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Prepared by Owner Westlake, LLC 4130 Innslake Drive Glen Allen, VA 23060 19-14472

Parcel ID: C0050500006

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WESTLAKE

THIS DECLARATION is made as of the 15th day of July, 2019, by Westlake, LLC, a Virginia limited liability company (the "Declarant").

WITNESSETH:

WHEREAS, Declarant owns certain real property in the City of Richmond, Virginia, which is described on Exhibit "A" hereto;

NOW, THEREFORE, Declarant hereby declares that all of the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest therein or in any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I DEFINITIONS

Section 1. "Additional Land" shall mean and refer to the real property in the vicinity of the Property which may, by recordation of a Declaration of Annexation as provided in Article X, Section 3, be annexed and become governed by this Declaration. The Additional Land is described on Exhibit "C" to this Declaration.

Section 2. "Association" shall mean and refer to Westlake Homeowners Association, Inc., a Virginia non-stock corporation, its successors and assigns.

Section 3. "Builder" shall mean and refer to any Person who is duly licensed as a contractor and who purchases one (1) or more Lots for the purpose of constructing improvements for later sale to consumers in the ordinary course of such Person's business. Any Person occupying or leasing a Lot for residential purposes shall cease to be considered a Builder with respect to such Lot immediately upon occupancy of the Lot for residential purposes, notwithstanding that such Person originally purchased the Lot for the purpose of constructing improvements for later sale to consumers.

Section 4. "Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners. "Common Area" shall also refer to easements granted or assigned to the Association for the common use and enjoyment of the owners, to protect natural resources within or that are areas of common responsibility of the Association for upkeep, repair and maintenance. The platted Common Area adjacent to Lots shall be conveyed by the Declarant to the Association at any time after the conveyance of the first Lot to an Owner other than the Declarant, or promptly thereafter upon the request of the Association. The Declarant may convey certain wetlands areas owned or acquired by the Declarant in the vicinity of the Property, and annexed as Additional Land as provided in Article X, Section 3, to the Association for use as Common Area at any time or from time to time while this Declaration is in effect, but shall not be required to convey any particular property. Unplatted Common Area, including without limitation the wetlands, if any, need not be conveyed by the Declarant at all, but if conveyed, need not be conveyed to the Association until such time as all recorded Lots, including Lots added by annexation after previously platted Lots are sold in full, have been conveyed by the Declarant. The Association cannot decline acceptance of the conveyance of any Common Area, including, without limitation, the wetlands, if any, from the Declarant, but shall be deemed to have automatically and irrevocably accepted the Common Area conveyed to it simultaneously with the recordation of a deed of conveyance from the Declarant to the Association conveying property described as or to be held as Common Area. The Association shall not be responsible to maintain any Common Area until the same is conveyed to the Association. The initial Common Area is described on Exhibit "B" hereto. The Declaration of Annexation affecting the annexation of any portion of the Additional Land may amend Exhibit B to incorporate additional Common Area; provided, however, that the omission of the additional Common Area from Exhibit B shall not affect its designation as Common Area.

Section 5. "Declarant" shall mean and refer to Westlake, LLC, a Virginia limited liability company, and its successors and assigns, provided that (a) such successors or assigns acquire more than one Unimproved Lot from the Declarant for the purpose of constructing improvements thereon, and (b) the Declarant assigns to such successors or assigns the Declarant's rights hereunder as to the Lots.

Section 6. "Declarant Control Period" shall mean and refer to 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 1, 2030, (ii) when seventy-five percent (75%) of the total anticipated number of Lots that may be developed on the Property and the Additional Land, as described in Exhibits A and C, have certificates of occupancy issued for the residences constructed thereon and have been conveyed to parties other than Declarant or Builder(s) holding title solely for the purpose of construction and resale, or (iii) when Declarant voluntarily terminates the Declarant Control Period.

