

**DECLARATION OF THE RIGHTS, EASEMENTS, RESTRICTIONS, COVENANTS,
AFFIRMATIVE OBLIGATIONS AND CONDITIONS APPLICABLE TO ALL
PROPERTY IN MAGNOLIA RIDGE AT VIRGINIA CENTER**

This DECLARATION (the "Declaration") is made this 26th day of June 1995, by Atack Properties, Inc., a Virginia corporation ("Declarant").

RECITALS

Declarant is the owner and developer of certain real property in the County of Henrico, Virginia, which is more particularly described on Exhibit A attached herein, known as Magnolia Ridge at Virginia Center (hereinafter "Magnolia Ridge"). Declarant desires to provide for (i) a common scheme of development, (ii) a uniform quality of construction and aesthetic appearance, (iii) a consistent quality of maintenance of all common areas and private property within and throughout Magnolia Ridge, and (iv) an organization to facilitate all of the foregoing.

DECLARATION

Declarant, as owner of all property within Magnolia Ridge (which is described on Exhibit A hereto) and in order to protect the value and desirability of all property within Magnolia Ridge and such additional property as may hereafter be annexed hereto, as well as to accomplish the purposes set forth in the Recitals declares that all property within Magnolia Ridge shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which shall run with the land and be binding on all parties having any right, title or interest therein or in any part thereof, their heirs, successors and assigns.

ARTICLE I **DEFINITIONS**

Section 1. "ACT" is defined as the Property Owners' Association Act (Title 55, Chapter 26 of the Code of Virginia of 1950, as amended).

Section 2. "ADDITIONAL LANDS" is defined as (a) that real property as described in the Magnolia Ridge (formerly Stuart Ridge) Subdivision plan dated September 9, 1994, and as approved by the Planning Commission of the County of Henrico, Virginia on October 25, 1994; (b) has a property line adjacent to the real property described in the Magnolia Ridge (formerly Stuart Ridge) Subdivision plan; or (c) is located within two (2) linear miles of any boundary of the real property described in Exhibit A attached hereto.

Section 3. "MAGNOLIA RIDGE" is Magolia Ridge at Virginia Center, and is defined as that certain real property described on exhibit A hereto, and any additions, which are annexed thereto pursuant to Article III of the Declaration.

Section 4. "MAGNOLIA RIDGE COMMON AREA" is defined as all real property owned or to be owned by the Association for the common use and enjoyment of all Owners. The Magnolia Ridge Common Area shall consist of all property conveyed to the Association which is designated or descried as common area and shall include all property shown on any subdivision plat, any plat attached to a deed of conveyance from the Declarant or otherwise recorded by the Declarant in the Clerk's Office, which is designated as Magnolia Ridge Common Area. Each portion of Magnolia Ridge Common Area shall be deemed to have been created as Magnolia Ridge Common area

on the data that the plat first depicting and describing such portion as Magnolia Ridge Common Area is recorded in the Clerk's office. Any portion of Magnolia Ridge Common Area may be conveyed by the Declaration to the Association at any time after or contemporaneously with its creation and the Association shall be bound to accept any property conveyed to it by the Declarant as Magnolia Ridge Common Area.

Additionally, all easements reserved by or conveyed to the Association for the common use, benefit and enjoyment of all Owners, or which are otherwise depicted on a plat, recorded in the Clerk's Office, as Magnolia Ridge Common Area Easements, shall be deemed to be Magnolia Ridge Common Area Easements.

Section 5. "ASSOCIATION" is defined as the Magnolia Ridge at Virginia Center Property Owners Association, Inc., a Virginia nonstock corporation, its successors and assigns.

Section 6. "BOARD OF DIRECTORS" is defined as the Board of Directors of the Association which shall initially be appointed by the Declarant during the Declarant Control Period and the, after the expiration of the Declarant Control Period, elected by the members of the Association as provided in the Association Bylaws.

Section 7. "BUILDER" is defined as any person, corporation, partnership, association, trust, or estate, which acquires title to an Unimproved lot solely for the purpose of (a) engaging in the business of constructing a residence thereon and reselling such Unimproved Lot to one or more purchasers for residential use, or (b) reselling such Unimproved Lot to any person, corporation, partnership, association, trust or estate engaged in the business described in (a) of this Section. The term "Builder" shall not include the Declarant.

Section 8. "CLERK'S OFFICE" is defined as the Clerk's Office of the Circuit Court of the County of Henrico, Virginia, or any successor depository of public records, where documents must be recorded to impart constructive notice to purchasers of matters affecting title to the property.

Section 9. "DECLARANT CONTROL PERIOD" is defined as the period commencing on the date that this Declaration is recorded in the clerk's Office and ending on the earlier to occur of (i) June 30, 2010, (ii) when seventy-five percent (75%) of the Lots permitted by the Zoning Approval for Magnolia Ridge and the Additional Lands have certificates of occupancy issued for the residences constructed thereon and have been conveyed to parties other than the Declarant or Builders holding title solely for the purpose of construction and resale, or (iii) when the Declarant voluntarily terminates the Declarant control Period.

Section 10. "DECLARANT'S UTILITY RIGHTS" is defined as the exclusive, alienable and assignable rights, powers, easements, and privilege hereby reserved by the Declarant to go on, over, under and upon every portion of the Magnolia Ridge Common Area except those portions upon which structures have been erected, to erect, lay, implant, construct, maintain, extend, use and repair electric, television and telephone poles, wires, cables, and conduits, drainage ways, sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, water, sewer, drainage and other public and private conveniences and utilities, including the right to locate, construct, maintain, use and repair wells, pumping stations and water pressure regulating vaults. These rights include the right to cut any trees, bushes or shrubbery, and the right to make any gradings of the soil or take any

similar action reasonably necessary to provide and extend economical and safe installation and maintain reasonable standards of health, safety and appearance. The Declarant's utility Rights shall also include the exclusive and alienable right to sell, grant and convey or dedicate roadways and other means of vehicular and pedestrian ingress and egress throughout Magnolia Ridge. The Declarant's Utility Rights are and shall be in addition to all other easements reserved herein and upon any subdivision plat or other easement agreement.

Section 11. "DECLARATION" is defined as this Declaration of Rights, Easements, Restrictions, Covenants, Affirmative Obligations and Conditions Applicable to All Property Within Magnolia Ridge of Virginia Center, as well as all amendments thereto which have been properly effected in accordance with Article XII of this Declaration.

Section 12. "IMPROVED LOT" is defined as a Lot upon which a residence has been substantially completed. A residence shall be deemed to be substantially complete upon the earlier to occur of (i) issuance of a temporary or final certificate of occupancy for a residence, or (ii) twelve (12) months from the date that construction of a residence has been commenced.

Section 13. "LOT" is defined as any lot depicted on any subdivision plat approved by the County of Henrico, Virginia, and recorded in the Clerk's Office which effects a subdivision any land within Magnolia Ridge, including any lot upon which a single family detached residence can be constructed. The definition of "Lot" does not include any area depicted or described in any subdivision plat as common area.

Section 14. "LOT OWNER" or "OWNER" is defined as the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including the Declarant, but excluding those having such interest merely as security for the payment of a debt or the performance of any obligation.

Section 15. "MORTGAGE" is defined as any first priority deed of trust or mortgage which secures a loan or indebtedness made, insured or guaranteed by an institutional lender, insurer or guarantor which encumbers or constitutes a lien upon any property within Magnolia Ridge.

Section 16. "MORTGAGEE" is defined as any institutional lender, insurer or guarantor of a loan or indebtedness secured by a first priority deed of trust or mortgage, which encumbers or constitutes a lien upon any property within Magnolia Ridge.

Section 17. "PROPERTY" is defined as that certain real property located in Henrico County, Virginia, described in exhibit A of this Declaration, together with such other real property as may from time to time be added thereto under the provisions of Article III hereof.

Section 18. "ZONING APPROVAL FOR MAGNOLIA RIDGE" is defined as the approval of the conditional zoning of Magnolia Ridge and all conditions attendant thereto as set forth in those certain final approval letters dated March 15, 1994 from Mr. Virgil R. Hazelett, P.E. County Manager for the County of Henrico, Virginia to Attack Properties, Inc., regarding the approval of Conditional Rezoning Case C-56C-93, as well as all additional and supplements thereto or relating to any part of any additional property as may thereafter be made.

Section 19. "INTERPRETATION". The definitions and text contained in this Article are substantive and not solely illustrative or precategory. The provisions of this Article shall be given full force and effect and shall govern the construction of the Declaration.

ARTICLE II
COMMON AREA USE AND MAINTENANCE

Section 1. Lot Owners' Easements. Every Lot Owner is granted and shall have a right and easement to use and enjoy the Magnolia Ridge Common Area, which shall be appurtenant to and shall pass with the title to every Lot subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any facility, which may be situated upon the Magnolia Ridge Common Area from time to time.

(b) The right of the Association to suspend a Lot Owner's voting rights and right to use any of the Magnolia Ridge Common Area for any period in which the Lot Owner is in default in the payment of any assessment against his Lot or take such other action as may be provided under the Act or in notice from the Board of directors for a period not to exceed sixty (60) days for any single and nonrecurring infraction of the Association's published rules and regulations or breach of or default under any of the covenants or provisions of the Declaration. If any such infraction breach or default is continuous or recurring, then such rights may be suspended for a period commencing on the date of the Lot Owner is given notice of the cause for such suspension and ending not more than sixty (60) days after the date such infraction, breach or default ceases or is remedied. However, nothing contained in the subsection shall be construed to permit the Association to deny a Lot Owner direct access to his Lot;

(c) The Declarant's Utility Rights;

(d) The right of the Association, subject to the Declarant's Utility Rights, to dedicate or transfer all or any part of the Magnolia Ridge Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer by the Association, except for the dedications or transfer of utility easements by the Association or any dedication or transfer made pursuant to the Declarant's Utility Rights shall be effective unless approved by more than two-thirds (2/3) of the votes entitled to be cast by all of the members of the Association.

(e) The rights of parties holding rights under easements reserved; and

(f) The rights on the Declarant set forth in this Article II.

Section 2. Declarant's Marketing Rights. Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and initial sale of Lots shall continue, it shall be expressly permissible for Declarant, and Declarant hereby expressly reserves an easement therefore, to maintain and carry on upon portions of the Magnolia Ridge Common Area and Lots which it owns such facilities (including sales and business offices, model units and sales and marketing pavilions) and activities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the construction or sale of property within Magnolia Ridge and the Declarant shall have an easement for access to such facilities.

