Tax ID Nos. 27-136.1 and 27-137

SERENITY RIDGE DECLARATION OF RESTRICTIONS

THIS DECLARATION and RESERVATION, made this 30th day of June, 2005, by <u>LAUREL CREEK FARMS</u>, <u>LTD</u>, a Virginia corporation, herein referred to as "Declarant,"

WITNESSETH

WHEREAS, by deed dated May 7, 2004 and of record in the Clerk's Office of the Circuit Court of Franklin County, Virginia, at Deed Book 817, Page 1335, the Declarant took title to tracts in that certain Subdivision known as Serenity Ridge Subdivision in the Boone Magisterial District of Franklin County, Virginia, as shown and described on that certain plat of survey entitled "SERENITY RIDGE", by Jennings L. Bolt, L.S., dated February 4, 2005, and of record at DB 854 PG 2184 in the aforesaid Clerk's Office.

WHEREAS, Declarant intends to sell certain lots and parcels in said subdivision and Declarant desires to subject them to and impose upon them mutual and beneficial restrictions, covenants, conditions, charges and easements, under a general plan or scheme of improvement for the benefit and complement of said Lots in the Subdivisions, and of the future owners of said Lots;

NOW, THEREFORE, Declarant hereby declares that all of said Lots are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied, and improved subject to the following Restrictions as follows:

1. Building Restrictions:

- A. All home designs must be submitted and approved in writing by Declarant and no home may be built until approved in writing by the Declarant. The need for approval by Declarant will expire June 1, 2015 or after a properly approved home has been constructed on each lot.
- B. All homes constructed will be conventional site-built stick homes or off-frame modular on a permanent foundation. No trailers, mobile homes, singlewide homes, doublewide homes, triplewide homes or similar homes may be placed on any lot or parcel at any time, unless otherwise provided herein.

- C. All homes constructed on lots 1 through 14 shall be constructed on a permanent foundation and have at least 1800 square feet of finished living space with a minimum of 1500 square feet on the main floor, exclusive of garages, carports, porches and similar additions. Any home built on lot 15 in Serenity Ridge Subdivision is not subject to these square footage requirements, but shall remain subject to all other building restrictions described herein.
- D. Construction of homes on lots and parcels in said subdivision must be completed within two (2) years of the commencement of construction. Temporary dwelling structures are permitted during construction of permanent dwellings houses provided that the permit of permanent dwelling has been obtained, the well and septic systems for the permanent dwelling have been approved and installed and construction of the permanent dwelling is in progress. The temporary dwelling structure must be allowed by county building codes and will only be allowed to remain on the property during the two (2) year construction period.
- 2. Clear-cutting of timber is prohibited on all lots within the subdivision. Trees may be cut only as needed for site to build or for well/septic, or as approved in writing by Declarant.
- 3. No deeded easement or right of way may be granted from lots 1-15 to any adjoining property which is not a part of Serenity Ridge Farm Subdivision, except as approved in writing by Declarant.
- 4. All shared roads covered by Road Maintenance Agreement are for the use of licensed vehicles and drivers only, except equipment used during construction or maintenance, or unless otherwise provided herein.
- 5. No unlicensed vehicles may be placed on any parcel or lot unless such vehicles are stored inside a building, which building must be of conventional construction and built pursuant to state or county building codes.
- 6. No commercial business or retail establishment shall be allowed on any lot; provided, however, in-home or cottage businesses are permitted. As an example and without limiting or restricting the effect of this provision, automobile repair or parting businesses are not permitted. The construction of crafts and other goods or services using the skills of lot owners are permitted. Declarant may approve certain agricultural business activities on lot 5 only.
- 7. All animals kept by a landowner must be restrained and fenced in such lot and not allowed to roam at large outside of owners' property. No commercial dog kennels, swine or game cocks are permitted.
- 8. No trash or other debris may be kept or stored on a lot except that which is stored in trash containers.
 - 9. The Declarant, so long as it still owns one or more lots in the subdivision,

shall have the right to proceed at law or in equity to compel compliance with the restrictions stated herein or to prevent the violation or breach of any of them or to seek damages for the said violations and shall have the right to recover from the breaching party all attorney fees and costs in so enforcing the said restrictions. Such costs and fees shall be a lien against the real estate. The Declarant reserves the right to modify, revoke, alter or amend these covenants, conditions and restrictions as long as they own any lots within the subdivision.

