

ROCKINGHAM COUNTY  
L. WAYNE HARPER  
CLERK OF COURT  
Harrisonburg, VA 22801



60 2007 00005057

Instrument Number: 2007- 00005057

As

Recorded On: February 13, 2007

Restrictive Covenants

Parties: ROCKTOWN DEVELOPMENTS INC

To

NO GRANTEE

Recorded By: ROCKTOWN DEVELOPMENT INC

Num Of Pages: 21

Comment:

**\*\* Examined and Charged as Follows: \*\***

Restrictive Covenants	6.50	11 - 30 Pages	28.50
<b>Recording Charge:</b>	<b>35.00</b>		

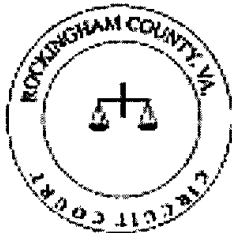
**\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\***

I hereby certify that the within and foregoing was recorded in the Clerk's Office For: ROCKINGHAM COUNTY, VA

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Document Number: 2007- 00005057	ROCKTOWN DEVELOPMENT INC
Receipt Number: 42872	
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THE STATE OF VIRGINIA }  
COUNTY OF ROCKINGHAM }

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ROCKINGHAM COUNTY, VIRGINIA

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 00005057 OR 3038 750 21  
 Feb 13, 2007

City of Harrisonburg Tax Parcel : 80-F-0, 0A & 20-42; 80-H-0 & 1-19; 80-H-21; and 80-A-8

**DECLARATION OF  
 COVENANTS, CONDITIONS, AND RESTRICTIONS  
 TOWNES AT BLUESTONE**

THIS DECLARATION (as amended from time to time, the "Declaration") is made as of January 25, 2007, by **ROCKTOWN DEVELOPMENTS, INC.**, a Virginia corporation (together with its successors and assigns, "Declarant").

**ARTICLE ONE  
INTRODUCTION, PURPOSE AND DECLARATION**

1.1 Introduction. Declarant is the record owner of certain real property situate in the City of Harrisonburg, Virginia, along Deyerle Avenue Blue Stone Hills Drive and Blue Stone Hills Drive (Extended) consisting of some Forty-two Lots together with certain Open Space areas, all as set forth on that certain plat of subdivision (the "Subdivision Plat") made by Michael W. Mars, L.S., dated September 18, 2006, and recorded in the Rockingham County Circuit Court Clerk's Office in Deed Book 2976, page 162 (the "Development Property"), identified as City of Harrisonburg Tax Parcels 80-F-0, 0A & 20-42; 80-H-0 & 1-19 and also those certain two (2) additional tracts or parcels identified as City of Harrisonburg Tax Parcels 80-H-21 and 80-A-8 (the "Expansion Property"), all of which property and rights are more particularly described in Exhibit A attached hereto and made a part hereof. The Declarant intends to construct for sale approximately 42 single-family townhomes on the Development Property. The Development Property and any additional real property that may be added to this Declaration according to Article 12 below shall be known as the "Townes at Bluestone" (also sometimes referred to herein as the "Property").

A portion of the Development Property, specifically Lot Nos. 28 – 42, inclusive, as shown on the Subdivision Plat, has been conveyed in trust to Steven C. Akers, Sole Acting Trustee, to secure payment of a promissory note payable to Suntrust Bank, formerly Crestar Bank, pursuant to the terms of a Deed of Trust Third Modification Agreement recorded in the aforesaid Clerk's Office in Deed Book 3004, Page 318. Suntrust Bank and Steven C. Akers, Sole Acting Trustee, hereby join in this Declaration to evidence their consent to this Declaration of Covenants, Conditions and Restrictions.

1.2 Purpose. Declarant desires to establish certain protective covenants, conditions, restrictions, liens and charges with respect to the Townes at Bluestone, all in accordance with the Virginia Property Owners' Association Act, Va. Code §§ 55-508, et. seq., as amended from time to time) (the "Act").

*Prepared by Lenhart Obenshain PC  
 PO Box 1287, Harrisonburg, VA 22803*

1.3 Declaration. Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following easements, restrictions, and covenants, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the real property and insuring a uniform mode of development. These easements, covenants, restrictions and conditions shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest in the described properties or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE TWO  
DEFINITIONS

In addition to the terms defined elsewhere herein:

2.1 “Association” shall mean and refer to the Townes at Bluestone Property Owners’ Association, its successors and assigns. The Association may be an unincorporated association or a non-stock corporation organized under Virginia law.