Section 3. Improvements. The Declarant or the Association shall have the right but not the obligation to develop or improve the Magnolia Ridge Common Area for the use and benefit of the residents in Magnolia Ridge, including the right to, but not the obligation to do the following:

(a) develop and make a recreational facility or other structures with related facilities and equipment;

(b) protect the Magnolia Ridge Common Area by planting trees, plants, shrubs and creating berms, and by the construction and maintenance of situation and detention basins and other means deemed appropriate, including cutting fire breaks and removal of vegetation and trees;

(c) exercise, by Declarant only, the Declarant's Utility Rights; and

(d) make all such other improvements to Magnolia Ridge Common Area as the Declarant or the Association may deem appropriate.

Section 4. Maintenance of Common Areas. No dumping of trash, garbage, sewer, sawdust, refuse of any kind, including construction debris, or any unsightly or offensive materials (except in receptacles placed for such purposes) shall be permitted or placed upon the Magnolia Ridge Common Area except as is temporary and incidental to the bona fide improvement of the Magnolia Ridge Common Area in a manner consistent with its classification as Magnolia Ridge Common Area.

Section 5. No Public Rights. The granting of the easements in the Magnolia Ridge Common Area in this Article in no way grants to the public or the owners of any land outside of Magnolia Ridge the right to enter any part of the Magnolia Ridge Common Area. The creation of the Magnolia Ridge Common Area in no way shall be deemed or construed to be a dedication of such areas for the general public welfare or use except by the Declarant's written approval.

Section 6. Delegation of Use. Any Lot Owner may delegate, in accordance with the By-Laws of the Association, his right of enjoyment to the Magnolia Ridge Common

Area and facilities thereon to the members of his family or contract purchasers who reside on the Lot, and his guests when accompanied by the Lot Owner. If a Lot Owner leases an Improved Lot, the Owner's right of enjoyment to the Magnolia Ridge Common Area and facilities thereon shall be automatically transferred to the Lot Owner's tenants.

Section 7. Outside Membership. Should the Declarant exercise its option to develop or improve a recreation facility or other structures with related facilities and equipment, the Declarant may, in its sole discretion and without the need for approval by the Owners during the Declarant Control Period, offset a portion of the operating expenses of the recreational facility by selling membership to use the facility to persons other than Owners or residents of Magnolia Ridge.

ARTICLE III
ANNEXATION OF ADDITIONAL PROPERTY

Section 1. Reservation of Right to Expand. The Declarant expressly reserves the option to annex into the Property any and all Additional Lands to the Property which the Declarant now owns or may own in accordance with the provisions of this Article.

Section 2. No Limitations on Option to Expand. Except as expressly stated in this Article, there shall be no limitations on the option of the Declarant to expand as set forth herein. The Declarant shall not be required to obtain the consent of any Owner of the Association in order to exercise said option to expand the Property.

Section 3. Time Limitation on Option to Expand. The option of the Declarant to expand the Property as set forth in this Article shall terminate fifteen (15) years after the date of recordation of this Declaration, or at such time as the Declarant terminates said option by amendment of this Declaration, whichever shall first occur.

Section 4. Declarant Not Obligated to Expand. Nothing herein contained shall be construed to impose upon the Declarant, its successors or assigns any obligation to develop or otherwise perform any acts with respect to the expansion of the property with Additional Lands.

Section 5. Acquisition of Additional Common Area. Declarant may convey to the Association additional real estate, improved or unimproved, which upon conveyance or dedication to the Association shall be accepted by the Association as Magnolia Ridge Common Area and thereafter shall be maintained by the Association in at its expense for the benefit of all its Members.

Section 6. Withdrawal. Declarant has the right, at its sole option, to remove from the Property any portion of any Additional Lands added to the Property by recording an amendment to the Declaration to remove same at any time if no Residential Unit in the Additional Land has been conveyed to an Owner and if no Common Area in that Additional Land has been conveyed to the Association.

Section 7. Amendment. This Article shall not be amended without the prior written consent of Declarant, so long as the Declarant owns any property within Magnolia Ridge.

ARTICLE IV **MEMBERSHIP AND VOTING RIGHTS**

Section 1. Membership. Every Lot Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot. When more than one person holds an interest in any property in Magnolia Ridge to which a vote is allocated, all such persons shall be members. In any instance where the members are entitled to personally cast their votes and when more than one person holds an interest in property within Magnolia Ridge: (a) the vote for such property shall be exercised as the co-owners among themselves determine, but no more votes may be cast with respect to such property than have been allocated to such property; (b) if only one co-owner of property casts the votes allocable to that property, the presiding officer at the meeting at which such vote is to be cast shall deem that the vote allocable to such property is to be cast by such co-owner; and (c) if the parties together entitled to cast a vote with respect to property in which they hold a co-interest cannot among themselves determine how to exercise such vote, the presiding officer of the meeting at which such vote is to be cast shall disallow the vote with respect to such property.

Section 2. Voting Rights. The Association shall have the following classes of voting membership;

Class A. Class A members shall be the owners (with the exception of the Declarant during the Declarant Control Period) of all Lots, who shall be entitled to one vote for each Lot owned.

Class B. Class B members shall be the Declarant which, during the Declarant Control Period, shall be entitled to three (3) votes for each Lot within Magnolia Ridge owned by it. After the Declarant Control Period, to the extent the Declarant owns any Lots in Magnolia Ridge, it shall be a class A member.

Section 3. Declarant Control. During the Declarant Control Period the Declarant shall have the sole and absolute right to appoint, in its sole and absolute discretion, the members of the Board of Directors.

Section 4. Voting at Meetings. All Lot Owners shall be entitled to cast votes at any meeting of the members of the Association, whether annual or special except as provided for in Article II, Section 1(b) of this Declaration.

ARTICLE V **ASSESSMENT**

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Lot Owner, by acceptance of the deed for any property within Magnolia Ridge, whether it shall be expressed in such deed or not, is deemed to covenant and agree to pay to the Association (i) annual assessments, (ii) special assessments, and (iii) special assessments to remedy unsightly conditions. All such assessments shall be established and collected as hereinafter provided. All the assessments set forth above, together with interest, costs of collection, including attorney's fees, shall be a charge on the land of every Lot Owner and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, late charges, costs of collection, including attorney's fees, shall also be, in addition to the liens on the Lot, imposed hereby, the personal obligation of the Lot Owner, or Lot Owners (such personal obligations being the joint and several obligation of each Lot Owner of any one Lot, if more than one) of the Lot at such time as the assessment falls due.

Section 2. Purpose of Annual Assessments. The annual assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of Magnolia Ridge and the establishment of reserves therefore, including by way of example, and without limitation or restriction:

(a) Maintenance of all private roadways located in Magnolia Ridge, if any, including filling and repair work, repaving, cleaning and snow removal;

(b) Maintenance and preservation of the Magnolia Ridge Common Area, and all scenic and conservation easement areas (as described in Section 1 of Article XI of this Declaration), including seeding, planting, mowing and watering, landscaping, repair and improvement;

(c) Payment of any real and personal property taxes and other charges assessed, respectively, against the Magnolia Ridge Common Area and against equipment and other personal property, which may be owned by the Association.

(d) Payment of salaries and benefits of all employees, including maintenance and management personnel, agents and others employed or contracted in connection with carrying out the Association's duties, responsibilities and rights under this Declaration; and

(e) Maintenance of a policy or policies of insurance, insuring the Declarant, the Association and its employees if any, its agents and others (as determined by the Board of Directors in their sole discretion) with respect to the Magnolia Ridge Common Area as required by Article VI of this Declaration.

Section 3. Special Assessment to Remedy Unsightly Conditions.

(a) Lot Owner's Duty to Maintain. Each Lot Owner covenants to the Declarant, the Association and to every other Lot Owner to maintain the Lot owned by the Lot Owner and the structured located on that Lot, in an attractive, neat, sightly and first-class appearance and condition. To that end, each Lot Owner shall regularly and properly effect the following to and on his property.

(i) The cleaning, painting and general maintenance and repair of the exterior of the residence and every other structure on the Lot;

(ii) The prompt repair and replacement of roofs, gutters, downspouts, exterior building surfaces, and exterior glass surfaces of the residence and every other building on the property;

(iii) The prompt repair and replacement of all walls and fences on the property;

(iv) The prompt maintenance, repair and cleaning of all walks, curbs, stops and steps on the property; and

(v) The maintenance, including cutting, pruning, feeding, watering, and if necessary and permitted, the removal of the trees, shrubs, grass and other landscaping items on the property.

(b) Enforcement and Lien. If it is determined by the Board of Directors in its sole and absolute discretion that a Lot Owner is failing to maintain its property or the improvements located thereon as required above, the Board of Directors shall give such Lot Owner written notice stating the nature of such Lot Owner's failure and stating that the Board of Director shall take such action as it deems necessary to remedy such failure to maintain if (i) such failure to maintain is not remedied within ten (10) days if such failure to maintain is capable of immediate or prompt remedy (as determined in the reasonable discretion of the Board of Directors), or (ii) remedial action is not commenced within ten (10) days and thereafter diligently prosecuted to completion if such failure to maintain is not capable of immediate or prompt remedy (as determined in the reasonable discretion of the Board of Directors). If the Lot Owner thereafter fails, as

determined in the sole and absolute discretion of the Board of Directors, to appropriately respond within the time limit stated above or the additional time limit permitted by the Board of Directors, the Board of Directors shall have the power and duty to take such actions as are necessary to remedy the Lot Owner's failure to maintain is not capable of immediate or prompt remedy (as determined in the reasonable discretion of the Board of Directors). If the Lot Owner thereafter fails, as determined in the sole and absolute discretion of the Board of Directors, to appropriately respond within the time limit stated above or the additional time limit permitted by the Board of Directors, the Board of Directors shall have the power and duty to take such actions as are necessary to remedy the Lot Owner's failure to maintain the Lot Owner's property as provided above and to charge any expense back to the Lot Owner. To that end, the Board of Directors, its contractors, employees, management agents, and other agents, are granted and shall have the irrevocable and absolute right, license, easement, power and authority which is hereby expressly granted to enter on to the Lot Owner's property, without notice to the Lot Owner, to effect such cleaning, painting, maintenance, repair and replacement as the Board of Directors deem necessary. The cost of all such maintenance and repair to the Lot Owner's property effected by the Board of Directors in accordance with this Section shall be charged directly to the Lot Owner and shall become a special assessment against that Lot to remedy unsightly conditions, and shall be due and payable in full within thirty (30) days after the date that notice of the assessment is given. The Board of Directors may enforce the collection of such assessment against the Owner personally and by foreclosing the lien created in Section 1 of this Article for the same.

Section 4. Costs Borne Directly by Lot Owner. If the need for maintenance or repair to the Magnolia Ridge Common Area or as required by Section 3 of this Article is caused by the willful or negligent act or omission of a Lot Owner, its family, employees, tenants, agents, guests, permits, or invitees, as determined by the Board of Directors after giving the Lot Owner notice and opportunity to respond to the Board of Directors after giving the Lot Owner notice and opportunity to respond to the Board of Directors, the cost of such maintenance or repair shall be charged directly to such Lot Owner and added to and become a part of the assessment to which such Lot Owner's property is subject.