Any judgement for damages, costs and/or attorney fees rendered against an owner pursuant hereto shall constitute a lien upon the property upon which such violation occurred.

The failure to promptly enforce any of the terms and provisions hereof shall not bar their enforcement. The invalidation of any one or more of the Restrictive Covenants hereof or any single provision, sentence, clause or phrase contained herein, by any Court of competent jurisdiction in no wise shall affect any of the other Restrictive Covenants herein contained but they shall remain in full force and effect.

These Restrictions shall run with the land and shall be binding on the aforementioned Lots for a period of thirty (30) years from the date of this Declaration. The Easements created herein shall be forever binding on the aforementioned Lots and their owners and heirs, successors and assigns.

DECLARANT:

LAUREL CREEK FARMS, LTD.

Dovid G. Largan President

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

The foregoing instrument was acknowledged before me this 30th day of June, 2005, by David G. Larsen, President of Laurel Creek Farms, Ltd., a Virginia corporation.

My commission expires:

8-31-08

Notary Public

INSTRUMENT # 050007548
RECORDED IN THE CLERK'S OFFICE OF

FRANKLIN COUNTY ON

are 30, ,20 05 AT 11:31 9.M.

ALICE S. HALL, CLERK

BY: News Lot awake (DC)

Tax Map Nos. 27-136.1 and 27-137

SERENITY RIDGE AMENDMENT TO DECLARATION OF RESTRICTIONS

THIS DECLARATION of Amendment to Declaration of Restrictions, made this 26th day of July, 2005, by **LAUREL CREEK FARMS, LTD.**, a Virginia Corporation, hereinafter styled, "Declarant."

WITNESSETH:

WHEREAS, by deed dated May 7, 2004 and of record in the Clerk's Office of the Circuit Court of Franklin County, Virginia, at Deed Book 817, Page 1335, the Declarant took title to tracts in that certain Subdivision known as Serenity Ridge Subdivision in the Boone Magisterial District of Franklin County, Virginia, as shown and described on that certain plat of survey entitled "SERENITY RIDGE", by Jennings L. Bolt, L.S., dated February 4, 2005, and of record at Deed Book 854, Page 2184, in the aforesaid Clerk's Office; and

WHEREAS, Declarant did cause to be recorded in the aforesaid Clerk's Office a certain Declaration of Restrictions, dated June 30, 2005, of record in the aforesaid Clerk's Office at Deed Book 854, Page 2199; and

WHEREAS, the Declarant desires to amend and add to the Declaration of Restrictions for the said Subdivision.

NOW, THEREFORE, Declarant amends the aforesaid Declaration of Restrictions so as to add the following:

10. No tract shall be used for any purposes that will create a nuisance or annoyance in the Subdivision, including, but not limited to, excessive dog barking, excessive use of ATV's, and excessively bright light shining onto other tracts for any tract in said

BK 0857 PG 00794

Subdivision.

WITNESS the following signatures and seals.

	FLOYD FARM ASSOCIATES
	By: Myen neight (SEAL) David G. Larsen, President DEVELOPER
Commonwealth of Virginia,	
County of Floyd, to wit:	~ U.
The foregoing instrument was	s acknowledged before me this 20 day of July, 2005, by
David G. Larsen, Partner of Floyd Fa	rm Associates, a Virginia Partnership.
My commission expires:	(Imber A. Corlian
11-90-0005	Notary Public

INSTRUMENT # 05008791
RECORDED IN THE CLERK'S OFFICE OF
FRANKLIN COUNTY ON
7.20 05 AT 11:48Am
ALICE S. HALL, CLERK
Y: 000000 Cott(DC)

Tax ID Nos. 27-136.1 and 27-137

SERENITY RIDGE SUBDIVISION

DECLARATION OF ROAD MAINTENANCE AGREEMENT

THIS DECLARATION, made this 30th day of June, 2005, by <u>LAUREL CREEK</u>

FARMS, LTD., a Virginia corporation, hereinafter styled, "Developer."

