without the permission of any party. Any amendment or alteration to the Declaration shall take effect only after Developer has caused to be recorded an amended Declaration among Roanoke County land records.

5. That all other provisions of the Declaration of Covenants, Conditions and Restrictions shall remain in full force and effect.

WITNESS the following signatures and seals as of the day and year first hereinabove written.

VAUGHN & JACKSON, L.L.C.

BY  (SEAL)  
ITS President

STATE OF VIRGINIA,  
CITY/COUNTY OF Roanoke, to-wit:

The foregoing instrument was acknowledged before me this 19 day of

OSTERHOUDT, PRILLAMAN,  
NATT, HELSCHER, YOST,  
MAXWELL & FERGUSON, PLC  
ATTORNEYS-AT-LAW  
ROANOKE, VIRGINIA  
34018-0049

May, 2006, on behalf of Vaughn & Jackson, L.L.C., by DAVID A VAUGHN, its MANAGING Member.

My commission expires: 8/31/07

[Signature]  
Notary Public

INSTRUMENT #200608077  
RECORDED IN THE CLERK'S OFFICE OF  
ROANOKE COUNTY ON  
MAY 22, 2006 AT 02:28PM  
STEVEN A. MCGRAM, CLERK

RECORDED BY: FRS

OSTERHOUDT, PRILLAMAN,  
NATT, HELSCHER, YOST,  
MAXWELL & FERGUSON, PLC  
ATTORNEYS-AT-LAW  
ROANOKE, VIRGINIA  
24018-0049



OFFICIAL RECEIPT  
ROANOKE COUNTY CIRCUIT COURT  
DEED RECEIPT

DATE: 05/22/06 TIME: 14:31:35 ACCOUNT: 161CLR200608077 RECEIPT: 06000013257  
CASHIER: FRS REG: R068 TYPE: AGM PAYMENT: FULL PAYMENT  
INSTRUMENT : 200608077 BOOK: PAGE: RECORDED: 05/22/06 AT 14:28  
GRANTOR: OLD MILL PLANTATION EX: N LOC: CO  
GRANTEE: VAUGHN & JACKSON LLC EX: N PCT: 100%  
AND ADDRESS : ROANOKE COUNTY  
RECEIVED OF : OSTERHOUDT  
CHECK : \$21.00  
DESCRIPTION 1: AMENDMENT TO DECLARATION PAGES: 0  
2: NAMES: 0  
CONSIDERATION: .00 A/VAL: .00 MAP:  
PIN:  
301 DEEDS 14.50 145 VSLF 1.50  
106 TECHNOLOGY TRUST FU 5.00  
TENDERED : 21.00  
AMOUNT PAID: 21.00  
CHANGE AMT : .00

CLERK OF COURT: STEVEN A. MCGRAW

PAYOR'S COPY  
RECEIPT COPY 1 OF 2

Ost.

**AMENDMENT  
TO  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
OF**

**OLD MILL PLANTATION, SECTION 1  
TO ADD OLD MILL PLANTATION, SECTION 4**

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF **OLD MILL PLANTATION, SECTION 1**, made and entered into this 26<sup>TH</sup> day of October, 2007, by VAUGHN PROPERTIES, L.L.C., a Virginia Limited Liability Company, (formerly known as Vaughn & Jackson, L.L.C) Declarant.

WITNESSETH:

WHEREAS, there has heretofore been recorded in the Clerk's Office of the Circuit Court of the County of Roanoke, a Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, SECTION 1; said Declaration being recorded on February 9, 2006, in the aforesaid Clerk's Office as Instrument No. 200602108; and recorded on February 23, 2006 as Instrument No. 200602827; and

WHEREAS, there has heretofore been recorded in the Clerk's Office of the Circuit Court of the County of Roanoke, an Amendment to Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, SECTION 1; said Amendment being recorded on May 22, 2006, in the aforesaid Clerk's Office as Instrument No. 200608077; and

WHEREAS, Article 16, MISCELLANEOUS PROVISIONS Section 16.1 Duration and Amendment of the Declaration provides that the instrument may be amended by the Declarant as long as it owns Lots within OLD MILL PLANTATION; and

OSTERHOUDT, PRILLAMAN,  
NATT, HELSCHER, YOST,  
MAXWELL & FERGUSON, PLC  
ATTORNEYS-AT-LAW  
ROANOKE, VIRGINIA  
24018

WHEREAS, the undersigned Declarant desires to amend the Declaration so as to provide that an additional Section of OLD MILL PLANTATION as hereinafter described may be added to the Declaration.