2.2 “Common Area” shall mean all property and easements or other interests owned or leased by the Association for the common use, enjoyment, and benefit of the members of the Association. This shall include Open Space areas and all rights in and to any off-site easements.

2.3 “Governing Documents” shall mean this Declaration and the Articles of Incorporation and Bylaws of the Association, if incorporated as a non-stock corporation, or any bylaws adopted if the Association remains an unincorporated association.

2.4 “Lot” shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property with the exception of the Common Area.

2.5 “Member” and “Owner” shall mean every person or entity who is a record owner of a fee or undivided fee interest in any Lot, including contract sellers. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation.

2.6 “Unit” shall mean and refer to any townhome situate upon a Lot.

ARTICLE THREE  
COMPOSITION OF ARCHITECTURAL CONTROL COMMITTEE

3.1 Composition of Architectural Control Committee.

(a) There is established an Architectural Control Committee (“ACC”). The original member shall be Declarant. For so long as Declarant owns any of the Property, Declarant shall control the ACC and shall appoint such additional members, if any, of the ACC as Declarant deems appropriate.

(b) When Declarant no longer owns any Property, or earlier at Declarant’s option, the ACC shall become a committee of three persons selected by the Board of Directors of

the Association. All matters decided by the ACC shall be determined by a majority vote of the ACC.

3.2 ACC Approval Matters. Construction of improvements on any Lot by Declarant shall not be subject to ACC approval. With that exception, no building or other improvements of any kind shall be erected, placed or altered on any Lot until at least two sets of construction plans and specifications, together with a plat showing the location of the structure, have been submitted in writing and approved by the ACC as to external design and materials, color, harmony of external design with existing structures and location on the Lot. No fence or wall shall be erected, placed or altered on any Lot unless similarly approved. The following, among other things, shall require prior written approval of the ACC: grading; landscaping (including, without limitation, tree cutting and clearing); building construction (including, without limitation, exterior finish and color); sign design and erection; exterior changes to property or improvements (including, without limitation, changes of exterior colors by repainting or otherwise and roofing repair or replacement); modification, alteration or enlargement of any existing structure; paving and driveways; fencing; mailboxes; exterior lighting; antennae (radio, television or otherwise) except as provided below as to satellite dishes); and location and maintenance of all structures and improvements. The approval of the ACC shall not be required for alterations or remodeling which are completely within a building or structure, do not change the exterior appearance thereof and are not visible from the outside of the structure.

3.3 Discretion of ACC. The ACC shall have full and complete discretion to approve or disapprove matters within its discretion, and is not bound to approve any proposed buildings and improvements solely because they comply with the other restrictions and covenants or are equal in cost or value to buildings and improvements on other Lots. The ACC shall also have the discretion to approve any proposed buildings or improvements on any of the Lots, even though the improvements do not meet the requirements of the other provisions of this Declaration, if, in the absolute discretion of the ACC, such variances are not harmful to the value of the adjoining property. In no event, however, shall the ACC be empowered to permit any use of any Lots other than as a single-family townhome.

3.4 Limitation of ACC Review. The ACC shall not be responsible for reviewing, nor shall its approval of any project be deemed approval of, any proposed construction from the standpoint of safety, whether structural or otherwise. Approval of plans and specifications pursuant to this Declaration shall not relieve any owner of the responsibility to comply with all applicable governmental laws or regulations.

3.5 Powers of ACC. Refusal or approval of plans or specifications may be based by the ACC on any grounds, including purely aesthetic considerations, which in the sole and absolute discretion of the ACC seem sufficient. The ACC or its designated representative shall have the right to inspect any improvements during construction to determine compliance with the approved plans and specifications. Where discrepancies exist, the ACC may require corrective work, or, where warranted, in its opinion, it may issue a notice to cease construction until compliance is assured to its satisfaction. Failure to heed notice of the ACC shall operate as a default of this Declaration.

ARTICLE FOUR  
ASSOCIATION

4.1 Formation of the Association. On or before the date on which Declarant conveys to any Person other than Declarant fee simple title to the first Lot within the Townes at Bluestone, Declarant shall form the Association.