Section 5. Special Assessments. In addition to the annual assessments and special assessments to remedy unsightly conditions authorized above, the Association may levy a special assessment applicable for the purpose of defraying, in whole or in part, the cost of an construction, reconstruction, repair or replacement of a capital improvement upon the Magnolia Ridge Common Area, fixtures and personal property related thereto, or for any other special need of the Association. A special assessment may be made without the prior approval of the members of the Association pursuant to §55-514 of the Act or to the extent that the amount of that special assessment payable in one (1) year does not exceed twenty percent (20%) of the regular annual assessment for the same year. Any special assessments not pursuant to §55-514 of the Act, the payment of which exceeds twenty percent (20%) of the regular annual assessment for the same year, whether singularly or when combined with prior special assessments in the same fiscal year, must have the consent of more than two-thirds (2/3) of the votes entitled to be cast by all of the members of the Association.

Section 6. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments and liens created herein:

- (a) all property owned by the Declarant;
- (b) any property used as a 'sales center' or 'model home' for Magnolia Ridge by the Declarant;
- (c) lots, which are owned by a Builder for a period up to thirty-six (36) months after conveyance of the Lot from the Declarant to the Builder;
- (d) all properties dedicated and accepted by a public authority and
- (e) all common areas.

Section 7. Rate of Assessment. The amount of the annual assessment and the special assessments imposed upon each property within Magnolia Ridge will be determined by multiplying the total amount of the assessment to be imposed by a fraction, the numerator of which shall be the "assessment unit" applicable to the particular property assessed and the denominator of which shall be the aggregate number of assessment units applicable to all property within Magnolia Ridge subject to the particular assessment.

Section 8. Determination of Annual Assessment.

(a) The annual assessment shall be fixed by the Board of Directors in accordance with a budget prepared and approved by the Board of Directors. Such budget shall contain provisions for reasonable reserves.

(b) During the period of Declarant control, should additional Common Areas be annexed into the property by the Declarant which contain or are designated to contain recreational facilities or other such amenities, the maintenance, care and future

replacement of which may result in an increase in the expense of the Association, the Board of Directors may, without the vote and approval of the members, increase the annual assessment in accordance with the anticipated incremental expenses and capital reserve allocation for the annexed Common Areas.

(c) Except as otherwise provided within this Section 8, the initial annual assessment shall not exceed two hundred fifty dollars (\$250.00) per Lot.

(d) Except as otherwise provided within this Section 8, the initial annual assessment and all subsequent annual assessments which are less than twenty percent (20%) greater than the previous years annual assessment shall be fixed by the Board of Directors without submission of the same to the Association for approval. Any approved budget and resulting annual assessment approved by the Board of Directors that is more than twenty percent (20%) greater than the previous year's annual assessment must be presented and approved by majority vote of the Lot Owners at the annual meeting of the Association preceding the fiscal year in which such assessment shall go into effect. If for any reason the Association does not approve a budget and assessment for a fiscal year which must be approved as set forth above, prior to commencement of the fiscal year, the budget and assessment for the preceding fiscal year, automatically increased by ten percent, shall remain in effect until new budgets and assessments have been approved.

Section 9. Date of Commencement of Annual Assessments and Due Dates.

Prior to the commencement of annual assessments, all costs incurred in connection with the maintenance and preservation of the Magnolia Ridge Common Area shall be borne solely by the Declarant. The first annual assessments shall be adjusted pro rata

according to the number of months then remaining in the fiscal year. Succeeding annual assessments shall commence on the first day of each fiscal year, which fiscal year shall commence on April 1 of each year. The fiscal year shall be subject to change by the Board of Directors. The assessment shall initially commence for each Lot on the first day of the month following the time when the Lot is no longer exempt from assessment pursuant to Section 6 of this Article or in the first day of the month following the time when the Lot becomes an Improved lot. Written notice of the annual assessment shall be sent to every Lot Owner subject thereto within twenty-one (21) days prior to the due date for the annual assessment or beginning of the fiscal year. Annual and special assessments may be paid in installments as determined by the Board of directors in their sole discretion.

Section 10. Initial Working Capital Assessment. In addition to all assessments, an Initial Working Capital Assessment not to exceed three hundred dollars (\$300.00) shall be payable by the initial Owner, excluding the Declarant and any Builder, at the closing of the first bona fide sale of each Lot. The initial Board of Directors shall determine the amount of the Initial Working Capital Assessment.

Section 11. Non-Payment and Remedies. If any Lot Owner is more than thirty (30) days delinquent in the payment of any installment of any assessment contemplated by this Declaration, the Board of Directors may declare the entire unpaid balance of the assessment immediately due and payable. Additionally, any assessment, or installment thereof not paid within fifteen (15) days after the date upon which it is due shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum or the maximum rate allowed by law, whichever is greater, together with a late charge in

the greater amount of ten dollars (10.00) or ten percent (10%) of the assessment amount due. Moreover, if any assessment, or any installment thereof, is not paid within thirty (30) days after the date upon which it is due, the Association may bring an action at law against the Lot Owner personally obligated to pay the same and initiate proceedings to foreclose the lien against the Lot Owner's property to which it attaches. The Association shall be entitled to collect all fees and costs of collection, including attorneys' fees and even Lot Owner by accepting a deed to property in Magnolia Ridge, whether so expressed in the deed or not, covenants and agrees to pay the same. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Magnolia Ridge Common Area or abandonment of its property.

Section 12. Certificate Re: Status of Assessments. The Association shall, upon demand by a contract purchaser or a Mortgagee, of a Lot in which it has a legal interest, and for a reasonable charge to be determined by the Board of Directors (initially Twenty-Five Dollars (\$25.00), however, such sum may be increased by a reasonable amount by action of the Board of Directors for each such demand, furnish a certificate signed by an officer or designate of the Board of Directors of the Association setting forth whether the assessments on the Lot have been paid, and whether the Lot Owner of such Lot is in default in the performance of any other obligation to the Association. Such properly executed certificate of the Association regarding the status of assessments against a Lot in Magnolia Ridge shall be binding upon the Association as of the date of the issuance. If the Association does not deliver a properly executed certificate within fourteen (14) days after receipt of written request therefor and after payment of the fee by the requesting party, the Association shall have been deemed to

certify that no assessments are past due with respect to such Lot and that the Lot Owner is not otherwise in default in the performance of any obligation to the Association. Nothing contained in the foregoing sentence shall be deemed to be a covenant for the benefit of a Lot Owner, and an error made by the Association or delay by the Association in the making or delivery of such certificate shall not estop the Association as to the Lot Owner or preclude the exercise of any right or remedy against the Lot Owner. The certificate described in this Section shall not be deemed a substitute for the disclosure statement, which the Association is required to prepare pursuant to the Act.

Section 13. Subordination of the Lien to Mortgages. Except as otherwise provided by the Act or other applicable statute, the lien of the assessments provided for herein shall be subordinate to the lien of any and all Mortgages and the lien for real estate taxes. Sale or transfer of any Lot subject to assessment shall not affect the assessment lien, but, rather, the grantor and grantee shall be jointly and severally liable for the payment of the assessment secured thereby. A Mortgagee shall not be liable for any lien for assessments arising prior to a foreclosure. If the sale or transfer of any Lot subject to assessment pursuant to foreclosure of a first mortgage or deed of trust or any proceeding in lieu thereof extinguishes the lien of such assessments as to payments which became due prior to such sale or transfer, the personal obligation of the Lot Owner whose Lot was subject to the lien shall not be extinguished or otherwise affected. No sale or transfer shall relieve such property from liability for any assessments thereafter becoming due or from the lien thereof.

Section 14. Proration of Assessments. All assessments shall be subject to proration based upon the number of days in the year the Lot is owned by the Owner, which assessment in the case of a first time sale shall be due and payable at closing; provided that assessments have commenced as of that date.

ARTICLE VI
INSURANCE AND CASUALTY

Section 1. Insurance With Respect to Magnolia Ridge Common Areas.

Premiums for all insurance on the Magnolia Ridge Common Area shall be common expenses of the Association and shall be included in the annual assessment. The Board of Directors, in its sole discretion, shall obtain a public liability policy covering the Magnolia Ridge Common Area, the Association and all Lot Owners for all damage or injury caused by the negligence of the Association or any of its agents or Lot Owners. The public liability policy shall have a severability of interests provision or endorsement and shall be written in such amounts, as the Board of Directors shall deem appropriate.

Section 2. Requirements of Policies. All insurance coverage obtained by the Board of Directories shall be written in the name of the Association as trustee for the respective benefited parties as further identified in (b) below. The provisions hereinafter set forth shall govern such insurance.

(a) All policies shall be written with a company licensed to do business in the Commonwealth of Virginia which holds a rating of A or better and is assigned a financial size category of XI or larger as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating.

(b) All policies on the Magnolia Ridge Common Area shall be for the benefit of the Declarant, Association and all Lot Owners, as their respective interests appear.

(c) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors, provided, however, no Mortgage having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Lot Owners, occupants, or their Mortgages.

(e) The Association's Board of Directors shall be required to make reasonable efforts to secure insurance policies that will provide for the following.

(i) a waiver by the insurance of its rights to subrogation as to any claim against the Association's Board of Directors, its manager, the Lot Owners, and their respective tenants, servants, agents, and guests;

(ii) a statement that no policy may be canceled, invalidated, suspended, or subject to nonrenewal on account of the conduct of any one or more individual Lot Owners.

(iii) a statement that no policy may be canceled, invalidated, suspended, or subject to nonrenewal on account of the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its manager, any Lot Owner, or Mortgagee;

(iv) that any "other insurance" clause in any policy exclude individual Lot Owners' policies from consideration, and

(v) that the Association will be given at least thirty (30) days' prior written notice of any cancellation, substantial modification, or non-renewal.

Section 3. Additional Coverages. In addition to the other insurance required by this Article, the Board of Directors may obtain, as a common expense, such other insurance as the Board deems appropriate, including (a) worker's compensation insurance, if and to the extent required by law; (b) directors' and officers' liability coverage, if available at a reasonable premium; and (c) a fidelity bond or bonds on directors, officers, agents and employees handling or responsible for the Association's funds, if available at a reasonable premium. The amount of fidelity coverage shall be determined in the Board of Directors' best business judgment but if available at a reasonable premium, may not be less than three months' annual assessments on all Lots, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and shall require at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal.