NOW, THEREFORE, the Declarant, VAUGHN PROPERTIES, LLC, a Virginia Limited Liability Company, evidenced by its signature, does hereby amend the Deed of OLD MILL PLANTATION as follows:

1. That Section No 4, OLD MILL PLANTATION, as shown on the plat entitled "PLAT SHOWING SECTION NO. 4 OLD MILL PLANTATION BEING A SUBDIVISION OF ORIGINAL TRACT 6 (7.062 AC.) OLD MILL PLANTATION - SECTION 1 PROPERTY OF VAUGHN & JACKSON, L.L.C., SITUATED OFF OF U.S. ROUTE #221 WINDSOR HILLS" prepared by LUMSDEN ASSOCIATES, P.C. under date of June 15, 2007; which plat is of record Instrument No. 200709436 in the above-mentioned Clerk's Office, shall be added to the Property governed by the Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, SECTION 1.

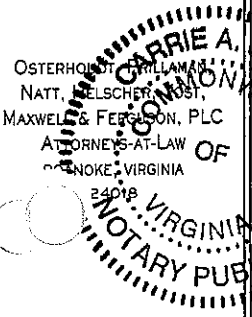
2. That all other provisions of the Declaration of Covenants, Conditions and Restrictions and Amendments thereto shall remain in full force and effect.

WITNESS the following signature and seal as of the day and year first hereinabove written.

VAUGHN PROPERTIES, L.L.C.  
a Virginia Limited Liability Corporation

BY [Signature] (SEAL)  
ITS David A. Vaughn, Managing Member

STATE OF VIRGINIA,  
County of Roanoke, to-wit  
I, the foregoing instrument was acknowledged before me this 6th day of November, 2007, on behalf of Vaughn Properties, LLC by David A. Vaughn, its Managing Member.  
My commission expires: 2/28/2011



[Signature]  
NOTARY PUBLIC  
Registration No. 7078583

PG 0174 '07 NOV 13 1152

INSTRUMENT #200717506  
RECORDED IN THE CLERK'S OFFICE OF  
ROANOKE COUNTY ON  
NOVEMBER 13, 2007 AT 11:52AM  
STEVEN A. MCGRAM, CLERK

RECORDED BY: FRS



OFFICIAL RECEIPT  
ROANOKE COUNTY CIRCUIT COURT  
DEED RECEIPT

DATE: 11/13/07 TIME: 11:54:15 ACCOUNT: 161CLR200717506 RECEIPT: 07000029200  
CASHIER: FRS REG: R068 TYPE: REST PAYMENT: FULL PAYMENT  
INSTRUMENT : 200717506 BOOK: PAGE: RECORDED: 11/13/07 AT 11:52  
GRANTOR: OLD MILL PLANTATION SECTION 1 EX: N LOC: CO  
GRANTEE: VAUGHN PROPERTIES LLC EX: N PCT: 100%  
AND ADDRESS : ROANOKE COUNTY  
RECEIVED OF : OSTERHOUDT  
CHECK: \$21.00 019090  
DESCRIPTION 1: PAGES: 3  
2: NAMES: 0  
CONSIDERATION: .00 A/VAL: .00 MAP:  
PIN:  
301 DEEDS 14.50 145 VSLF 1.50  
106 TECHNOLOGY TRST FND 5.00  
TENDERED : 21.00  
AMOUNT PAID: 21.00  
CHANGE AMT : .00