WITNESSETH:

WHEREAS, by deed dated May 7, 2004 and of record in the Clerk's Office of the Circuit Court of Franklin County, Virginia, at Deed Book 817, Page 1335, the Declarant took title to tracts in that certain Subdivision known as Serenity Ridge Subdivision in the Boone Magisterial District of Franklin County, Virginia, as shown and described on that certain plat of survey entitled "SERENITY RIDGE", by Jennings L. Bolt, L.S., dated February 4, 2005, and of record at BB 854 Po 2184 in the aforesaid Clerk's Office, and by this Declaration wishes to establish a Road Maintenance Agreement for the hereinafter described tracts and lots in the said Subdivision,

NOW THEREFORE, the Developer hereby declares that, unless otherwise provided for herein, all of the properties described hereafter shall be held, sold and conveyed subject to the following Road Maintenance Agreement, said Agreement being for the purpose of protecting the value and desirability of the real property in said Subdivisions and being binding on all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of Developer's successors and assigns and shall run with the land. All Owners as defined herein join in this Declaration and shall be subject to this Road Maintenance Agreement, unless otherwise provided for herein. The part of that road deemed to be a common road and which is the subject of this Road Maintenance Agreement is indicated by the red/bold line on the map attached to this Road Maintenance Agreement, which is dedicated as a fifty (50) foot easement for ingress and egress to the public road by owners of Tracts 1 through 4 and 6 through 15 within the subdivision. The fifty (50) foot easement follows an existing gravel road and begins at Gilmer Branch Road (State road), in section C2 of Serenity Ridge Farm referenced above as recorded at , passing through parts of plat referenced above, and ending in section L67on the plat referenced above. The ending location is the same as the southeast corner of Lot 13 on the plat recorded at

ARTICLE I DEFINITIONS

- Section 1. "Association" shall mean and refer to the Serenity Ridge Farm Subdivision Association, its successors and assigns.
- Section 2. "Owners" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any tract 1 through 4 or 6 through 15 which is now or hereafter part of Serenity Ridge Farm Subdivision. The tracts are shown on plats of survey referenced above. Declarant reserves the right to add additional tracts to this Road Maintenance Agreement, and Owners of each must pay assessments and join as members of the Association.
- Section 3. "Properties" or "Tracts" shall mean and refer to all tracts or lots 1 through 4 and 6 through 15 of said Subdivision known as Serenity Ridge Farm. Should two adjoining tracts be purchased by the same owner and only one dwelling exists on the combined tracts, these tracts will be considered as one tract. The owner of two combined tracts will have rights and duties of one tract owner. The owner of more than two adjoining tracts will have the rights and duties as owner for each additional tract.

ARTICLE II MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a tract which is subject to assessment herein shall be a member of the Association, except that any Owner purchasing a tract which has frontage or other legal easement to a public road may opt not to participate in this Road Maintenance Agreement by written instrument to be recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia. Should an Owner opt out of this Road Maintenance Agreement, he or she shall have no right to use the common road indicated by the red/bold line on this attached map and he or she, for his/her heirs, successors and assigns, forever RELEASES and waives any easements and right of ways reserved for ingress and egress unto said tract. Should an Owner choose to participate in this Road Maintenance Agreement, membership may not be separate from ownership of any tract

which is subject to assessment.

Section 2. All Owners shall be entitled to one vote for each tract owned. When more than one house or dwelling exists on a tract, persons residing in such additional dwellings or houses on the tract shall be responsible for paying the road maintenance assessments as determined herein, but such persons shall not be entitled to vote. If more than one dwelling is placed on a tract, the vote for such tract shall be exercised as all persons occupying the tract shall determine among themselves, but in no event shall more than one vote be cast for one tract.