Section 7. "Declarant's Utility Rights" shall mean and refer to the exclusive and alienable rights, powers, easements and privileges hereby reserved by the Declarant to go on, over, under and upon every portion of the Common Area to erect, lay, construct, install, maintain, repair and use electric, telephone and television wires, cables and conduits, drainage ways, sewers, water lines and water mains and such other utilities and utility systems as the Declarant finds necessary or advisable in connection with the development of the Property or any portion of the Additional

Land. These rights include the right to cut bushes and trees, grade soil and such other actions reasonably necessary to economically and safely install, repair and use such utility systems. The Declarant's Utility Rights shall also include the exclusive and alienable right to sell, grant, convey and/or dedicate any utility system (and adjoining area) within the Common Area to the City of Richmond or one or more public utility companies. The Declarant's Utility Rights shall continue in effect until such time as the Declarant, including any successor Declarant, has conveyed or relinquished all of the Declarant's right, title and interest in and to any portion of the Property and the Additional Land.

Section 8. The "Governing Documents" shall mean and refer to, collectively, this Declaration of Covenants, Conditions and Restrictions, the By-Laws, and the Articles of Incorporation for the Association, the rules and regulations of the Association as adopted by the Board and as amended from time to time, and the Standards (as defined in Article V, Section 1).

Section 9. An "Improved Lot" shall mean and refer to any Lot, which has all of the following characteristics:

- (a) a residential dwelling unit approved by the Architectural Committee (as defined in Article V) has been constructed thereon;
- (b) either a permanent or temporary certificate of occupancy has been issued for the residential dwelling unit constructed thereon or one (1) year has passed from the date of issuance of a building permit for such residential dwelling unit; and,
 - (c) the Lot has been conveyed to an Owner other than Declarant.

Section 10. "Lot" shall mean and refer to any plot of land shown upon the recorded subdivision plat of the Property with the exception of the Common Area and roads.

Section 11. "Owner" shall mean and refer to the record owner, whether one or more Persons, of a fee simple title to any Lot which is a part of the Property, including Declarant and Builders, but excluding those having such interest merely as security for the performance of an obligation.

Section 12. "Person" shall mean and refer to a natural person, a corporation, a partnership, a limited liability company, a fiduciary acting on behalf of another person, or any other legal entity.

Section 13. "Property" shall mean and refer to that certain real property described on Exhibit "A" hereto, and such additions thereto as may hereafter be submitted to this Declaration.

Section 14. "Public Utilities" shall mean and refer to publicly regulated facilities for electric, telephone. gas, water, storm sewers, and communication cable, whether regulated by the State Corporation Commission or by franchise agreement with the City of Richmond or otherwise provided and/or operated by the City of Richmond.

Section 15. "Unimproved Lot" shall mean and refer to any Lot that is not an Improved Lot.

ARTICLE II PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the 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 recreational facility from time to time situated upon the Common Area;
- (b) The right of the Association to suspend the voting rights and right to use of the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed 60 days for any infraction of the Association's published rules and regulations, provided that access to the Owner's Lot over Common Area is not disturbed or interfered with;
- (c) The right of the Association to dedicate or transfer all or any part of the Common Area, subject to the Declarant's Utility Rights, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Owners. No such dedication or transfer shall be effective and no mortgaging of the Common Area to secure a debt shall be effective, unless an instrument signed by two-thirds (2/3) of the members of each class of membership agreeing to such dedication, transfer or mortgaging has been recorded. If ingress or egress to any Lot is through the Common Area, any mortgage or conveyance of that portion of the Common Area shall be made subject to the Owner's easement.
- (d) The rights reserved to Declarant in Article VI, Section 1 (Reservation by Declarant) of this Declaration.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Association's By-Laws, his right of enjoyment to the Common Area and facilities thereon to the members of his family, his tenants, or contract purchasers who reside on the Lot. If an Owner leases a Lot to a Person, the Owner's right of enjoyment of the Common Area and facilities thereon shall automatically transfer to the Person leasing the Lot, unless the Owner provides written notice to the Association stating that the Owner will maintain the sole right of enjoyment of the Common Area and facilities thereon. Either the Owner or the Person to whom the Owner is leasing the Lot, but not both, may enjoy the right of enjoyment of the Common Area and facilities thereon, provided, however, the transfer of the right of enjoyment to the tenant shall not disturb or interfere with the Owner's access to the Lot over the Common Area.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. While not subject to assessment, a Builder shall also be a Member.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot owned. When more than one Person holds an interest in any Lot, all such Persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but no more than one vote shall be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant which shall be entitled to four (4) votes for each Lot owned. The Class B membership shall terminate and become Class A membership on the first to occur of the following: (a) when seventy-five percent (75%) of the total anticipated number of Lots that may be developed on the Property and the Additional Land, as described in Exhibits A and C, have certificates of occupancy issued for the residences constructed thereon and have been conveyed to Persons other than Builders; (b) on June 1, 2030, or (c) when the Class B member, in his discretion, determines and voluntarily relinquishes such right in a written instrument executed by Declarant and recorded in the Clerk's Office at the Circuit Court of the City of Richmond, Virginia.