Section 4. Individual Insurance. By virtue of taking title to property within Magnolia Ridge subject to the terms of this Declaration, each Lot Owner covenants and agrees to carry blanket all-risk casualty insurance on the Lot Owner's property and structures constructed thereon meeting the same requirements as set for in Section 2 of this Article. Each Lot Owner further covenants and agrees that upon any partial loss or damage and destruction resulting in less than total destruction of structures upon the Lot Owner's Lot, the Lot Owner shall proceed promptly to repair or reconstruct the damaged structure in a manner consistent with the original construction or such other

plants and specifications as are approved in accordance with this Declaration. The Lot Owner shall pay any cost of repair or reconstruction, which isn't covered by insurance proceeds. If the structure is totally destroyed the Lot Owner may decide not to rebuild or to reconstruct, in which case the Lot Owner shall clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction and thereafter the Lot Owner shall continue to maintain the Lot in a neat and attractive condition consistent with the Magnolia Ridge Standards (hereinafter defined).

Section 5. Damage and Destruction.

(a) Immediately after damage or destruction by fire or other casualty to all or any part of the property covered by insurance written in the name of and for the benefit of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring to substantially the same condition in which it existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

(b) Any damage or destruction to the Magnolia Ridge Common Area shall be repaired or reconstructed unless Lot Owners representing at least seventy-five percent (75%) of the total votes of all Lot Owners shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and

detailed estimates of the cost of repair or reconstruction or both, are not made available to the Association within the sixty (60) day period, then the period shall be extended until such information shall be made available provided, however, such extension shall not exceed an additional sixty (60) day period, then the period shall be extended until such information shall be made available, provided, however, such extension shall not exceed an additional sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to Magnolia Ridge Common Area or the Recreational Facilities shall be repaired or reconstructed except as may be required by the term of any Mortgage.

(c) If it is determined in the manner described above that the damage or destruction to the Magnolia Ridge Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then the affected property shall be restored to its natural stage and maintained by the Association or the owner of the Recreational Facilities, in a neat and attractive condition consistent with the Magnolia Ridge Standards.

Section 6. Disbursements of Proceeds. If the damage or destruction for which the proceeds of insurance policies are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs and reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction to the Magnolia Ridge Common Area shall be retained by and for the benefit of the Association and placed in a capital improvements account for the benefit of the Magnolia Ridge Common Area. If no repair or reconstruction is made, any proceeds

remaining after the Association makes such settlement as is necessary and appropriate with the affected Mortgagee, shall be retained by and for the benefit of the Association, and placed in an appropriate capital improvements account. This is a covenant for the benefit of any Mortgagee of a Lot and may be enforced by such Mortgage.

Section 7. Repair and Reconstruction. If the damage or destruction to the Magnolia Ridge Common Area for which insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors may levy a special assessment without any approval of the members being required, in an amount sufficient to defray the cost thereof. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

ARTICLE VII **ARCHITECTURAL CONTROL**

The Board of Directors and the Declarant shall have the authority and standing on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the Architectural Review Board established in Section 1 of this Article. This Article and the Magnolia Ridge Standards, as defined in Section 1 of this Article, may not be amended without the Declarant's rewritten consent so long as the Declarant owns any property within Magnolia Ridge. No construction, which term shall include within its definition, staking, clearing, excavation, grading, and other site work, and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article, until the requirements thereof have been fully met and until the approval of the Architectural Review Board has been obtained.

Section 1. Architectural Review Board. The Architectural Review Board shall have jurisdiction over all original construction, modifications, additions, improvements or alterations made on or to all existing improvements and the open space, if any appurtenant thereto, on all property within Magnolia Ridge. It shall prepare and, on behalf of the Board of Directors, shall promulgate, design and develop guidelines and application and review procedures, all as part of the Magnolia Ridge Design and Environmental Standards (the "Magnolia Ridge Standards"). The Magnolia Ridge Standards shall incorporate all restrictions and guidelines relating to development and construction contained in this Declaration as well as restrictions and guidelines with

respect to location of structures upon property, size or structures, driveway and parking requirements, and requirements with respect to foundations and length of structures.

Copies shall be available from the Architectural Review Board for review. The guidelines and procedures shall be those of the Association, and the Architectural Review Board shall have sole and full authority to prepare and to amend the Magnolia Ridge Standards. The Architectural Review board shall make the Magnolia Ridge Standards available to Owners, builders, and developers who seek to engage in development of or construction upon property within Magnolia Ridge, and such Owners, builders and developers shall conduct their operations strictly in accordance therewith. Until one hundred percent (100%) of all property within Magnolia Ridge has been developed as Improved Lots, and conveyed to purchasers in the normal course of development and sale, the Architectural Review Board shall consist of three (3) members; the Declarant shall retain the right to appoint two (2) members and Virginia Center Inc. shall retain the right to appoint one (1) member. There shall be no surrender of this right prior to that time except pursuant to written instrument in recordable form executed by Declarant and Virginia Center Inc. Upon the expiration of such right the Board of Directors shall appoint the members of the Architectural Review Board.

Section 2. No Waiver of Future Approvals. The approval of the Architectural Review Board of any proposals or plans and specifications or drawings for any work done on proposed, or in connection with any other matter requiring the approval and consent of such committee, shall not be deemed to constitute a waiver of any right to

withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters subsequently or additionally submitted for approval or consent.

Section 3. Variance. The Architectural Review Board may authorize variances from compliance with any of the provisions of the Magnolia Ridge Standards when circumstances such as topography, natural obstructions, hardship aesthetic, or environmental considerations require but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) prevent the committee from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

Section 4. Review and Control by Architectural Review Board. No building, home, fence, garage, swimming pool, improvement, addition, (alteration, including change or paint color) or other structure of any kind shall be erected, placed or altered nor shall a building permit for such improvement be applied for on any unimproved property in Magnolia Ridge until two (2) complete sets of building plans (including elevations), specifications, exterior color and finish samples, site plan (showing the proposed location of such building, drives and parking areas), landscaping plan and construction schedule shall have been reviewed and approved in writing by the Architectural Review Board. In reviewing such materials, the Architectural Review Board shall consider such things as aesthetic appearance, harmony with surrounding improvements, compliance with this Declaration and any additional criteria

adopted by the Architectural Review Board as part of the Magnolia Ridge Standards. Approval or disapproval of plans, locations or specifications may be based by the Architectural Review Board upon any ground incorporated within the Magnolia Ridge Standards including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Architectural Review Board shall be sufficient. If approval of such plans and specifications is neither granted nor denied within thirty (30) days following receipt by the Architectural Review Board of written request for approval, the party making the submission for approval shall deliver written notice to the Architectural Review Board of its failure to act, and if approval is not granted or denied within fifteen (15) days thereafter, the plans and specifications shall be deemed to be approved.

Section 5. Entry on a Property. The Architectural Review Board or any of its representatives shall have the right to enter any Improved Lot or unimproved Lot within Magnolia Ridge for the sole purpose of determining compliance with these covenants and the Magnolia Ridge Standards, and with actions of the Architectural Review Board pending or completed which affect that property. Entering a property for this purpose shall not be deemed a trespass.

ARTICLE VIII **ENVIRONMENTAL COVENANTS**

In order to protect the natural beauty of the vegetation, topography or other natural features within Magnolia Ridge, the following environmental controls are hereby established.

Section 1. Excavation. Topographic and vegetation characteristics of any property within Magnolia Ridge shall not be altered by removal, reduction, cutting, excavation or any other means without the prior written approval of the Architectural Review Board. Written approval will be granted for the minimum amount of earth movement and vegetation reduction required and plans and specifications approved pursuant to the provisions of Section 2 of this Article. All Lots with the exception of wetlands designated as conservation areas on the Country Recordation Plat, shall be cleared of obnoxious vegetation, debris and underbrush with all cleared areas mulched, seeded or sodded.

Section 2. Trees. To the extent reasonably practical, the clearing of mature trees on Lots shall be limited to those areas required to accommodate the residence to be constructed thereon and its normal and customary accessories, open front yard areas and those limited areas required to permit utility services and driveways. No trees measuring six (6) inches in diameter at a point two (2) feet above ground level which are located more than ten (10) feet away from the residence or structure constructed on the Lot, shall be removed without the prior written approval of the Architectural Review Board.

Section 3. Landscaping. The Magnolia Ridge Standards may impose specific landscaping requirements for each Lot. A detailed landscaping plan must be submitted with the other plans submitted to the Architectural Review Board for approval and must show all plantings, material size, intended placement and variety, as well as all areas which will be seeded, sodded or mulched.

Any significant plantings of trees or shrubs intended to act or resulting as a screen between properties or Lots within Magnolia Ridge must be first approved by the Architectural Review Board.

Section 4. Drainage. In order to prevent excessive "runoff" or drainage of any Lot, the Declarant hereby reserves the right for itself and the Architectural Review Board to establish a maximum percentage of land within each Lot, which may be covered by a building, patio, driveway or other structure. In the establishment of such a percentage of lot coverage, the Declarant or the Architectural Review Board may consider topography, percolation, soil types and conditions, vegetation coverage and other relevant environmental factors.

Section 5. Erosion Control. The Declarant shall have the right and hereby reserves an easement for itself and the Association, to enter upon any Lot whether improved or unimproved for the purpose of performing necessary grading, landscaping work or construction and maintaining erosion, prevention devices. The Declarant shall have the right, and hereby reserves an easement for itself and the Association, to enter onto any unimproved Lot within Magnolia Ridge to implement effective insect, reptile and woods fire control for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth which, in the opinion of the Declarant or

the Association, detracts from the overall beauty, setting or safety of Magnolia Ridge.

The cost of this vegetation control shall be kept as low as reasonably practical and shall be paid by the Lot Owner of the property upon which such work is performed. Prior to entering upon any property to undertake such maintenance or erosion control work, the Declarant or the Association shall first give the Lot Owner of such property written notice that such work must be performed within thirty (30) days after the date of delivery of the notice, or such shorter period as required by Declarant or Board of Directors if an emergency exists, or a shorter period as otherwise deemed reasonably necessary.

Only if the Lot Owner fails to take appropriate corrective action within such thirty (30) day or shorter period, shall the Declarant or the Association takes such action. The cost of any work undertaken by the Declarant or the Association shall be paid by the Lot Owner of the Lot and shall be deemed to be an assessment to remedy unsightly conditions giving rise to the lien therefor. Entrance upon any Lot within Magnolia Ridge by the Declarant or the Association for such purposes shall not be deemed to be a trespass, but rather, an easement as reserved above for such purposes by the Declarant for the Declarant and the Association.

Section 6. Wetlands. All areas designated as "Wetland Protection Area (Lists of Non-Tidal Wetlands)" on the Country Recordation Plat of the Property and the approved road, drainage and utility plans on file in Henrico County are reserved as easements for wetlands areas and shall remain undisturbed except as allowed by requirements according to the U.S. Army Corps of Engineers and Henrico County, if applicable, and as approved by the Architectural Review Board.