ARTICLE III CALL OF FIRST MEETING

- Section 1. An organizational meeting of the said Association may be held six (6) months after the sale of two or more lots, or after December 31, 2005, regardless of the number of lots sold, for the purpose of electing officers and taking account for the collection of any and all assessments hereinafter made reference to.
- Section 2. The meeting date shall be established and notice given for the organizational meeting by Developer.
- Section 3. Notice for the said organizational meeting shall be given by the said Developer at least seven (7) days prior to the scheduled date and time of said meeting. Said notice being given by letter sent by regular mail to the last known addresses of the Owners of tracts in said Subdivision. The Owner shall be responsible for giving notice to any other dwellers on his or her tract of such meeting.
- Section 4. A quorum for said organizational meeting shall be all Owners of tracts therein present and shall not require a majority or any percentage of owners to establish a quorum for conducting business.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. <u>Creation of the lien and personal obligation of assessments.</u> The

Owners of each tract subject hereto within the Subdivision, and all persons other than the Owner who may have a dwelling on any tract, hereby covenant, and each Owner of any tract by acceptance of this document by the execution hereof or by the acceptance of any future Deed therefore, whether or not it shall be so expressed in such Deed (unless the Owner has opted out of this Road Maintenance Agreement as provided in Article II), is deemed to covenant and agree to pay the Association and its official officers: (1) Annual assessments or charges; and (2) Special assessments for capital improvements to the road as established by the organization hereafter. The annual and special assessments together with interest, costs, and reasonable attorney's fees shall be a charge on the land and shall be a continuing lien upon the property 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 is the Owner of such property at the time when the assessment fell due, or of the person dwelling on such tract who uses the road.

Section 2. <u>Purpose of assessments.</u> The assessments levied by the Association shall be used exclusively to provide for the maintenance of the roadway, the right of way to which is fifty (50) feet in width, and which road runs from Gilmer Branch Road through the Subdivision, more particularly described above, and ending at Lot 13 as shown on the attached sketch plat at the end of the red line. Developer assumes no liability for continuing upkeep of the road.

Section 3. <u>Minimum annual assessment.</u> The minimum annual assessment shall be \$200.00 per tract, or, in the case where more than one house or dwelling is on a tract, \$200.00 for each such house or dwelling.

Section 4A. When due. The annual assessment shall be due on or before the first day of January of each year, beginning no less than seven (7) days prior to the first meeting.

Section 4B. Any additional assessment or any increase in the maximum annual assessment provided herein after the first meeting, shall be made only upon a vote of two-thirds of the members of the Association who are present and voting at a meeting duly

called for that purpose by the officers of the Association. Votes by proxy shall not be counted for this meeting.

Section 5. Special assessments for capital improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable only to that year for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair, or replacement of such roadway provided that any such assessment shall have the assent of two-thirds of the votes of the members of the Association whether voting in person or by proxy at a meeting called for that purpose.

Section 6. <u>Major Road Construction Changes.</u> This Agreement is for maintenance and minor modifications of road. Any major road construction change must have 100% approval of all lot Owners; provided, however, lot Owners who wish to make changes may do so at their own expense as long as the change is an improvement to said road and there is no negative impact on other lot Owners. Without intending to specify all major road changes, an example of a major road change would be to move location or route of said road or to pave or surface treat said road.

Section 7. <u>Notice.</u> Except for the organizational meeting, written notice of any meeting called for the purpose of taking any action authorized under any Sections herein shall be sent to all Owners not less than fifteen (15) days, nor more than thirty (30) days in advance of the meeting. A quorum for said meeting shall be the same as for the organizational meeting. Notice shall be given by the secretary of the Association by mail.

Section 8. <u>Uniform rate of assessment.</u> Both annual and special assessments must be fixed at uniform rate for all tracts and all tracts are responsible for the assessment therein created.

Section 9. <u>Increase of assessments.</u> Annual assessments may be increased, but any such increase as provided for herein must be made at least thirty (30) days in advance of the due date of each annual assessment.