Section 3. If, as and when any portion of the Additional Land is annexed under this Declaration, the Declarant shall enjoy Class B membership as to any Lots which are added to the Property by such annexation.

Section 4. The affairs of the Association shall be managed by its Board of Directors which shall elect the officers of the Association.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements and otherwise, such assessments to be established and collected as hereinafter provided. Notwithstanding the foregoing to the contrary, the inclusion of Lots on a recorded subdivision plat shall not subject a Lot to assessment under this Article IV until such time as that Lot is conveyed to a Person other than Declarant or Builder. The annual and

special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing pro-rata lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the Owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments and Exterior Maintenance.

- (a) The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Property, for the improvement and maintenance of the Common Area and of the improvements situated thereon, and such other services and areas of Association responsibility as defined by the Governing Documents.
- (b) The Association hereby assumes all responsibilities set forth in any Agreement between the Declarant and the City of Richmond, Virginia for the maintenance by the Association of best management practices facilities ("BMPs") on the Property (the "Agreement") after such time as the Common Area is conveyed to the Association, and shall indemnify, defend and hold Declarant, its partners, and their successors-in-interest and assigns harmless from and against all claims, costs, expenses and liabilities arising under the Agreement or otherwise associated with maintenance of the BMPs. The Association shall provide maintenance for the BMPs located on and serving the Property described herein to insure that the BMPs are and remain in proper working condition. The Association shall also provide and maintain perpetual access from public rights-of-way to the BMPs for use by the City of Richmond and its agents.
- (c) The association hereby assumes the responsibility to preserve and maintain all tree save areas and the twenty-five foot (25') buffer located along the northern line of Westlake. Tree save areas shall remain undisturbed, except (i) for construction of stormwater facilities as required for compliance with the Chesapeake Bay Preservation Act, the regulations thereunder and related state and local law, ordinances, regulations and rules, (ii) for the removal of fallen, diseased or dead plant growth to the extent permitted by federal, state and local law, ordinance, regulation and rules, (iii) for the installation of utilities, including, without limitation, drainage, and the location of related easements.
- (d) The Association shall pay any real and personal property taxes and other charges assessed against the Common Area.
- (e) The Association shall maintain a policy or policies of liability insurance, insuring the Association and its agents, guests, permitees, and invitees and the Owners of the Lots against liability to the public or to the Owners, their guests, permitees or invitees incident to the ownership or use of the Common Area, in an amount not less than a combined single limit per occurrence (bodily injury and/or property damage) of Five Hundred Thousand Dollars (\$500,000) and a One Million Dollar (\$1,000,000) aggregate limit (maximum limit for the policy period), unless the cost of the premiums for such coverages are unreasonably high for the Association to bear, as determined by the Board of Directors in their discretion. The foregoing

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limits shall be reviewed at intervals of not more than three (3) years and adjusted if necessary to provide such coverage and protection as the Association may deem prudent.

- Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Improved Lot to an Owner other than Declarant or a Builder, the maximum annual assessment shall be \$500.00 per Lot for Improved Lots. The annual assessment for Unimproved Lots shall not be more than twenty-five percent (25%) of the annual assessment for Improved Lots.
- (a) From and after January 1 of the year immediately following the conveyance of the first Improved Lot to an Owner other than Declarant or a Builder, the maximum annual assessment may be increased each year above the maximum assessment for the previous year, without a vote of the membership, by not more than twenty percent (20%).
- (b) From and after January 1 of the year immediately following the conveyance of the first Improved Lot to any Owner other than Declarant or a Builder, any budget and resulting annual assessment approved by the Board of Directors which is more than twenty percent (20%) greater than the previous year's annual assessment must be presented to the members at the annual meeting of the Association preceding the fiscal year in which such assessment shall go into effect. The annual assessment described above shall go into effect automatically on the first day of the succeeding fiscal year unless disapproved by a vote of two-thirds (2/3), or more, of each class of members present, in person or by proxy, at a meeting duly called for this purpose and at which a quorum is present.
- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.
- Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above and in addition to, and not in limitation of, such other special assessments as may be authorized by applicable law (the Virginia Property Owners Association Act, Code of Virginia 55-508 et seq., for example), the Association may levy, in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of construction, reconstruction, repair or replacement of any capital improvement upon the Common Area, including fixtures and personal property related thereto or the cost of maintaining the BMPs, or any other area of Association responsibility, as defined in the Governing Documents, provided that any such special assessment shall be approved by a vote of two-thirds (2/3), or more, of each class of members present, in person or by proxy, at a meeting duly called for this purpose and at which a quorum is present. Any such special assessment for Unimproved Lots shall be twenty-five percent (25%) of the special assessment for Improved Lots.
- Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 of this Article shall be sent to all members not less than twenty- one (21) days, or more than forty- five (45) days, in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty-percent (50%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, the meeting may

be adjourned and reconvened, and the required quorum at the reconvened meeting shall be one-third (1/3) of the votes of each class of membership in person or by proxy. No such reconvened meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. <u>Uniform Rate of Assessment</u>. Both annual and special assessments must be fixed at a uniform rate for Improved Lots and at a uniform rate for Unimproved Lots and may be collected on a monthly, bi-monthly, quarterly, semi-annual or annual basis, as determined by the Board of Directors.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots on the sooner to occur of (a) the first day of the month following the date upon which services are first provided to the Owners by the Association, or (b) the first day of the month following the conveyance of the Common Area to the Association. The first annual assessment shall be adjusted pro rata according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments against a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment or installment thereof not paid within fifteen (15) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum, together with a late charge in the amount of the greater of ten dollars (\$10.00) or ten percent (10%) of the assessment amount that is due and unpaid. The Association may bring an action at law against the Owner personally obligated to pay such assessment, or foreclose the lien against the delinquent Owner's Lot, or exercise the rights reserved in Section 1(b) of Article II of this Declaration. If assessments are payable in installments and if any installment of assessments is not paid within thirty (30) days after the date when due, then the entire balance of all unpaid installments of such assessment may be declared immediately due and payable in full. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages and Other Liens. The lien of the assessments provided for herein shall be subordinate and inferior to the lien for real estate taxes and bona fide duly recorded first deeds of trust on each Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

<u>Section 10</u>. <u>Initial Working Capital Assessment.</u> In addition to all assessments, an Initial Working Capital Assessment shall be payable by the initial Owner, other than Declarant or

Builder, at the closing of the first bona fide sale of each Lot. The amount of the Initial Working Capital Assessment shall be \$100.00.

Section 11. Funding by Declarant. 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 budget reserves, after taking into account any special assessments pursuant to Section 4 above, exceed the budget for expenses and reserves, as it may be 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. Such funding of the Association by Declarant shall be in the form of a loan on such terms as shall be agreed to by Declarant and the Association.

ARTICLE V ARCHITECTURAL CONTROL

<u>Section 1.</u> Approval Required. No building, fence, wall, walkway, driveway or other structure or landscaping shall be commenced, erected or maintained upon the Property, nor shall any exterior addition, change or alteration therein be made, including exterior painting, until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an "Architectural Committee" composed of two (2) or more persons. Until one hundred percent (100%) of the Lots have been developed and conveyed to purchasers, other than Builders, in the normal course of development and sale, the Declarant retains the right to appoint all members of the Architectural Committee, who shall serve at the discretion of the Declarant. All appeals during the Class "B" Control Period as defined in Article III, Section 2 hereof shall be to the Declarant and not the Association's Board of Directors. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by the Declarant. Upon the expiration of such right, the Board of Directors shall appoint the members of the Architectural Committee, who shall serve and may be removed at the discretion of the Board of Directors.