ARTICLE IX
RESTRICTIONS APPLICABLE TO CONSTRUCTION

Section 1. General Restrictions. All Lots, with the exception of wetlands designated as jurisdictional wetlands on the County Recordation Plat, shall be cleared of all obnoxious vegetation and debris and shall at all times be maintained in a clean and sightly manner as determined by the Board of Directors. All construction shall be prosecuted in a neat and orderly manner. Trash and debris shall not be permitted to accumulate upon any property within Magnolia Ridge, but rather, all debris and trash shall be removed from the property not less than weekly during construction. Mud, debris or trash shall not be allowed to accumulate on any adjacent property or the adjacent streets. Noise, dirt, dust and waste shall not be allowed to accumulate on any adjacent property or the adjacent streets. Noise, dirt, dust and waste shall be kept to the minimal amount as is practical. All improvements made on any Lot shall be in compliance with the Magnolia Ridge Standards as well as all applicable laws, rules and regulations, including without limitation, all state and local building, fire, health, safety, environmental (including those with respect to erosion and sediment control) and zoning ordinances and regulations.

Section 2. Utility Fees and Credits. All sewer, water and other utility tap-connection credits applicable to, or receivable in connection with, any real property within Magnolia Ridge shall be the sole property and for the sole benefit of Declarant and any party receiving, or receiving the benefit of, any such credit shall immediately

pay the amount of the utility tap-connection fee currently charged by the County of Henrico, Virginia, to Declarant.

ARTICLE X **GENERAL RESTRICTIONS**

Section 1. Residential Use. All Improved Lots shall be used for single family residential purposes exclusively. The use of a portion of any Improved Lot for business purposes by the Owner or occupant thereof shall be considered a residential use only if the Improved Lot is used for residential purposes as well and if such business use (i) is not detectable by sight sound or smell from the exterior of the residence, (ii) Is consistent with zoning and does not violate applicable law; (iii) does not increase the liability or casualty insurance premium or obligation of the Association or of the residence; and (iv) does not create any customer or client traffic to and from the Lot. The use of an Improved Lot shall not be deemed to be for single-family purposes if the Improved Lot is to be used (whether by common owners or tenants) by more than three (3) unrelated parties to reside thereon. No structure shall be erected on any Lot other than one (1) single family residential dwelling unit and one (1) small accessory building which may include a detached private garage, provided the use of such accessory building does not overcrowd the site as determined by the Architectural Review Board and provided further that such building is not used for any activity in any way conducted as a business. Such accessory building may not be constructed prior to the construction of the main building.

Section 2. Construction Period. All structures to be constructed upon any Lot must be completed within one (1) year after construction has commenced, unless such

completion is impossible or highly impractical due to strikes, fires, national emergencies, natural calamities or other acts of force majeure. Commencement of construction shall be deemed to have occurred upon the excavation of a foundation. Residences may not be temporarily or permanently occupied until completed. A residence shall be deemed to be completed upon the issuance of a certificate of occupancy or a temporary certificate of occupancy (therefor by the County of Henrico, Virginia).

Section 3. Outbuildings. No tent (except children's "play" tents), barn or similar outbuilding or structure (other than an approved accessory building as described in Section 1) shall be placed on any property within Magnolia Ridge at any time either temporarily or permanently during the time when the Declarant owns property within Magnolia Ridge, except by written permission of the Declarant or its designee.

Section 4. Temporary Structures. No structure of a temporary character shall be placed upon any property within Magnolia Ridge at any time. The foregoing prohibition shall not apply to temporary structures used by a contractor during the construction of improvements, provided such structures are not at any time used as residences and remain only in as conspicuous a place as is practical as designated by the Architectural Review Board. The foregoing prohibition shall not apply to any temporary sales offices or facilities owned or used by the Declarant.

Section 5. Animals. Only common household pet animals shall be permitted within Magnolia Ridge. All pet animals must be secured by a leash or lead, or under the control of a responsible person and obedient to that person's command at any time they are permitted outside a residence or other enclosed area upon a Lot for the maintenance and confinement of pet animals which has been approved by the

Architectural Review board. No livestock, including cattle, horses, sheep, goats, pigs or poultry shall be permitted upon any Lot. After giving a Lot Owner written notice of complaint and reasonable opportunity to remedy the situation, the Board of Directors may order the removal of any pet from Magnolia Ridge, which has become a nuisance or a danger.

Section 6. Signs. No sign may be erected upon any property within Magnolia Ridge unless first approved in writing by the Architectural Review Board. The Architectural Review Board shall permit one "For Sale" sign, not exceeding two (2) feet in size, to be placed upon an Improved Lot for sale. The Declarant or the Architectural Review Board shall establish criteria for a single sign, which may be placed on a Lot during the construction period, which may advertise the name of the builder.

Section 7. Prohibited Vehicles. No Lot Owner or any guest shall be permitted to park upon the Magnolia Ridge Common area, including the streets and curbsides located thereon except for such temporary periods as may be approved by the Board of Directors or allowed by rules and regulations promulgated by it. Parking shall only be permitted on driveways, garages and parking areas, approved by the Architectural Review Board. No commercially licensed vehicles, disabled vehicles, vehicles without a current state license, or vehicles which provide for the visible storage of machinery or other equipment shall be kept upon or adjacent to any Improved Lot unless wholly inside an enclosed garage thereon. Boats, boat trailers, campers, buses, commercial trucks, recreational vehicles or utility trailers may be maintained on a Lot but only within a garage or an enclosed or screened area approved by the Architectural Review Board so that they are not generally visible from the street or from adjacent property. This

prohibition shall not apply to the mobile homes or recreational vehicles of visiting guests of Lot Owners that are parked in the driveway of a Lot for less than seven (7) days in any thirty (30) day period.

Section 8. Motor Bikes, All Terrain Vehicles. No motor bikes, motorcycles or all terrain vehicles shall be driven upon the Magnolia Ridge Common area, Lots or roads (unless properly licensed on roads) within Magnolia Ridge with the exception of licensed vehicles and mopeds which shall be operated solely upon the public streets within Magnolia Ridge for direct ingress and egress purposes only.

Section 9. External Lighting. No external lighting shall be installed or utilized on any property within Magnolia Ridge, which is of such character, intensity or location as to interfere with the use, enjoyment and privacy of any Lot or owner in the near vicinity. No neon or flashing lights shall be permitted. The Architectural Review Board, as appropriate, as to size, location, color and intensity, shall approve all external lighting.

Section 10. Swimming Pools. No swimming pool, whether in ground or above ground, whether permanent or temporary, shall be installed upon any Lot without the prior written consent of the architectural Review Board. The Architectural Review Board shall require that all swimming pools be adequately screened from the view of adjacent lots and streets. No swimming pool shall be located nearer to any street line than the rear building line of the dwelling, or side yard building line in the case of a corner lot.

Section 11. Nuisance. No obnoxious or offensive trade or activity shall be carried on upon any Lot nor shall anything be done which shall be or become an annoyance or nuisance to anyone residing on neighboring Lots or elsewhere within Magnolia Ridge.

Section 12. Antennae. No television antenna, radio receiver or sender or other similar device shall be attached to or installed on the exterior portion of any building or structure or any Lot except as follows:

(a) The provisions of this paragraph shall not prohibit the installation by the Declarant or the Association of equipment necessary for a master antenna system, community antenna television (CATV) and mobile radio systems or similar systems within Magnolia Ridge; and

(b) A Lot Owner may make written application to the Architectural Review Board for permission to install a small (18" diameter or less) satellite receiving antenna. The decision to grant permission shall be in the Architectural Review Board's discretion, provided that such antenna shall not extend above the roofline of the house and that it shall either be screened from view or not present an unsightly appearance.

Section 13. Fireplaces. All coal-burning or wood-burning fireplaces must have masonry chimney, gas or ornamental fireplaces may; be wall-vented with no chimneys, as allowed by applicable building codes.

Section 14. Driveways. All driveways and entranceways to each lot and/or dwelling shall be paved.

Section 15. Foundations. All visible portions of exterior foundations shall be constructed of brick or stone. Synthetic stucco foundations may be permitted when the entire house is constructed of synthetic stucco.

Section 16. Construction Quality. Each dwelling shall be constructed of quality materials consisting of brick, wood or vinyl or a combination of such materials.

Alternate materials of similar quality in appearance and durability may be approved by

the Committee in connection with the approval of plans and specifications for the dwelling.

Section 17. Metal Roofs. There shall be no metal roofs on any structure.

Section 18. Carports. Carports are prohibited.

Section 19. Water and Sewer Service. Each dwelling constructed must be connected to and served by public water and sewer facilities.

Section 20. Virginia Center Parkway Access. There shall be no access from any lot to Virginia Center Parkway.

Section 21. Resubdivision. No lot shall be subdivided, partitioned in kind or its boundary lines otherwise changed, nor shall application for same be made to the County of Henrico, Virginia, or any court of the commonwealth of Virginia, unless with the prior written consent of the Architectural Review Board. However, the Declarant expressly reserves for itself, its successor and assigns, subject to be approval of the County of Henrico, Virginia the right to replat or resubdivide any Magnolia Ridge Common Area, Lot or other property owned by it in order to create a modified Lot or property and to take such other steps as are reasonably necessary to make such Lots and property suitable as a building site, including, but not limited to, relocation of easements, walkways and rights-of-way, or to remove gaps and gores between the property boundaries. This Section shall not be deemed to prohibit the combining of two (2) or more contiguous Lots into one (1) larger Lot, however, the resulting Lot, if combined by an Owner other than the Declarant, shall retain the vote and assessment unit of two (2) Lots.

Section 22. Rules and Regulations. The Board of Directors is granted and shall have the power to promulgate and enforce rules and regulations, from time to time, governing the use of, and activity upon the Common Area. All rules and regulations promulgated by the Board of Directors shall be published and distributed to each member of the Association, at least thirty (30) days prior to their effective date.

ARTICLE XI **EASEMENTS**

Section 1. Scenic Easement. A scenic easement for landscaping and natural areas is hereby reserved, for the benefit of all Lot Owners, the Declarant and the Association, within the portion of the Magnolia Ridge Common Area and the Lots set forth below, except to the extent necessary for utility easements, signage, roads, and other purposes required or permitted by the County of Henrico, Virginia Planning Commission at the time of subdivision or plan of development approval or by any other governmental body, agency, commission, board, department or official of the County of Henrico, Virginia.

The scenic easement reserved by this Section for the Lots is applicable only for Lots 1 - 5 of Section D, and is described as a twenty-five (25) foot natural area and no access strip (scenic easement) in width parallel to and abutting the right-of-way lines of Virginia Center Parkway.