CLERK OF COURT: STEVEN A. MCGRAW

PAYOR'S COPY  
RECEIPT COPY 1 OF 2



PTS

200803054

PG 0348 '08 MAR 05 1357

Prepared by & Return to:

Edward A. Natt  
3140 Chaparral Drive, Suite 200-C  
Roanoke, VA 24018

Portion of Tax Map No. 95.01-8-40.2

RETURN TO:  
PERFORMANCE TITLE  
2774 B ELECTRIC RD.  
ROANOKE, VA 24018

AMENDMENT  
TO  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
OF  
OLD MILL PLANTATION, SECTION 1  
TO ADD OLD MILL PLANTATION, SECTION 2

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF OLD MILL PLANTATION, SECTION 1, made and entered into this 5<sup>th</sup> day of March, 2008, by VAUGHN PROPERTIES, L.L.C., a Virginia Limited Liability Company, (formerly known as Vaughn & Jackson, L.L.C) Declarant.

WITNESSETH:

WHEREAS, there has heretofore been recorded in the Clerk's Office of the Circuit Court of the County of Roanoke, a Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, SECTION 1; said Declaration being recorded on February 9, 2006, in the aforesaid Clerk's Office as Instrument No. 200602108; and re-recorded on February 23, 2006 as Instrument No. 200602827; and

WHEREAS, there has heretofore been recorded in the Clerk's Office of the Circuit Court of the County of Roanoke, an Amendment to Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, SECTION 1; said Amendment being recorded on May 22, 2006, in the aforesaid Clerk's Office as Instrument No. 200608077; and

PG 0349 '08 MAR 05 1357

WHEREAS, there has heretofore been recorded in the Clerk's Office of the Circuit Court of the County of Roanoke, an Amendment to Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, SECTION 1; said Amendment being recorded on November 13, 2007, in the aforesaid Clerk's Office as Instrument No. 200717506; and

WHEREAS, Article 16, MISCELLANEOUS PROVISIONS Section 16.1 Duration and Amendment of the Declaration provides that the instrument may be amended by the Declarant as long as it owns Lots within OLD MILL PLANTATION; and

WHEREAS, the undersigned Declarant desires to amend the Declaration so as to provide that an additional Section of OLD MILL PLANTATION as hereinafter described may be added to the Declaration.

NOW, THEREFORE, the Declarant, VAUGHN PROPERTIES, L.L.C., hereby amends said Declaration of Covenants, Conditions and Restrictions as follows:

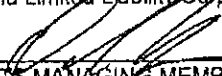
1. That Section No 2, OLD MILL PLANTATION, as shown on the plat entitled "PLAT SHOWING SECTION NO. 2 OLD MILL PLANTATION PROPERTY OF VAUGHN PROPERTIES, LLC., SITUATED ALONG U.S. ROUTE #221" prepared by LUMSDEN ASSOCIATES, P.C. under date of February 7, 2008; which plat is of record Instrument No. 200802405 in the above-mentioned Clerk's Office, shall be added to the Property governed by the Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, SECTION 1.

2. That all other provisions of the Declaration of Covenants, Conditions and Restrictions and Amendments thereto shall remain in full force and effect.

PG 0350 '08 MAR 05 1357

WITNESS the following signature and seal as of the day and year first hereinabove written.

VAUGHN PROPERTIES, L.L.C.  
a Virginia Limited Liability Corporation

BY  (SEAL)  
ITS MANAGING MEMBER

STATE OF VIRGINIA,  
CITY/COUNTY OF ROANOKE, to-wit:

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of March, 2008, on behalf of Vaughn Properties, L.L.C. by David A. Vaughn, its Managing Member.