The Architectural Committee may prepare for the Board's approval, architectural standards consistent with and supplementing the minimum standards set forth in this Declaration (the "Standards"). Approval or disapproval of plans, locations or specifications may be based by the Architectural Committee or the Board upon any ground incorporated within the Standards including purely aesthetic considerations, which, in the sole and uncontrolled discretion of the Architectural Committee or the Board, shall be sufficient. If the Board or the Architectural Committee has not approved or rejected such plans and specifications within thirty (30) days following receipt of written request for approval, the party making the submission for approval shall deliver to the Architectural Committee or the Board written notice 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 2. Failure to Obtain Approval. By accepting a conveyance of a Lot, each Owner, for himself, his heirs, successors and assigns, covenants that if he alters or redecorates the exterior of the premises before submission of plans thereof to the Board of Directors, the Board of Directors shall have the right, through agents and employees of the Association, and in addition to any other rights or remedies that it may have at law or in equity, to enter upon the Lot and to repair, redecorate, maintain, rehabilitate and restore the premises and the exterior of any improvement thereon, and that the costs thereof shall be a special assessment to and become a lien upon the Lot so redecorated, repaired, maintained, rehabilitated, or restored and that the Owner will pay, to the Association, the amount of the charge in the time and manner set forth above.

<u>Section 3</u>. <u>Minimum Development Standards</u>. Improved Lots shall comply with the following minimum requirements in addition to the requirements of the Standards:

- (a) Any building shall have exposed exterior walls (above finished grade but exclusive of trim) of brick, cultured stone, vinyl (a minimum of 0.044 millimeters nominal thickness as evidenced by manufacturer's printed literature), cementitious or composite-type siding, or a combination of the foregoing, unless different materials are otherwise requested and specifically approved with respect to the exposed portion of any such walls at the time of subdivision review. Roof materials may be dimensional or architectural asphalt shingle, unless otherwise requested and specifically approved at the time of plan of development review. Standing seam metal, or an equivalent material, may also be used on some roofing areas for aesthetic or focal purposes.
- (b) Lot owners shall have the option to construct a garage, and, if constructed, the garage shall be constructed in the rear of the lot no closer to the public street than the intersection of the side and rear walls of the home constructed on the lot that is closest to the public street.

Section 4. No Amendment. This Article and the Standards may not be amended without the Declarant's prior written consent so long as the Declarant owns any portion of the Property or any portion of the Additional Land.

ARTICLE VI EASEMENTS

Section 1. Reservation by Declarant. Declarant reserves unto itself, its successors and assigns, a perpetual easement and right of way on, over, along and under the streets and roads of the Property and over the easement areas designated in this Declaration for vehicular and pedestrian ingress and egress, and to install, maintain and use underground electric, cable television and telephone wires, cables, conduits, drainage ways, sewers, water mains and other equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water, drainage or other public conveniences or utilities as may be necessary or desirable to serve the Property and any Additional Land being developed by Declarant. These easements and rights expressly include the right to cut any trees, bushes or shrubbery or to take any other action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance.

<u>Section 2</u>. <u>Duties of the Association</u>. There is hereby reserved to the Association such easements over, through and across the Property as are necessary to perform the duties and obligations of the Association as are set forth in Article IV above.

Section 3. Hedges and Fences. Each Lot and its Owner is hereby declared to have an easement and the same is hereby granted by the Declarant, for encroachments on adjoining Lots or Common Area, as the case may be, due to hedges or wooden fences belonging to such Lot, to the extent such hedge or wooden fence encroaches on adjoining Lots or Common Area. Notwithstanding the foregoing, no fence shall be erected without the permission of the Board of Directors or the Architectural Committee acting on behalf of the Board of Directors.

Section 4. Priority of Easements. Each of the easements referred to in this Article VI shall be deemed to have been established upon the recordation of this Declaration and shall henceforth be deemed to be covenants running with the land for the use and benefit of the Lots, and the 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 VII PARTICULAR RESTRICTIONS AND INSURANCE REQUIREMENTS

Section 1. Noxious or Offensive Activity. No noxious or offensive activity shall be carried on or upon any Lot or any part of the Property, nor shall anything be done thereon which may be or may become an annoyance or nuisance, public or private, to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners of his respective dwelling unit, or which shall in any way increase the rate of insurance.