4.2 Purposes and Powers.

(a) The Association's purposes are to: (i) manage, operate, construct, improve and maintain the Common Areas, as necessary or appropriate; (ii) administer and enforce the covenants, conditions, restrictions, reservations and easements created by this Declaration; (iii) levy, collect and enforce the assessments, liens, charges and penalties imposed pursuant hereto; (iv) appoint the ACC for the purposes set forth in this Declaration; (v) take any action necessary or appropriate to protect the general welfare and safety of Owners and residents of the Townes at Bluestone and their guests; and (vi) regulate and manage the Townes at Bluestone with the goal of enhancing and protecting the development's value.

(b) Unless expressly prohibited by law or any of the Association's Governing Documents, the Association may take any and all actions that it deems necessary or advisable to fulfill its purposes.

4.3 Board of Directors. The business of the Association shall be managed by its Board of Directors. The initial number of directors shall be three, which directors shall be appointed by the Class B Member. At such time as the Class B membership is converted to Class A membership as provided by Section 5.2 below, the directors shall be elected annually by and from the Members as set forth in Section 5.5, subject, however, to the Declarant's right to appoint those certain directors as set forth in the Articles of Incorporation during the Declarant Control Period.

4.4 Books and Records. Upon request, the Association shall allow Owners and mortgagees to inspect current copies of the Association's Governing Documents, published rules and regulations, and the books, records, budgets and financial statements of the Association at the offices of the Association during normal business hours and under other reasonable circumstances. The Association may charge a reasonable fee for copying such materials as well as for the time of Association staff members associated with such inspection.

4.5 Personal Liability and Indemnification. No officer, director, employee, agent or committee member of the Association shall be personally liable to the Association or any Owner or resident for any injury, damage, loss, cost or expense suffered or incurred by reason of any act or omission of such officer, director, employee, agent or committee member unless a court of competent jurisdiction finds that such officer, director, employee, agent or committee member engaged in willful misconduct or knowing violation of criminal law. The Association shall indemnify and hold harmless its present and future officers and directors to the maximum extent permitted by law and its Governing Documents.

ARTICLE FIVE  
MEMBERSHIP

5.1 Membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership. No Owner shall have more than one membership. Each Member shall have the rights, duties and obligations set forth in the Association's Governing Documents.

A new Owner acquiring title to a Lot shall provide to the Association, not more than sixty (60) days after the closing of the Lot purchase, a photocopy or certified copy of the recorded instrument vesting that person with an ownership interest in the Lot.

5.2 Classes of Membership. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners except the Declarant. Class A members shall be entitled to one vote for each Lot that is subject to assessment by the Association and in which they hold a fee or undivided fee interest. When more than one person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot. Owners shall not be entitled to vote until their Lot is subject to assessment.

Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to three (3) votes for each Lot in which it holds a fee or undivided fee interest, provided, however, that at such time as the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership and the Declarant Control Period, as set forth in the Articles of Incorporation, has ended, the Class B membership shall cease and be automatically converted to Class A membership.

5.3 Transfer of Membership. An Owner shall not sell, assign, transfer, convey, pledge or encumber the Owner's membership in any way, except upon the sale or encumbrance of the Lot to which the membership is appurtenant, and then only to the purchaser(s) of fee simple title to the Lot or the mortgagee of the Lot. A transfer of ownership of a Lot may be made by deed, intestate succession, testamentary disposition, foreclosure of a mortgage of record or such other legal process as is now effective or may hereafter become effective in that regard under the laws of the Commonwealth of Virginia. Any attempt to transfer a membership in a manner other than those permitted by this Section 5.3 shall be null and void.

5.4 Meetings. All meetings at which the Owners will be presented with matters on which to vote shall be called by the Board of Directors of the Association upon such notice as is required by the Governing Documents of the Association and applicable law.

5.5 Voting. Unless otherwise provided herein, any matter coming before the Members for vote at any properly called meeting shall be approved only if the matter receives the required percentage of affirmative vote of each class of Members who are voting in person or by proxy (if the latter be allowed by the Governing Documents) at a meeting duly called at which a quorum is present; provided, however, that the Association's Board of Directors shall be elected by a plurality vote. A quorum shall be twenty-five percent (25%) of each class of

Members. Notwithstanding anything herein to the contrary, when determining whether a requisite percent vote has been obtained, the total number of Members shall be based on the Lots to which membership is appurtenant, rather than the total number of Members.