No fences, roadways, or other improvements, whether temporary or permanent, may be constructed or placed at any time within the scenic easement, except as approved in writing by the Architectural Review Board. All areas within the scenic easement are either to be left in a natural, undisturbed state, or may be improved and maintained in accordance with the approval of the Architectural Review Board. Where the placement of utility easements within the scenic easement area results in the inability to provide adequate screening within the scenic easement area, the Board of

Directors may require additional planting to be provided by respective owner adjacent to the scenic easement area to provide appropriate screening for uses on the property. In addition to the scenic easement reserved hereby the Declarant reserves for itself and the Association a perpetual easement to go over and upon such parts of the Magnolia Ridge Common Area and the Lots as are subject to the scenic easement for the purpose of effecting the maintenance, removal and planting as is permitted by this Section.

Section 2. Easements for Utilities. There is hereby reserved for the local water supplier, electric company, natural gas supplier, and cable television supplier easements across all Lots and the Common Areas for ingress, egress, installation, reading, replacing, repairing and maintaining utility meters and boxes. The exercise of this easement shall not extend to permitting entry into the dwelling on any Lot. Notwithstanding anything to the contrary contained in the Section, no sewers, electrical lines, water lines or other utilities may be installed, relocated or accessed on the Property, except as approved by the Declarant, as long as the Declarant owns any Lot within the Property, and by the Board of Directors.

Section 3. Easements for Hedges and Fences. Each Lot and its Lot Owner are declared to have an easement and the same is granted by the Declarant, for encroachments on adjoining Lots or Common Area, as the case may be, due to hedges or fences, if any, (which shall have been previously approved by the Architectural Review Board belonging to such Lot, to the extent such hedge or fence encroaches on adjoining Lots or Common Area provided such encroachments do not exceed one (1) foot or interfere with the use of any improvements on the servient property. No such

easement shall be created in favor of a Lot Owner if the encroachment occurred due to the willful misconduct of the Lot Owner.

Section 4. Duties of the Association. There are reserved for the benefit of and granted to the Association such easements as may be necessary to perform the duties and obligations of the Association set forth in this Declaration.

Section 5. Priority of Easements. Each of the easements hereinabove referred to shall be deemed to have been established or reserved upon the recordation of this Declaration and shall henceforth be deemed to be easements and covenants running with the land for the use and benefit of the Lots, and the Magnolia Ridge Common area, as the case may be, superior to all other encumbrances which may hereafter be applied against or in favor of the Property or any portion thereof.

ARTICLE XI **ENFORCEMENT**

Section 1. Charges for Violations. The Board of Directors shall have the power to impose reasonable charges for violations, which shall constitute a lien upon the property of the violating Lot Owner, and to suspend a Lot Owner's right to vote for violation of any duty imposed under this Declaration, the By-Laws, or any rules and regulations duly adopted thereunder; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Lot. If any occupant of a Lot violates the Declaration, By-Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant within the time period set by the Board of Directors and, if not promptly paid, the Lot Owner shall pay the fine upon notice for the Association. The failure of the Board of Directors to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board of Directors to do so thereafter.

(a) Notice. Prior to imposition of any sanction hereunder, the Board of Directors or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation (ii) the proposed sanction to be imposed, (iii) a period of not less than fourteen (14) days within which the alleged violator may present a written request to the Board of Directors or its delegate for a hearing, and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within fourteen (14) days of the notice. If a timely challenge is not

made, the sanction stated in the notice shall be imposed. Such notice shall be deemed given upon delivery, by hand or when mailed by registered or certified mail return receipt requested to the violator at the address of record with the Association.

(b) Hearing. If a hearing is requested in a timely manner, the hearing shall be held before the Board of Directors, or a committee thereof, affording the Lot Owner a reasonable opportunity to be heard. Prior to the effectiveness of any sanction imposed hereunder, proof of property notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction if any imposed. The Board of Directors may, but shall not be obligated to suspend any proposed sanction if the violation is cured within the fourteen (14) day period. Such suspension shall not constitute a waiver of the right to impose sanctions as a result of future violations of the same or other provisions and rules by any party.

Section 2. Additional Enforcement Rights. In addition to the assessment of charges, the Declarant and the Association shall have the right to enforce all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration as may be provided by law, including any legal action or proceeding at law or in equity. Failure by the Declarant or the Association to enforce any covenant or restriction herein contained shall not be construed or deemed a waiver of the right to do so thereafter. In the event either the

Declarant or the Association seeks to obtain an injunction against a Lot Owner, it shall comply with §55-513 of the Act or its successor. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these By-Laws, or the rules and regulations of the Association by self-help (specifically including but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Lot Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

ARTICLE XII **GENERAL PROVISIONS**

Section 1. Amendments by the Declarant. The Declarant specifically reserves the right to exclusively amend this Declaration, or any portion hereof, without the requirement of obtaining consent of any Owner, during the Period of Declarant Control, so long as no such amendment dilutes the voting power of existing Members or raises the amount of assessments of such existing Members.

Section 2. Terms and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a period of fifty (50) years from the recordation of this Declaration in the Clerk's Office after which the term of this Declaration shall be automatically extended for successive periods of ten (10) years, unless an approved instrument terminating this Declaration is recorded in the Clerk's Office. This Declaration may be amended or terminated at any time by an instrument approved by more than two-thirds (2/3) of the votes entitled to be cast by all of the members of the Association. Any amendment or termination of this Declaration to be effective must (i) be executed by the president of the Association and be attested to by the secretary of the Association, (ii) have attached to it the sworn affidavit of the secretary of the Association stating that the amendment was approved by the requisite number of votes of the members of the Association, and (iii) be recorded in the Clerk's Office.

Section 3. Declarant's Rights.

(a) Any or all of the special rights and obligations of the Declarant may be transferred to other parties, provided that the transfer shall not reduce an obligation nor

enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is pursuant to a written instrument signed by the Declarant and duly recorded in the Clerk's Office. So long as the Declarant is a Member of the Association, no party shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of Magnolia Ridge without Declarant's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant. This Section may not be amended without the express written consent of the Declarant; provided, however, the rights contained in this Section shall terminate upon the earlier of (a) twenty-five (25) years from the date this Declaration is recorded, or (b) upon recording by Declarant of a written statement by which the Declarant terminates its rights hereunder.

(b) Declarant may designate a successor Declarant or declarants to take and hold some or all of its respective rights, powers, privileges and obligations as Declarant under this Declaration, by written instrument recorded in the Clerk's Office. The Association and the Owners shall not enjoy any of the rights, powers, privileges or obligations of the Declarant unless specifically granted or assigned by this Declaration or by written instrument executed by the Declarant and recorded in the Clerk's Office. The "Declarant's Utility Rights" shall continue to remain vested exclusively in the Declarant even after such time as the Declarant has conveyed some or all of its other rights, title and interest in and to the Lots and all other portions of the Property, unless

specifically assigned or conveyed as provided herein. The beneficiary of the first deed of trust given by the Declarant, encumbering undeveloped property and developed but unsold property subject to this Declaration, may, upon foreclosure of that deed of trust or upon receipt of title to the property encumbered thereby pursuant to a deed in lieu of foreclosure, succeed to any or all of the Declarant's rights under this Declaration but shall succeed to only any or all of the Declarant's rights under this Declaration, but shall succeed to only those rights of the Declarant which it elects to succeed to as specifically set forth in the trustee's deed or deed in lieu of foreclosure by which it or its nominee take title.

Section 4. Exclusive Use of the Name "Magnolia Ridge". The Declarant is the sole and exclusive owner of, and shall have the sole and exclusive right to use, the name "Magnolia Ridge" within, on or about and with respect to the property ventures, trade and housing within, conducted within or about, or located on any of the property within magnolia Ridge. No party shall use the name "Magnolia Ridge" in connection with any business, neighborhood or organization, nor shall the name "Magnolia Ridge" be placed on or incorporated in any sign or other visible medium without the prior written consent of the Declarant, which consent may be withheld by the Declarant in its sole discretion.

Section 5. Severability. Invalidation of any one of these covenants or restrictions by judgement or court order shall not affect any other provisions, which shall remain in full force and effect.

Section 6. Interpretation. Notwithstanding anything contained herein to the contrary, all the provisions of these covenants shall be subject to and conform with the

applicable provisions of the Zoning Approval for Magnolia Ridge. The Declaration shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. To the extent this Declaration contains provisions relating to elements of, or property within Magnolia Ridge which are not presently a part of Magnolia Ridge, such provisions shall not be deemed applicable unless and until such time, if ever, that such elements or such property becomes a part of Magnolia Ridge by the annexation of such property or the construction of such elements, or both. However, all provisions which may initially be inapplicable but which become applicable at a later date upon the occurrence of a future event shall be deemed to have been applicable beginning on the date that this Declaration is recorded in the Clerk's Office with the same priority as all provisions of this Declaration which are initially applicable.

ARTICLE XIII
SPECIAL FLMC AND FNMA PROVISIONS

So long as required by the Federal Home Loan Mortgage Corporation, or the Federal National Mortgage Association, the following provisions apply in addition to and not in lieu of any other provisions in this Declaration. Unless at least two-thirds (2/3) of the Mortgagees or Lot Owners representing at least two-thirds (2/3) of the Association total votes entitled to be cast thereon consent, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer all or any material portion of the real property comprising the Magnolia Ridge Common Area which the Association owns, directly or indirectly (the exercise of the Declarant's Utility Rights and granting of easements for utilities or other similar purposes consistent with the intended use of the Magnolia Ridge Common Area shall not be deemed a transfer within the meaning of this subsection);

(b) Change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner of a Lot (a decision including contracts, by the Board of Directors or provisions of any declaration subsequently recorded on any portion of Magnolia Ridge shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Declaration);

(c) By act or omission changes, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of improvements on Lots and the Magnolia Ridge

Common Area (the issuance and amendment of architectural standards, procedures, rules and regulations or use restriction shall not constitute a change, waiver, or abandonment within the meaning of this provision);

(d) Failure to maintain insurance as required by this Declaration; or

(e) Use hazard insurance proceeds for any Magnolia Ridge Common Area losses for other than the repair, replacement or reconstruction of such property.

Mortgagees may, jointly or individually, pay taxes or other charges which are in default and which may or have become a charge against the Magnolia Ridge Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed by duly authorized officers.

Atack Properties, Inc. a Virginia corporation

By: s/s Robert M. Atack
Robert M. Atack
President

State of Virginia, County of Henrico, to-wit:

I, Peggy G. Kniceley, a notary public of the state and county aforesaid, do certify that Robert M. Atack, President, whose name was signed on June 26, 1995, in his

capacity on that date to the foregoing document has acknowledged said document and signature before me in the county aforesaid.

Given under my hand and notarized seal this 28th day of June, 1995.

s/s Peggy G. Kniceley
Notary Public

My Commission expires 10/31/97.