Section 2. Animals. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that three of either a dog, cat or other household pet may be kept on a Lot provided that it is not kept, bred or maintained for any commercial purpose. Notwithstanding the foregoing, no animals or fowl may be kept on the Property which result in any annoyance or are obnoxious to residents in the vicinity, and each Owner shall be absolutely liable to each and all remaining Owners, their families, guests, permitees and invitees, and to the Association, for any and all damage to person or property caused by any pets brought upon or kept upon the Lots or the Common Area by any Owner or by members of his family, guests, permitees or invitees. If any such animal is kept in the rear yard of the Lot, maintenance services may be withheld without credit or rebate to the Owner. No Owner shall permit any dog to be let out of that Owner's Unit unless the dog is kept within a fence or on a leash. Any Owner keeping an animal on a Lot will comply with all requirements of law applicable to such animal.

Section 3. Prohibited Vehicles. Commercial vehicles (weighing in excess of three-quarters of a ton when empty), vehicles primarily used or designated for commercial purposes, tractors, mobile homes, buses, vehicles used primarily for recreational purposes, trailers (either with or without wheels), campers, camper trailers, boats and other watercraft, and boat trailers shall not be parked on any street or in a front yard, but shall be parked only in enclosed garages or in other areas, if any, designated by the Board of Directors. Stored vehicles and vehicles which

are either obviously inoperable or do not have current operating licenses shall not be permitted on the Property except within enclosed garages. Notwithstanding the foregoing, service and delivery vehicles may be parked on the Property during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Lot or the Common Areas. Any vehicle parked in violation of this Section or the Rules and Regulations promulgated by the Board of Directors may be towed.

Section 4. 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 primarily for residential purposes, 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 other residents of the Property; and (iv) does not create any customer or client traffic to and from the Improved Lot. The use of an Improved Lot shall not be deemed to be for single-family proposed if the Lot is used (whether by common owners or tenants) by more than three (3) unrelated persons as a residence, or if a dwelling, or a portion thereof, is used for a short term rental for a period of less than six (6) months.

Section 5. Fire Insurance and Extended Coverage. Each Owner shall be responsible for securing insurance policies for fire and extended coverage for the structure on each individual Lot, in an amount equal to 100% of the then current replacement cost of the property (excluding land, foundations, excavations and other items that are usually excluded from such coverage) without deduction for depreciation. Copies of all policies and any renewals shall be filed with the Board within thirty (30) days after written request by the Board. The Board reserves the right to approve all policies.

Section 6. Rentals. Improved Lots shall not be leased unless the lease is subject in all respects to the terms and provisions of the Governing Documents. The Board may adopt regulations requiring the use of a lease form or addendum approved by the Board for this purpose and establish minimum requirements for leases including, without limitation, minimum lease terms and rules requiring that an entire Improved Lot be leased instead of a portion thereof. Under no circumstances shall a lease term be less than six (6) months.

Section 7. Board as Agent. The Board is hereby irrevocably appointed as the agent for each Owner of a Lot and for each mortgagee of a Lot to adjust all claims arising under any insurance policy or policies purchased by the Board, provided, however, that no adjustment shall be deemed binding until concurred in by any mortgagee affected thereby.

Section 8. Insurance Trustee. The Board may from time to time designate as an insurance trustee, a bank, trust company, savings and loan association, insurance company, or any financial institution to discharge the duties and responsibilities of the Board and the Association relating to insurance proceeds. The Board shall pay the fees and disbursements of any insurance trustee and such fees and disbursements shall constitute a common expense of the Owners to be included as part of the annual assessment provided in Article IV hereof.

Section 9. Signage. Each Owner may exhibit only one (1) sign (a "FOR SALE" or "FOR RENT" sign) in a window. The sign shall not be larger than eighteen inches by twenty-four inches (18" X 24"). Lead-in signs are not permitted. Any request for an exception must be submitted in writing to, and approved by, the Architectur al Committee.

Section 10. Fences, Walls and Hedges. No fencing or fences, walls or hedges shall be installed on a lot without the approval of the Architectural Review Committee. Fencing or walls greater than six and one-half (6 1/2) feet in height shall not be permitted, and fencing and walls within the front yard, and within any side yard on the street side of the dwelling on a corner lot, shall not be permitted. Wire, chain or stockade fencing shall not be permitted.