ARTICLE SIX  
PROPERTY RIGHTS

6.1 Members' Easement of Enjoyment. Every member shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

- (a) the right of the Association to limit the number of guests of members;
- (b) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (c) the right of the Association, in accordance with its Governing Documents, to borrow money for the purpose of improving the Common Area and facilities and, in aid thereto, to mortgage said property; and the rights of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder;
- (d) the right of the Association to suspend the voting rights and right to use of the recreational facilities by a member for any period during which any assessment against his Lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (e) the right of the Association to dedicate or transfer all or any part of the Common Area or provide rights therein to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members; but no such dedication or transfer shall be effective unless an instrument signed by members entitled to cast two-thirds (2/3) of the votes of the Class A membership and two-thirds (2/3) of the votes of the Class B membership, if any, has been recorded, agreeing to such dedication or transfer, provided, however, that the Declarant reserves such right to make such dedication or transfer or provide rights therein during the Declarant Control Period without the concurrence of the Association or its members; and
- (f) the right of each Owner to the use of the parking spaces created for the Lots, which parking spaces, however, shall not be deemed exclusive as to any Lot except for driveways.

6.2 Delegation of Use. Any member may delegate his right of enjoyment to the Common Area and facilities to the members of his family, tenants, or contract purchasers who reside on the property.

6.3 Title to the Common Area. The Declarant hereby covenants for itself, successors and assigns, that it will convey fee simple title to the Association, free of all encumbrances and liens, of such part of the Common Area, as defined herein, that the Declarant owns.

6.4 Parking Rights. Ownership of each Lot shall entitle the owner or owners thereof to the use of not less than two (2) automobile parking spaces, together with the right of ingress and egress in and upon said parking areas. In the case of garage units, the garage and driveway shall satisfy the minimum parking rights for said units.

6.5 Reserved Easement. Declarant reserves to itself and its assigns an easement across each Lot (except that portion covered by buildings) for the installation, maintenance and repair of utilities and drainage facilities. The Association has an easement over and across all Lots for the performance of its duties under this Declaration.

6.6 Easement for Encroachments. Each townhome Lot is subject to an easement for encroachments (and repairs thereto) created by normal overhangs of structures. If a dwelling on one or more townhome Lots is partially or totally destroyed and then rebuilt, the owner of the affected Lot agrees that minor encroachments of parts of adjacent dwellings due to construction shall be permitted and that a valid easement for such encroachments exists. Every portion of a building contributing to the support of an abutting building is burdened with an easement of support for the benefit of such abutting building.

ARTICLE SEVEN  
COVENANTS FOR MAINTENANCE ASSESSMENTS

7.1 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 therefore, whether or not it shall be so expressed in any such Deed or other conveyance, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges, and (ii) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, 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 was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them. However, the lien shall remain attached to the real estate until paid.

7.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the Members and in particular for the improvement and maintenance of the Property, services, and facilities devoted to this purpose and relating to the use and enjoyment of the Common Area, and of the townhomes situate upon the Property and performance of all obligations of the Association under the Governing Documents.

7.3 Basis of Annual Assessments. The initial annual assessment of Two Hundred Sixty Dollars (\$260.00) per Lot, per year, shall commence upon the conveyance of a Lot from the Declarant and shall be prorated for the remainder of the assessment year from the time of such conveyance. Thereafter, effective January 1 of each year, the Board of Directors may increase the annual assessment, without Member approval, after due consideration by the Board



of the current and future maintenance costs and operational responsibilities for the Common Area.

7.4 Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Board of Directors shall have the authority as provided by Va. Code § 55-514 to levy in any assessment year a special assessment applicable to that year only, if the purpose in so doing is found by the Board to be in the best interests of the Association and the proceeds of the assessment are to be used primarily for the maintenance and upkeep of the Common Area and for capital expenditures. A special assessment must receive the affirmative vote of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, and at which a quorum is present, written notice of which shall be sent to all Members in accordance with the Association's Governing Documents. Pursuant to Va. Code § 55-514, a special assessment may be rescinded or reduced upon a majority of votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, and at which a quorum is present, written notice of which shall be sent to all Members in accordance with the Association's Governing Documents.