Section 10. <u>Effect of nonpayment of assessment.</u> Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. In addition, the Association shall be entitled to its costs and attorney's fees in collecting an assessment. The Association may bring an action at law against the Owners personally obligated to pay the same or foreclose the same obligation against the property.

Section 11. <u>Subordination of lien</u>. The lien of the assessment provided for herein shall be subordinated to the lien of any first mortgage. Sale or transfer of any tracts shall not affect the assessment lien. No sale or transfer shall relieve such tract from liability for any assessment thereafter becoming due or from the lien thereof.

Section 12. <u>Damage from construction</u>. Each tract owner shall be individually responsible for unusual damages to the road caused by the use of construction equipment or heavy equipment not compatible with residential use.

Section 13. <u>Savings account or checking account.</u> With the signing of this agreement, the parties hereto agree to establish an escrow savings or checking account with a local bank and to deposit in said account such assessments paid by Owners.

Section 14. Responsibility for own driveways. Each Owner shall be responsible for maintaining his or her own driveway leading off of the common road to his or her tract or lot.

Section 15. Opt out. An Owner may opt out of this Road Maintenance Agreement by signing documents to release all easements and rights to use the common road(s) maintained by this Agreement. The Owner desiring to opt out of the Road Maintenance Agreement must be current and have paid in full any and all fees and assessments due to the Road Maintenance Agreement.

If Jean H. Brooks, Trustee, Owner of 12.3787 acres adjoining Lot 13 referenced above and recorded at Deed Book 840, Page 289 as Instrument No. 050000561 does not use the common road for access to a dwelling house and only uses the common road for

occasional access to said property which has a common boundary with Lot 13, said owner need not be bound by this agreement. Jean H. Brooks, Trustee shall have no rights or duties with the exception of retaining rights to use the common road for utility easements and occasional use to access the owner's common boundary with Lot 13. Occasional use is defined as 5 or less entries on the road per week. Occasional use by Jean H. Brooks, Trustee would assume responsibility for any damage caused by owner's use of shared road. Should use exceed the occasional use already described, owner shall be subject to assessment herein, and shall join as member of the Association. Brooks shall be limited to ten dwellings allowed to use the common road, and Owners of each dwelling must pay assessments and join as members of the Association.

ARTICLE V GENERAL PROVISION

- Section 1. <u>Severability.</u> Invalidation of any of these covenants or restrictions by judgment or Court Order shall in no way affect any other provision which shall remain in full force and effect.
- Section 2. <u>Amendment.</u> The covenants and restrictions of this declaration shall run with and bind the land for a term of twenty (20) years from the date of this declaration, after which time they shall be automatically extended for successive periods of ten (10) years. This declaration, with the exception of Article IV, Section 6, may be amended in the first twenty (20) year period by an instrument signed by not less than sixty percent (60%) of the tract owners, and thereafter by an instrument signed by not less than sixty percent (60%) of the tract owners. Any amendment must be recorded to be valid.
- Section 3. <u>Developer.</u> Developer has no obligation for payment of the assessment on any tract or tracts owned by Developer and which are part of Serenity Ridge Farm Subdivision.

ARTICLE VI RESERVATION OF EASEMENTS AND RESTRICTIONS

A non-exclusive easement fifty feet (50') in width is hereby dedicated, granted And reserved to Declarant, its heirs, successors and assigns, and to all lot owners, their heirs, successors and assigns, for the purpose of ingress and egress to the public road. Such easement shall extend from the public road (Gilmer Branch Road, Route 692), over the existing road and shall end in section L67 at southeast corner of lot 13, where noted on the attached survey of Serenity Ridge. The same fifty foot (50') easement is dedicated for underground installation of electric, telephone, or other public utilities for users or lot owners as they join the easement. Members of the Association shall be allowed to ride horses along private shared road within the easement area. Also, an easement for public utilities is reserved for twenty feet (20') along Gilmer Branch Road (Route 692) for lots 1, 2 & 6, as shown in yellow on the attached survey.