Section 11. Swimming Pools. No portable swimming pools of any type which may be dismantled and moved and which has sides or walls of more than twenty-four (24) inches in height is permitted. Any "in-ground" swimming pools, and above-ground appurtenances thereto, shall be permitted only upon prior approval by the Architectural Review Committee for extent location, and character of such features.

Section 12. Gardens. No vegetable gardens are permitted on any lot any closer to the front street of the lot than the rear building line of the main dwelling, and any closer to a side street of the lot than the closest side building line of the main dwelling.

Section 13. Flags. Subject to reasonable Rules and Regulations promulgated by the Board as to the size, place, duration, and manner of placement or display of the flag in order to protect a substantial interest of the Association, each Owner may display the flag of the United States upon his Lot, provided such display is in compliance with Chapter 1 of Title 4 of the United States Code, or any rule or custom pertaining to proper display of such flag, further provided no such display may occur on the Common Area. No other flag may be flown on any portion of the Property other than pursuant to Rules and Regulations permitting such display, if any, promulgated by the Board. It is intended that the provisions of this Section 8.6 be consistent with the requirements of the VPOA Act. If changes in the provisions of such Act relating to flag display occur subsequent to recordation of this Declaration in the Clerk's Office, the provisions of this Section 8.6 shall be deemed to have been modified to the extent necessary so as to continue to be consistent with the requirements of such VPOA Act.

Section 14. Solar Panels. Solar panels and solar collection devices that are manufactured and sold for the purpose of converting solar energy into electricity may be installed on portions of the Property, subject to approval by the Architectural Control Committee as to the size, location and manner of placement thereof. No Owner shall have any right whatsoever to install, place or erect any solar panel or solar collection device on any portion of the Common Area.

ARTICLE VIII ENFORCEMENT

Section 1. Enforcement. Declarant, the Association or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. If, in any litigation for the enforcement of these covenants, conditions and restrictions, the Declarant, the Association or any Owner bringing suit prevails, such Person shall be entitled to be reimbursed for reasonable attorney's fees incurred in seeking such enforcement. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall also have the power to assess charges against any member for any violation of the Declaration, Standards or rules and regulations for which the member of his family members, tenants, guests, or other invitees are responsible pursuant to the terms described in Section 55-513 of the Virginia Property Owners Association Act.

ARTICLE IX TERM AND AMENDMENT

Section 1. Term. These covenants shall run perpetually with the land and shall be binding on all parties and all Persons claiming under them howsoever such Persons acquire title to any portion of the Property.

Section 2. Amendment. This Declaration may be amended by an instrument approved by at least two-thirds (2/3) of the Owners; provided, however, that no approval of the Owners shall be required (i) to effect the annexation of Additional Land by Declarant pursuant to Article X, Section 3; or (ii) to make any technical amendment to this Declaration as requested by any government agency, mortgagee or insurer which does not materially or adversely affect the rights of the Owners. Any amendment must be recorded in the Clerk's Office of the Circuit Court of the City of Richmond, Virginia and must either be signed by at least two-thirds of the Owners or have appended to it an acknowledged certificate of the secretary of the Association that the Amendment has been approved as required hereby.

ARTICLE X GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions which shall remain in full force and effect.

Section 2. <u>Liability and Indemnification of Declarant, Officers and Directors</u>. The Association shall indemnify the Declarant and every officer and director of the Association against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon the

Declarant, any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the Board of Directors) to which the Declarant, an officer or director may be made a party by reason of being or having been the Declarant or an officer or director of the Association regardless of whether he is the Declarant or an officer or director at the time such expenses are incurred. The Declarant, officers and directors of the Association shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Declarant and the officers and directors of the Association shall have no personal liability with respect to any contract or other commitment (including any BMP agreement made and entered into by the Declarant) made by them, in good faith, on behalf of the Association (except to the extent that such officers, directors or the Declarant are Lot Owners) and the Association shall indemnify and forever hold the Declarant and each officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which the Declarant or any officer or director of the Association, or former officer or director of the Association or the Declarant, may be entitled.