EXHIBIT "A"

**TO THE DECLARATION OF RIGHTS, EASEMENTS, RESTRICTIONS,
COVENANTS, AFFIRMATIVE OBLIGATIONS AND CONDITIONS APPLICABLE
TO ALL PROPERTY IN MAGNOLIA RIDGE**

Being all those certain tracts or parcels of land, with all improvements thereon and appurtenances thereunto belonging, lying and being in Henrico County, Virginia and designated as Tracts I, 3, 8 and 9 on a Plat by Jordan Consulting Engineers, P.C., dated April 13, 1995 entitled "Survey Plat for Attack Properties, Inc. showing nine parcels of land situated on the north right of way line of Francis Road, Henrico County, Va.", and designated as Parcels A and B on a plat by J. K. Timmons & Associates P.C. dated January 9, 1995, entitled "Plat showing two parcels of land lying west of U.S. Route 1 and east of Greenwood Road, Henrico County, Va.", and being more particularly bounded and described in accordance with said plats as follows:

Beginning at a point on the northern boundary of the right of way line of Francis Road, said point being approximately 587 feet from the point of intersection of the northern boundary of the right of way line of Francis Road and the western boundary of the right of way line of U .S. Route No. (Book Road). Thence in a westerly direction with three (3) courses and distances along the northern right of way line of Francis Road; (1) Along a circular curve to the left having a delta angle of 04-27-00, a radius of 2889.79 feet and an arc length of 224.44 feet to a VDOT Monument found; (2) Thence S 74-20-00 W 533.41 feet to a VDOT Monument found; (3) Thence along a circular curve to the left having a delta angle of 11-19-37, a radius of 979.93 feet, and an arc length of 193.73 feet to a point.

Thence leaving the northern boundary of the right of way line of Francis Road in a northerly direction with forth (40) courses and distances:

1. N 63-10-49 E 79.25 feet to a point;
2. Thence along a circular curve to the left having a delta angle of 29-13-42; a radius of 283.71 feet, and an arc length of 144.73 feet to a point;

3. Thence along a circular curve to the left having a delta angle of 99-54-16; a radius of 25.00 feet, and an arc length of 43.59 feet to a point;
4. Thence along a circular curve to the right having a delta angle of 23-36-10, a radius of 770.00 feet, and an arc length of 317.20 feet to a point;
5. Thence S 47-24-32 W 360.43 feet to a point;
6. Thence N 46-21-53 W 658.14 feet to a ½" rod found;
7. Thence S 54-44-07 W 817.88 feet to a ½" rod found;
8. Thence N 52-06-56 W 263.46 feet to a 5/8' rod found;
9. Thence N 04-52-50 E 646.12 feet to a point;
10. Thence N 34-40-43 E 559.68 feet to a 1" pipe found;
11. Thence N 57-45-43 E 41.58 feet to a point;
12. Thence N 36-25-50 E 376.20 feet to a point;
13. Thence N 63-38-50 E 113.52 feet to a point;
14. Thence N 33-49-01 W 184.87 feet to an iron found;
15. Thence S 70-29-03 W 691.71 feet to a pipe found;
16. Thence S 79-42-49 W 226.98 feet to a pipe found;
17. Thence S 54-20-12 W 298.73 feet to an iron found;
18. Thence N 15-52-57 W 1485.39 feet to a stone found;
19. Thence N 56-55-44 E 254.89 feet to a pinch pipe found;
20. Thence N 64-55-51 E 402.10 feet to a pinch pipe found;
21. Thence N 20-26-25 E 410.73 feet to a rod found;
22. Thence N 23-25-34 E 698.83 feet to a pinch pipe found.
23. Thence N 73-13-18 E 185.84 feet to a rod set;
24. Thence N 74-48-19 E 324.81 feet to a rod found;
25. Thence S 44-45-01 E 1493.37 feet to a point;
26. Thence S 46-47-58 E 525.68 feet to a 3/8" rod found;
27. Thence S 44-16-00 W 1140.50 feet to a ½" rod found;
28. Thence S 47-44-15 E 548.77 feet to a point;
29. Thence N 41-13-00 E 197.71 feet to a point;
30. Thence S 47-44-15 E 437.86 feet to a point;
31. Thence S 11-33-36 E 332.85 feet to a point;
32. Thence S 42-11-00 W 530.00 feet to a point;
33. Thence N 47-49-00 W 395.63 feet to a point;
34. Thence N 85-46-00 W 106.83 feet to a point;
35. Thence along a circular curve to the left having a delta angle of 32-50-19, a radius of 860.00 feet, and an arc length of 492.90 feet to a point;
36. Thence S 28-36-00 E 140.87 feet to a point;
37. Thence along a circular curve to the left having a delta angle of 77.03-58, a radius of 690.00 feet; and an arc length of 928.09 feet to a point;
38. Thence N 74-20-02 E 106.36 feet to a point;
39. Thence along a circular curve, to the right having a delta angle of 03-15-47, a radius of 2640.00 feet and an arc length of 150.35 feet to a point.
40. Thence S 07-56-14 E 9.52 feet to a point on the northern right of way line of Francis Road, said point being the Point and Place of beginning or Magnolia Ridge and containing 164.85 acres more or less.

**FIRST AMENDMENT AND NOTICE OF ADDITION
TO
DECLARATION OF RIGHTS, EASEMENTS, RESTRICTIONS,
COVENANTS, AFFIRMATIVE OBLIGATIONS AND CONDITIONS
APPLICABLE TO ALL PROPERTY IN
MAGNOLIA RIDGE AT VIRGINIA CENTER**

THIS FIRST AMENDMENT ("First Amendment") is made this 31st day of October, 1996, by Attack Properties, Inc., a Virginia corporation ("Declarant").

WITNESSETH:

RECITALS

A. Pursuant to that certain Declaration of Rights, Easements, Restrictions, Covenants, Affirmative Obligations and Conditions Applicable to All Property in Magnolia Ridge at Virginia Center (hereinafter "Magnolia Ridge"), dated June 26, 1995 and recorded in the Clerk's Office of the Circuit Court of Henrico County, Virginia (the "Clerk's Office") in Deed Book 2597, Page 1125 (the "Declaration"), Attack Properties Inc. ("Declarant") submitted all property therein described, consisting of Section 1 of Magnolia Ridge, and Additional Lands, which are defined in the Declaration to include other real property which is a part of Magnolia Ridge.

B. The real property comprising Section 1, Magnolia Ridge, was acquired by Declarant.

C. Declarant, now desires to amend further the Declaration, as hereinafter set forth.

NOW, THEREFORE: for and in consideration of the premises, Declarant hereby amends the Declaration as follows:

1. Budget Deficit/Amendment. The following new subparagraph (e) is inserted in Section 8 of Article V of the Declaration:

(e) If in any year during the Declarant Control Period the total of expenses, including unpaid expenses if properly attributable and/or allocated to such year, and budgeted reserves, after taking into account any special assessments pursuant to Section 5 of this Article V and/or this Section 8, exceed the budget for expenses and reserves, as it may have been amended, Declarant will pay to the Association an amount equal to such deficiency within fifteen (15) days after receipt of written notice from the Association accompanied by a statement of receipts, expenses and reserves in reasonable detail, and the provisions of Section 12 of this Article V shall apply thereto.

2. Declaration Confirmed. Except to the extent modified hereby, the Declaration, as heretofore amended, is ratified and continued in effect.

IN WITNESS WHEREOF, Declarant has caused their name to be signed hereto by the officer who is authorized to do so.

ATAK PROPERTES, INC., a Virginia
corporation

By (s) Cindy Sheppard, Vice President

**SECOND ADMENTMENT AND NOTICE OF ADDITION TO
DECLARATION OF RIGHTS, EASEMENTS, RESTRICTIONS,
COVENANTS, AFFIRMATIVE OBNLIGATIONS AND CONDITIONS
APPLICABLE TO ALL PROPERTIES IN
MAGNOLIA RIDGE AT VIRGINIA CENTER**

THIS SECOND AMENDMENT (“Second Amendment”) is made this 1st day of May, 1997, by Atack Properties, Inc., a Virginia corporation (“Declarant”)

WITNESSETH:

RECITALS

A. Pursuant to that certain Declaration of Rights, Easements, Restrictions, Covenants, Affirmative Obligations and Conditions Applicable to All Property in Magnolia Ridge at Virginia Center (hereinafter “Magnolia Ridge), dated June 26, 1995, and recorded in the Clerk’s Office of the Circuit Court of Henrico County, Virginia (the “Clerk’s Office”) in Deed Book 2597, Page 1125-1158 (the “Declaration”), and the First Amendment to the Declaration dated October 31, 1996 recorded in the Clerk’s Office in Deed Book 2683, Pages 147-149, Declarant submitted all property therein described consisting of Section 1 of Magnolia Ridge, and Additional Lands, which are defined in the Declaration to include other real property which is a part of Magnolia Ridge, part of which is more particular described as Scott’s Ridge at Magnolia Ridge, Section 1 (“Scott’s Ridge”).

B. The real property comprising Scott’s Ridge at Magnolia Ridge, Section 1 was acquired by Declarant, and Declarant now desires to confirm that the property included in Scott’s Ridge has been and is and now shall be subject to the Declaration as amended.

C. Declarant, now desires, pursuant to the provisions of Article III and Article XII of the Declaration, to amend further the Declaration to confirm and to provide for the annexation of Scott's Ridge and to provide that it is now subject to the Declaration, as amended.

NOW THEREFORE, for an in consideration of the premises, Declarant hereby amends the Declaration and confirms that certain Additional Lands have been and are now subject to the Declaration, as follows:

1. Scott's Ridge at Magnolia Ridge, Section 1. Declarant hereby declares that the land comprising Scott's Ridge at Magnolia Ridge, Section 1, which is more particularly described on Schedule A attached hereto and to be recorded herewith, is subject to, and shall be held, sold and conveyed subject to the terms and conditions contained in the Declaration, as amended.

2. Declaration Confirmed. Except to the extent modified hereby the Declaration, as heretofore amended, is ratified and continued in effect.

IN WITNESS WHEREOF, Declarant has caused its name to be signed hereto by the officer who is authorized to do so.

ATAK PROPERTIES, INC., a Virginia
Corporation

By s/s Cindy Sheppard
Cindy Sheppard, Vice President

COMMONWEALTH OF VIRGINIA
COUNTY OF HENRICO, to-wit:

The foregoing instrument was acknowledged before me this 1st day of May, 1997, by Cindy Sheppard, Vice President of Atack Properties, Inc., a Virginia corporation.