Serenity Ridge Subdivision is hereby subjected to the following restrictions which are to run with the land:

- 1. No buildings or other improvements may be erected in the easement area.
- 2. No tree larger than 6" in diameter may be cut in the easement area except to build an access road to a dwelling house or for purposes of installing public utilities.

WITNESS the following signatures and seals.

DEVELOPER

By:

David G. Larsen, President

(SEAL)

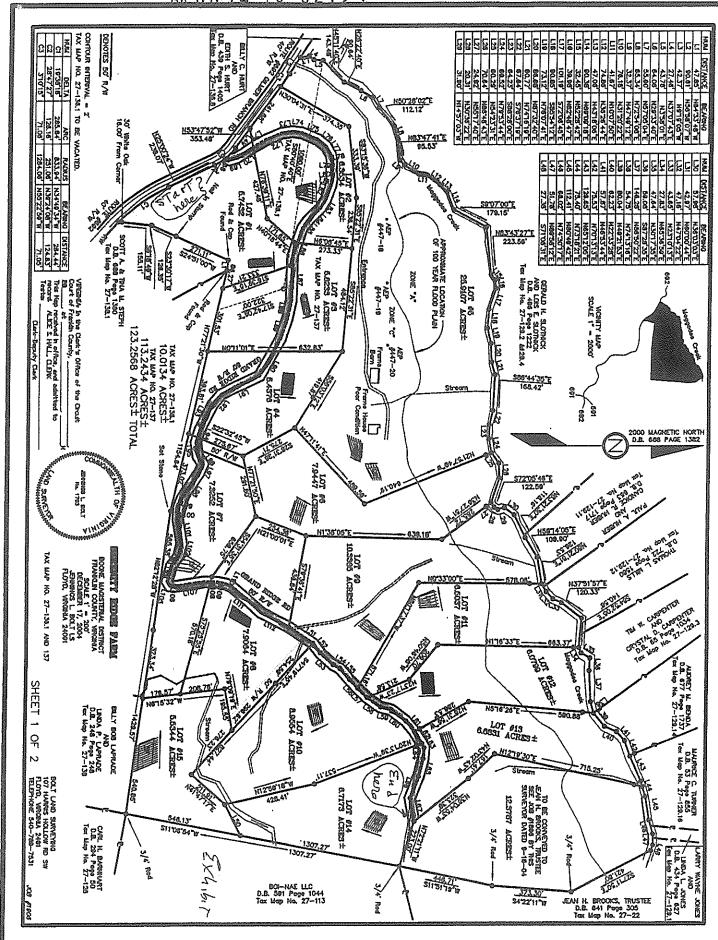


Exhibit only 6-28-0)

BK 0 8 5 4 PG 0 2 1 9 5

(SEAL)	OWNER
(SEAL)	OWNER
(SEAL)	NON-MEMBER DWELLER

(SEAL)	NON-MEMBER DWELLER
(SEAL)	NON-MEMBER DWELLER

The 2005	JNTY OF I foregoing 5, by David commission	G. Larsen, Pr	it: as ac reside	knowledged bef ant of Laurel Cre	ek Farm	s, Developer.	day of	June	<u>. </u> ,
CIT?	Y / COUNT foregoing	ALTH OF VI Y OF instrument expires	was	NIA, acknowledged	before	_, to wit: me this		day .•	of
				Notary Public	······································				
CITY The	/ COUNT	ALTH OF VII Y OF, instrument, expires	was	IIA, acknowledged	before	, to wit: me this		day	of
	***************************************			Notary	Public Public				
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COMMONWEALTH OF VIRGINIA,			
CITY / COUNTY OF	_, to wit:		
CITY / COUNTY OF	me this	day	of
My commission expires			
Notary Public			
COMMONWEALTH OF VIRGINIA,			
CITY / COUNTY OF	, to wit:		
The foregoing instrument was acknowledged before, by	me this	day 	of
My commission expires			
Notary Public			
INSTRUMENT # _05000 7567 RECORDED IN THE CLERK'S OFFICE OF			
FRANKLIN COUNTY ON 30, , 20 05 AT U	30 a.n.		
ALICES. HALL, CLERK			
Date Control			