Section 3. Staged Development. Any portion of the Additional Land may be annexed to the Property under this Declaration for development of additional residences and Common Area at any time by recordation of a Declaration of Annexation executed by the Declarant and recorded in the Clerk's Office of the Circuit Court of City of Richmond, Virginia. Other land may be annexed to the Property under this Declaration for development if approved by no less than seventy-five percent (75%) of the members in attendance at a duly-called meeting of the Association at which a quorum is present. Any additional Lots shall be subject to assessment from the later to occur of (i) the date annexed or (ii) the date services are provided by the Association to such additional Lots or any additional Common Area annexed with such Lots, in accordance with the provisions of this Declaration. The Declarant shall be free to rezone and use any portion of Additional Land not annexed hereunder in any manner it desires. The Declarant expressly disclaims any warranty that it shall annex any portion of the Additional Land or otherwise develop any portion of the Additional Land as residential houses for sale.

ARTICLE XI MORTGAGEE PROVISIONS

- <u>Section 1</u>. <u>No Priority</u>. No provision of this Declaration gives or shall be construed as giving any Owner or other party priority over any rights of the first mortgagee of any Lot in a case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.
- <u>Section 2</u>. <u>Notice to Association</u>. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.
- Section 3. Amendment by Board. Subject to applicable laws, should the Federal National Mortgage Association, the Federal Housing Administration, the United States

Department of Housing and Urban Development, the United States Veterans' Administration or the Federal Home Loan Mortgage Corporation require any modifications to this Declaration for the purpose of qualifying any Lot for home loan programs or secondary mortgage market purchases of loans secured by Lots, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

<u>Section 4</u>. <u>Applicability of Article</u>. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under this Declaration, Association's bylaws or Virginia law.

Section 5. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved and consented to such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested at the address for such Mortgagee listed in the Mortgage recorded in the Clerk's Office as to a Lot.

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My Commission Expires 4/30/2021

WESTLAKE, LLC, a Virginia limited liability company COMMONWEALTH OF VIRGINIA COUNTY/CITY OF Henrico The foregoing instrument was acknowledged before me this 15th day of _____, 2019, by Cindy Weinstock, Manager of Westlake, LLC, a Virginia limited liability company, on behalf of the company. My commission expires: 4/30/2021 Commonwealth Of Virginia Frances Belkin Shahan - Notary Public Commission No. 7255404

EXHIBIT A

Property

Parcel 1 – C005050000

ALL that certain lot, piece or parcel of land, together with all improvements located thereon and appurtenances thereunto belonging, lying and being in the City of Richmond, Virginia, described as "Westlake Subdivision Section 1", containing 12.65 acres, more or less, as shown on that certain plat entitled "Westlake Subdivision Section 1", dated December 7, 2017, revised February 22, 2018, recorded May 1, 2019, in the Clerk's Office, Circuit Court, City of Richmond, Virginia, in Plat Book 19, Slides 16A – 16F, inclusive, to which plat reference is hereby made for a more particular description.

BEING the same real property conveyed to Westlake, LLC, a Virginia limited liability company, by Deed from Westlake Village, LLC, a Virginia limited liability company, dated January 25, 2017, and recorded January 25, 2017, in the Clerk's Office of City of Richmond at Instrument Number 170001586.

EXHIBIT B

Common Area

ALL those certain lots, pieces or parcels of land, together with all appurtenances thereto belonging, lying and being in the City of Richmond, Virginia, as shown on the Plat(s) of Westlake recorded, or to be recorded, in the Clerk's Office of the Circuit Court of the City of Richmond, Virginia, LESS AND EXCEPT the numbered subdivision lots, areas reserved for future phase and public rights-of-way designated on the Plat(s) of Westlake recorded, or to be recorded, in the aforesaid Clerk's Office.

EXHIBIT C

Additional Land

ALL real property having a boundary line either (i) adjacent to the property described in <u>Exhibit B</u> above, or (ii) within 3,500 linear feet of the boundary of the property described in <u>Exhibit B</u> above.

INSTRUMENT 190014472
RECORDED IN THE CLERK'S OFFICE OF
RICHMOND CITY CIRCUIT COURT ON
JULY 19, 2019 AT 11:21 AM
EDWARD F. JEWETT, CLERK
RECORDED BY: JRO