  
Notary Public

My commission expires: 9-30-09  
Virginia Notary Registration Number: 225360

Shelley C. James  
Commonwealth of VA  
Notary Public  
Exp: 09-30-2009  
ID #: 225360

PG 0351 '08 MAR 05 13:57

INSTRUMENT #200803054  
RECORDED IN THE CLERK'S OFFICE OF  
ROANOKE COUNTY ON  
MARCH 5, 2008 AT 01:57PM

STEVEN A. MCGRAW, CLERK  
RECORDED BY: FRS

Prepared by and to be Return to:  
Peyton R. Biddle, III, Esquire  
Osterhoudt, Prillaman, Natt, Helscher, Yost, Maxwell, & Ferguson, PLC  
3140 Chaparral Drive, Suite 200C  
Roanoke, VA 24018

Portion of Tax Map No: 95.01-8-40.2

**AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
OF OLD MILL PLANTATION**

This Amendment to Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION is made and entered into this 20th day of January, 2010, by Vaughn Properties, LLC, a Virginia limited liability company (hereinafter the "Declarant"). Vaughn Properties, LLC is the same entity as the company formerly known as Vaughn & Jackson, LLC.

WITNESSETH:

WHEREAS, Vaughn & Jackson, LLC, a Virginia limited liability company, filed articles of amendment with the Virginia State Corporation Commission effecting a name change to Vaughn Properties, LLC; and

WHEREAS, "Vaughn & Jackson, LLC" effectively became "Vaughn Properties, LLC" on June 20, 2007; and

WHEREAS, the Declarant recorded in the Clerk's Office of the Circuit Court of the County of Roanoke, a Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION; (hereinafter the "Declaration") said Declaration being recorded on February 9, 2006, in the aforesaid Clerk's Office as Instrument No. 200602108; and recorded on February 23, 2006 as Instrument No. 200602827; and

WHEREAS, the Declarant recorded in the Clerk's Office of the Circuit Court of the County of Roanoke, an Amendment to Declaration of Covenants, Conditions and Restrictions

OSTERHOUDT, PRILLAMAN,  
NATT, HELSCHER, YOST,  
MAXWELL & FERGUSON, PLC  
ATTORNEYS-AT-LAW  
ROANOKE, VIRGINIA  
24018

of OLD MILL PLANTATION; said Amendment being recorded on May 22, 2006, in the aforesaid Clerk's Office as Instrument No. 200608077; and

WHEREAS, the Declarant recorded in the Clerk's Office of the Circuit Court of the County of Roanoke, an Amendment to Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, SECTION 1 TO ADD OLD MILL PLANTATION, SECTION, 4; said Amendment being recorded on November 13, 2007, in the aforesaid Clerk's Office as Instrument No. 200717506; and

WHEREAS, the Declarant recorded in the Clerk's Office of the Circuit Court of the County of Roanoke, an Amendment to Declaration of Covenants, Conditions and Restrictions of OLD MILL PLANTATION, SECTION 1 TO ADD OLD MILL PLANTATION, SECTION, 2; said Amendment being recorded on March 5, 2008, in the aforesaid Clerk's Office as Instrument No. 200803054; and

WHEREAS, ARTICLE 16, MISCELLANEOUS PROVISIONS Section 16.1 Duration and Amendment of the Declaration, as amended, provides that the Declaration may be amended by the Declarant as long as it remains a Class B Member of the Association; and

WHEREAS, the Declarant continues to own Lots within OLD MILL PLANTATION and is therefore a Class B Member of the Association in accordance with Article 2, Section 2.2.2 of the Declaration;

WHEREAS, the Declarant desires to amend the Declaration, as amended; and

NOW, THEREFORE, the Declarant, Vaughn Properties, LLC, hereby amends the Declaration, as amended, to incorporate and reflect the following amendments:

1. That ARTICLE 5, COVENANT FOR MAINTENANCE ASSESSMENTS, Section 5.1.3 be revised to read as follows:

An initial assessment fee shall be assessed upon the purchase of any Lot. This fee shall initially be \$250.00 per Lot and shall be applicable upon the resale of any Lot.