My commission expires 10/31/97.

s/s Peggy G. Kriceley
Notary Public

EXHIBIT A

ALL that certain piece, parcel or tract of land with all appurtenances thereunto belonging, lying, and being in Fairfield Magisterial District of Henrico County, Virginia, containing 8.171 acres being shown and designated as Parcel 1 on that certain plat of survey dated January 16, 1995, prepared by Jordan Consulting Engineers, P.C., entitled "SURVEY PLAT FOR ATACK PROPERTIES, INC. SHOWING A 8.171 ACRE PARCEL SITUATED ON THE NORTH R/W LINE OF FRANCIS ROAD, FAIRFIELD MAGISTERIAL DISTRICT, HENRICO COUNTY, VIRGINIA", a copy of which plat is recorded in the Clerk's Office, Circuit Court, Henrico County, Virginia, in Plat Book 100, Page 51.

BEING the same real estate conveyed to Ann Catherine Cross by deed of partition from Bettie P. Cross, widow of Robert N. Cross, deceased, et al, dated November 13, 1913, recorded January 30, 1914 in the Clerk's Office, Circuit Court, County of Henrico, Virginia, in Deed Book 201B, Page 157. The said Ann Catherine Cross died February 12, 1969, and by her will dated July 13, 1554, recorded March 7, 1969 in Will Book 40, Page 328, devised the aforesaid property to her nephew, Thomas Arthur Scott. (Tax Map Number 99-A2-80).

**THIRD AMENDMENT AND NOTICE OF ADDITION
TO
DECLARATION OF RIGHTS, EASEMENTS, RESTRICTIONS,
COVENANTS, AFFIRMATIVE OBLIGATIONS AND CONDITIONS
APPLICABLE TO ALL PROPERTY IN
MAGNOLIA RIDGE AT VIRIGNIA CENTER**

WITNESSETH:

RECITALS.

A. Pursuant to that certain Declaration of Rights, Easements, Restrictions, Covenants, Affirmative Obligations and Conditions Applicable to All Property in Magnolia Ridge at Virginia Center (hereinafter “Magnolia Ridge”), dated June 26, 1995, and recorded in the Clerk’s Office of the Circuit Court of Henrico County, Virginia (the “Clerk’s Office”) in Deed Book 2597, Pages 1125-1158 (the “Declaration”), the First Amendment to the Declaration dated October 31, 1996 recorded in the Clerk’s Office in Deed Book 2683, Pages 147-149, and the Second Amendment and Notice of Addition to the Declaration dated May 1, 1997 recorded in the Clerk’s Office in Deed Book 2728, Pages 1 – 4, Declarant submitted all property therein described, consisting of Section 1 of Magnolia Ridge, and Additional Lands, which are defined in the Declaration to include other real property which is a part of Magnolia Ridge, part of which is more particularly described as magnolia Ridge, Section 2 (“Magnolia Ridge, Section 2”).

B. The real property comprising Magnolia Ridge, Section 2 was acquired by Declarant, and Declarant now desires to confirm that the property included in Magnolia Ridge, Section 2 has been and is and now shall be subject to the Declaration, as amended.

C. Declarant, now desires, pursuant to the provisions of Article III and Article XII of the Declaration, to amend further the Declaration to confirm and to provide for the annexation of Magnolia Ridge, Section 2 and to provide that it is now subject to the Declaration, as amended.

NOW, THEREFORE, for and in consideration of the premises, Declarant hereby amends the Declaration and confirms that certain Additional Lands have been and are now subject to the Declaration, as follows:

1. Magnolia Ridge, Section 2. Declaration hereby declares that the land comprising Magnolia Ridge, Section 2, which is more particularly described on Schedule A attached hereto and to be recorded herewith, is subject to, and shall be held, sold and conveyed subject to the terms and conditions contained in the Declaration, as amended.

2. Declaration Confirmed. Except to the extent modified hereby, the Declaration, as heretofore amended, is ratified and continues in effect.

IN WITNESS WHEREOF, Declarant has caused its name to be signed hereto by the officer who is authorized to do so.

ATAK PROPERTIES, INC., a Virginia
Corporation

By s/s Cindy Sheppard
Cindy Sheppard, Vice President

COMMONWEALTH OF VIRGINIA
COUNTY OF HENRICO, to-wit:

The foregoing instrument was acknowledged before me this 22nd day of September, 1998, by Cindy Sheppard, Vice President of Atack Properties, Inc., a Virginia corporation.

My commission expires September 30, 2001.

s/s Lisa W. Hicks
Notary Public

SCHEDULE A

ALL those certain lots, pieces or parcels of land with improvements thereon and appurtenances thereunto belonging, lying and being in Fairfield Magisterial District, Henrico County, Virginia, containing 31.93 acres being shown and designated as Phase 2 on that certain plat of survey dated March 19, 1998, prepared by Jordon Consulting Engineers, P.C., entitled "COMPILED PLAT FOR ATACK PROPERTIES, INC., SHOWING 2 PARCELS SITUATED APPROXIMATELY 705 FEET NORTHWEST OF THE INTERSECTION OF SHERWIN PLACE AND VIRIGNIA CENTER PARKWAY, FAIRFIELD DISTRICT, HENRICO COUNTY, VIRGINIA", a copy of which is attached and made a part hereof.

BEING a portion of the same real estate conveyed to Atack Properties, Inc., a Virginia corporation, by deed from David P. Shafer, Jr., and Carroll C. Shafer, husband and wife and Arline M. Shafer, unmarried, dated January 11, 1995 and recorded January 13, 1995, in the Clerk's Office, circuit Court, Henrico County, Virginia, in Deed Book 2564, page 2548.

**DECLARATION OF RESTRICTIONS
FOR WETLANDS
MAGNOLIA RIDGE SECTION ONE
HENRICO, VIRGINIA**

THIS DECLARATION OF RESTRICTIONS, made this 2nd day of October, 1995, by Attack Properties, Inc., owner and grantor (“Attack”).

WHEREAS, Attack Properties, Inc. is the owner of the property located in Henrico County, Virginia (the “Property”) more particularly described and Magnolia Ridge Subdivision Section I, as shown on the subdivision plat prepared by Jordan Consulting Engineers, P.C., dated June 5, 1995 and recorded in the Clerk’s Office of the Circuit Court of Henrico County, Virginia in Plat Book 101 as page 81 (the “Subdivision Plat”).

WHEREAS, Attack desires to impose on the Property a restrictive covenant expressing Attack’s intent to preserve a portion of the Property in perpetuity in its natural state, both floral and faunal, by prohibiting wetland destruction or alterations in the area designated as “Wetland Protection Area (Limits of Non-Tidal Wetlands)” as shown on the Subdivision Plat.

Now therefore this declaration witnesseth: Attack does hereby declare, covenant and agree, for itself and its successors and assigns, that the Property shall be hereafter held and sold subject to the following conditions restrictions, to-wit:

1. The area of the Property described as “Wetlands Protection Area (Limits of Non-Tidal Wetlands)” as shown on the Subdivision Plat shall be preserved in perpetuity in its natural state both floral and faunal, by prohibiting wetland destruction or alterations, building construction, additional of fill material, cultivation, or land clearing in the area designated as Wetland Protection Area (Limits of Non-Tidal Wetlands)”

(subject, however, to the exceptions set forth below). Additionally, the following activities shall be prohibited on the property designated as ‘Wetland Protection Area (Limits of Non-Tidal Wetlands)’ as shown on the Subdivision Plat.

- A. Destruction or alteration of wetlands on the property other than those alterations authorized by the Norfolk District, U.S. Army Corps of Engineers and under permit number 95-E534-82;
- B. Construction or maintenance of buildings or mobile homes, however, by way of example and not limitation, structures such as Signage created by the Virginia Department of transportation or other governmental agency within public right of ways, boardwalks, foot trails, wildlife management structures, observation decks, picnic tables, fence posts (spaced in a manner as that neither the posts nor the fence itself prevents the natural movement of water) and preserves the natural contour of the ground;
- C. Ditching, draining, diking, filling, excavating, land clearing, blowing, removal of topsoil, sand, or other materials, and any buildings of roads or alteration in the topography and/or hydrology of the land in any manner, except as authorized by the United States Army Corps of Engineers and the Virginia Department of Environmental Quality, or the successors thereto.

2. In addition to the reservation of rights contained in Paragraph 1 above, this Declaration of Restrictions is subject to the existing rights of easement holders in the “Wetlands Protection Area (Limits of Non-Tidal Wetlands)” as shown on the

Subdivision Plat, and to the future right of Attack and any successors in interest to a portion of the Property to grant easements, with respect to the portion owned, to utility companies including, but not limited to gas, electric, water, telephone, cable and fuel (collectively, the "Utility Companies") for themselves and their successors-in-title, successors, assigns, agents, representatives, employees and contractors for the purpose of pedestrian and vehicular access under, over, through and across that portion of the Property owned and to construct and install, in whole or in part, utilities (the "Utilities") and therefore to reasonably and necessarily maintain, use, repair and replace the Utilities.

3. The covenants contained herein shall not hereafter be altered in any respect without the express written approval and consent of the Norfolk District, U.S. Army Corps of Engineers.

4. The provisions hereof shall be deemed individual and severable and the invalidity or unenforceability of any one provision or any portion thereof shall not affect the validity or enforceability of any other provision hereof.

5. These covenants are to run with the land and shall be binding on all parties and persons claiming under them, provided, however, that any violation of this Declaration of Restrictions by an owner of a portion of the "Wetland Protection Area (Limits of Non-Tidal Wetlands)" as shown on the subdivision Plat shall constitute the violation by only such owner. This Declaration of Restrictions is subject to easements, conditions and restrictions of record as they may lawfully affect the Property.

6. Atack undertakes no affirmative obligation to protect the 'Wetland Protection Area (Limits of Non-Tidal Wetlands)' as shown on the Subdivision Plat against third parties or to enforce the terms hereof against third parties.

WITNESS the following signatures the day and year first above written.

s/s Robert M. Atack
By Robert M. Atack
President, Atack Properties, Inc.

State of Virginia, County of Henrico, to-wit:

I, Peggy G. Kniceley, a notary public of the state and county aforesaid, do certify that Robert M. Atack, President, whose name was signed on October 2, 1995, in his capacity on that date to the foregoing document has acknowledged said document and signature before me in the county aforesaid.

Given under my hand and notarized seal this 2nd day of October, 1995.

s/s Peggy G. Kniceley
Notary Public

My Commission expires 10/31/97.

VIRGINIA IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF THE COUNTY OF HENRICO

This Deed was presented, and with the Certificate annexed admitted to record on 10/3/95, at 10:50 o'clock A.M.

Yvonne G. South
Clerk

MAGNOLIA RIDGE HOA DECLARATIONS

DOCUMENT CHANGE HISTORY

DATE	VERSION	BY	CHANGE
11/2/04	2004.11.04	Denton Woodward	Documents transcribed and uploaded to web site