7.5 Declarant Exempt from Assessment. Notwithstanding anything to the contrary herein, Declarant shall not be assessed on any Lots owned by it.

7.6 Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on an annual basis. Special assessments shall not be made more than once per year and shall not exceed the amount of the annual assessments.

7.7 Date of Commencement of Annual Assessment; Due Dates. The annual assessments provided for herein shall commence as to each Lot upon the conveyance of the Lot from the Declarant. The first annual assessment shall be prorated 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 Association, upon demand at any time, shall furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments, whether annual or special, on a specified Lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

7.8 Effect of Nonpayment of Assessment; remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall earn interest from the date of delinquency at the current legal rate, and the Association may bring an action at law against the Owner personally obligated to pay the same, or may perfect the lien against the property, pursuant to Va. Code § 55-514. Interest, costs, and reasonable attorney's fees for any such action shall also be added to the amount of such assessment. No Owner may waive or otherwise avoid liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

7.9 Subordination of the Lien to Deeds of Trust. Pursuant to Va. Code § 55-516, the lien of the assessments provided for herein shall be subordinate to (i) real estate tax liens on the

Lot, (ii) liens and encumbrances recorded prior to the recordation of the Declaration, and (iii) sums unpaid on and owing under any mortgage or deed of trust recorded prior to the perfection of said lien; provided, however, that mechanics' and materialmen's liens shall not be affected by this Article 7. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any deed of trust pursuant to a deed of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessment thereafter becoming due or for the lien thereof.

7.10 Exempt Property. In addition to Lots owned by the Declarant, the following property subject to this Declaration shall be exempt from the assessments created herein: (i) all properties dedicated to and accepted by a local public authority; (ii) the Common Area; and (iii) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the Commonwealth of Virginia. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

## ARTICLE EIGHT PARKING LOT ASSESSMENT

8.1 Creation of Parking Lot Assessment Lien. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a Deed therefore, whether or not it shall be so expressed in any such Deed or other conveyance, is deemed to covenant and agree to pay to the Association: (i) all annual parking lot assessments, fees and charges, and (ii) all special parking lot assessments for major and/or extraordinary parking lot repairs, replacements or improvements. The annual and special parking lot assessments, together with interest as hereinafter provided, costs of collection, and reasonable attorneys' fees, shall be a charge upon the land and shall be a continuing lien upon the Lot against which each such assessment is made as hereinafter provided.

8.2 Purpose of Parking Lot Assessment. The initial annual parking lot assessment of One Hundred Dollars (\$100.00) per Lot per year shall commence upon the conveyance of a Lot from the Declarant and shall be prorated for the remainder of the assessment year from the time of such conveyance. Thereafter, the Board of Directors, each January 1, may increase the annual parking lot assessment, without Member approval, after due consideration by the Board of the current and anticipated costs and needs of the Association for the purpose of providing the periodic parking lot and driveway repairs, replacements and improvements to service all or any part of the Townes at Blue Stone.

8.3 Special Parking Lot Assessment. In addition to the annual parking lot assessment, the Association may levy a special parking lot assessment applicable to that calendar year only for the purpose of defraying, in whole or in part, the costs of any major and/or extraordinary work on the parking lot areas, provided that any such special parking lot assessment must be approved by the affirmative vote of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, and at which a quorum is present, written notice of which shall be sent to all Members in accordance with the Association's Governing Documents.

ARTICLE NINE  
PARTY WALLS

9.1 General Rules of Law to Apply. Each wall which is built as a part of the original construction of the townhomes upon the Property and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

9.2 Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

9.3 Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, the Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

9.4 Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

9.5 Right to Contribution Runs with the Land. The right of any Owner to contributions from any other Owner under this Article shall be appurtenant to and run with the land and shall pass to such Owner's successors in title.

9.6 Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, the Board of Directors may take jurisdiction of the dispute and decide the matter, or, if the Board declines to take jurisdiction, each disputant (one per Lot) shall choose one arbitrator, and the decision shall be by a majority of all the arbitrators. In the event there only are two disputants and, thus, only two arbitrators, the two selected shall choose a third arbitrator.