2. That ARTICLE 5, COVENANT FOR MAINTENANCE ASSESSMENTS,

Section 5.3 be revised to read as follows:

Basis and Maximum of Annual Assessments: Variable Rate Assessment. The initial payment of \$250.00, in addition to all other assessments, shall be payable by the any Owner other than the Developer, at the closing of the sale of each Lot. The initial assessment of \$250.00 shall apply to the initial sale of a Lot and to any resale of a Lot. Commencing with the conveyance of the first Lot from the Developer to an Owner and until changed by the Board of Directors as herein provided, the annual assessment imposed upon each Member of the Association shall be at a rate determined by initial Board of Directors of the Association. The annual assessment may be collected monthly or quarterly as the Association may determine and may be increased as hereinafter provided in Paragraphs 5.3.1 and 5.4. The Developer shall pay no annual or special assessment on any Lot owned by it on which a house is not occupied while Developer is a Class B Member.

3. That ARTICLE 5, COVENANT FOR MAINTENANCE ASSESSMENTS,

Section 5.12 be revised to read as follows:

Initial Payment. At such time as any Owner acquires a Lot within OLD MILL PLANTATION, the Owner shall pay at Closing the sum of ONE THOUSAND Dollars (\$1,000.00) to MAGNOLIA CLUB, L.L.C., its successors and assigns, to be used for maintenance and operation of the recreational facilities and the sum of TWO HUNDRED FIFTY Dollars (\$250.00) to the Association, which shall be placed in the operational account for the Association. These payments shall be due upon any resale of a Lot and shall be paid at closing by the new Owner.

4. That ARTICLE 6, RECREATIONAL PROPERTY, Section 6.1 be revised to

read as follows:

The Association shall maintain a Lease with the owner of the recreational facilities under which all Owners of Lots within OLD MILL PLANTATION shall be entitled to use the recreational facilities located on the Recreational Property, so long as Owners comply with the rules and regulations applicable to the use of the recreational facilities.

5. That ARTICLE 6, RECREATIONAL PROPERTY, Section 6.2 shall be removed in its entirety.

6. That ARTICLE 8, ARCHITECTURAL REVIEW COMMITTEE, Section 8.2 be revised to read as follows:

The Review Committee: An Architectural Review Committee ("Review Committee") consisting of three persons shall be appointed by the Developer to review all plans and specifications for improvements to all Lots, and shall be given authority to make final decisions on all architectural and development matters relating to these Covenants, Conditions, and Restrictions. Developer shall be the exclusive appointing party of said Review Committee Members so long as it owns any Lot or portion of the Property. The initial committee shall be composed of David Vaughn and John Gallagher. At such time as Developer is no long a Class B Member, three Review Committee Members shall be elected by the Board of Directors of the Association for terms of two years each, with one of the three being elected initially for one year so that the terms are staggered. Except for Developer appointed committee Members, a Review Committee Member must be a Lot Owner in good standing in order to be elected.

7. That all other provisions of the Declaration of Covenants, Conditions and Restrictions and Amendments thereto shall remain in full force and effect.

WITNESS the following signature and seal as of the day and year first hereinabove written.

VAUGHN PROPERTIES, LLC  
a Virginia Limited Liability Corporation

BY *David A. Vaughn* (SEAL)  
David A. Vaughn, Managing Member

STATE OF VIRGINIA,  
~~CITY~~/COUNTY OF Roanoke, to-wit:

The foregoing instrument was acknowledged before me this 20th day of January, 2010, on behalf of Vaughn Properties, LLC by David A. Vaughn, its Managing Member.

My commission expires: February 29, 2012

*Peyton R. Biddle, Jr*  
Notary Public (Ref No: 7202996)

PEYTON R. BIDDLE, III  
NOTARY PUBLIC  
Commonwealth of Virginia  
Reg. #7202996  
My Commission Expires \_\_\_\_\_



PG 0251 '10 JAN 21 1309

INSTRUMENT #201000658  
RECORDED IN THE CLERK'S OFFICE OF  
ROANOKE COUNTY ON  
JANUARY 21, 2010 AT 01:59PM

STEVEN A. MCGRAW, CLERK  
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