ARTICLE TEN  
MAINTENANCE

10.1 Maintenance by the Association. Subject to other provisions hereof, the Association, at its expense, shall be responsible for and shall maintain, repair and replace all of the Common Areas, including the parking lots, driveways and any off-site easements as set forth in any such easement agreements and/or as shown on the recorded plat of the Property. The Association will also be responsible for lawn mowing as provided in Section 11.16 below.

As part of the foregoing, the Association shall be responsible for those certain repairs and for costs assessed to it for other repairs, upkeep and maintenance pursuant to the following:

- (i) That Deed of Easement dated August 7, 2006, from HRT Holdings, Inc. ("HRT"), a Delaware corporation, recorded in Deed Book 2937, Page 536 of the Rockingham County Circuit Court Clerk's Office, granting a certain easement for drainage over HRT property, which lies adjacent to the Property concerned herein and benefits said Property; and
- (ii) That Shared Easement Cost-Sharing Agreement dated July 12, 2004, between Rocktown Land Company, LLC, and Blue Stone Hills Property Owners Association, recorded in Deed Book 2521, Page 239 of the aforesaid Clerk's Office, which Agreement was assigned to Declarant by that certain Amendment and Assignment of Easement Rights dated January 25, 2007, and recorded prior hereto.
- (iii) These costs shall be a common expense assessed as part of the Annual Assessment.

10.2 Maintenance by Unit Owner.

(a) Each Owner shall maintain, repair, and replace, at his expense, all portions of his Lot and Unit, including the roof and guttering. Without limiting the generality of the foregoing, snow removal and lawn maintenance (excluding mowing to be performed by the Association under Section 11.16 below) shall be the responsibility of the Owner.

(b) In the event an Owner of any Lot shall fail to maintain the premises and the improvements situated thereon in a satisfactory manner, the Association shall have the right, through its agents and employees, to enter upon said parcel and repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the annual assessment to which such Lot is subject, and the expense of such exterior maintenance shall become a lien upon the subject property. It is a condition of these covenants that the Association is and shall be deemed general contractor for the purpose of qualifying to file a mechanic's lien, and every Owner so in default, by the acceptance of his Deed, and those claiming under him, hereby agrees to pay such expense, and grants permission to the Association to enter upon such Lot and make such exterior maintenance without being guilty of trespass, and said Association, its agents and employees, shall not be liable in damages to any Lot Owner except for willful and tortious acts committed beyond the scope hereof. Any assessments under this Section 10.2 shall constitute liens and shall be subject to the provisions of Va. Code § 55-516.

10.3 Right of Entry. In addition to the right of entry granted pursuant to Section 10.2 above, whenever it is necessary to enter the land portion of any Unit for the purpose of inspection, including inspection to ascertain an Owner's compliance with the provisions of this Declaration, or for performing any cleaning, maintenance, alteration or repair to any portion of the Common Areas or parking lot, the Owner shall permit an authorized agent of the Association to enter such Unit, or to go upon the Common Areas or parking lot, provided that such entry shall be made only at reasonable times and with reasonable advance notice. In the case of emergency such as, but not limited to, fire, flood or running water, entry may be made into the Unit without notice or permission.

ARTICLE ELEVEN  
USE RESTRICTIONS

11.1 No Lot shall be used other than for residential purposes, or for builders' construction sheds and sales and administrative offices during the construction and sales period; and not more than one principal building shall be permitted on any Lot; and no Lot shall be resubdivided so as to produce a building site of less area or width.

11.2 No building, garage, trailer, tent, driveway, or structure may be erected, built, or permitted to remain on any Lot other than one townhome dwelling not to exceed three stories in height.

11.3 No utility trailer, house camper, recreational vehicle, other trailer, bus, commercial equipment, disabled or unlicensed vehicle or material portion thereof, or commercial vehicle larger than  $\frac{3}{4}$  ton, may be parked on any street or parking area, Lot or Common Area, unless, in the case of commercial equipment, it shall be temporarily within such subdivision for the purpose of performing work therein.

11.4 No noxious or offensive use or activity shall be carried on upon any lot, parking area, or Common Area, nor shall any practice be engaged in by the Owners of the Lots, their tenants, agents, guests, or assigns, that shall become an annoyance or a nuisance to the neighborhood.

11.5 No exterior clothesline or hanging device shall be allowed upon any Lot, and no antennae shall project above the surface of the roof.

11.6 No sign of any kind shall be displayed on any lot, except a sign of not more than five square feet advertising the property for sale or rent, except signs used by the developer and its agents to advertise the property during the construction period and sales period.

11.7 No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other usual household pets may be kept, provided that they are not kept, bred or maintained for commercial or charitable purposes or in unusual numbers and provided they are not known for dangerous propensities.

11.8 No trash, garbage or other refuse shall be burned upon the premises, except that the builder or developer may burn debris for the purpose of cleaning the land or preparing any dwelling for occupancy.

11.9 No skateboard, rollerblade or bicycle ramps or structures of any kind shall be constructed, placed, or used on any Lot, street or parking area within the Property.

11.10 A townhome unit may not be leased to or occupied by more than two unrelated adults unless approved by the Board of Directors in its discretion after notice and an opportunity to comment is given to all adjoining property owners.

11.11 Easements for installation and maintenance of utilities, walkways, driveways, parking, drainage and storm detention facilities, sanitary sewer, water line, and access to all Lots

together with sight distance easements and a temporary turnaround easement are reserved as shown on the recorded plat for the Townes at Bluestone, Section One, subdivision (or any applicable phase). Such easements are reserved over the Lots and Common Areas in the Property as necessary for the benefit of said Lots, said locations to be designated by Declarant. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may obstruct or interfere with the installation and maintenance of said utilities and access to Lots. The easement area within each Lot shall be maintained by the Owner of said Lot, except those easements for which a public authority, utility company, or municipality is responsible.

11.12 No hedge shall be planted or permitted to grow over three and one-half (3 ½) feet high along the property line unless approved by the ACC, nor shall any growth be permitted by any Owner to extend beyond his property line.

11.13 A satellite dish, not in excess of twenty-four (24) inches in diameter, may be installed upon the Lots, provided that said satellite dish does not extend beyond the roof-line of the dwelling to which it is attached. The installation of any satellite dish is subject to the approval of the Association.

11.14 All improvements to Lots shall be completed within 12 months of the commencement of construction thereof.

11.15 The Association shall be responsible for snow removal from the Common Area parking lots and Common Area sidewalks. Snow removal from the Lots and Owners' driveways and sidewalks shall be the responsibility of the Lot Owner.

11.16 The Association shall be responsible for maintenance of general landscaping, including mulching, of the Common Areas. The Association shall mow grass on the Lots, except those areas which are inaccessible due to approved fencing, if any. Lot Owners are responsible for maintenance of the general landscaping, including mulching and trimming of shrubbery and other garden care, of their own Lots, as well as for mowing of any inaccessible or fenced grass areas on their Lots.

11.17 The Lot Owner shall place his/her trash in the designated area for trash pick-up. The Association will assess an annual fee for such service.

11.18 No Lot or any portion of any Lot shall be used as an access way or right-of-way for ingress or egress to any other Lot or other parcel of land, without the prior written consent of the Association.

11.19 No lawn ornaments, wood structures or similar items shall be placed or used in any yard on any Lot unless approved by the ACC.

11.20 All children's toys, lawn maintenance equipment, motor bikes, all-terrain vehicles (ATV's), mopeds, scooters, barbecue grills, trash receptacles, rubbish and other unsightly objects and equipment shall be stored inside or in a screened location overnight. Storage of such items in front or side yards is prohibited. "Children's toys" includes without limitation bicycles,

tricycles, wagons, sandboxes, baby carriages, sliding boards, basketball goals, sleds and snow-related toys and sports-related equipment.

11.21 There shall be no fencing or hedges in the front yard of any townhouse lot, and all fencing to the rear of the townhouse unit shall be attached to the individual unit. Such fencing shall be constructed of one-inch by six-inch pressure-treated lumber on both sides of a board-on-board structure not to exceed six (6) feet in height, and shall include a gate at the rear to enable access. No fence shall be constructed without prior approval of the ACC.

11.22 In the event that a dwelling is destroyed, the Owner of the dwelling shall, within thirty (30) days of said destruction, clear away the remains of the dwelling and maintain the lot in a neat and orderly condition. No structure other than a townhouse of at least the same dimensions and architecture as the unit destroyed shall be constructed in place of the original unit ("Replacement Dwelling"). No Replacement Dwelling shall be constructed on a lot unless its dimensions and architecture are approved by the ACC.

11.23 Every violation of the covenants contained herein is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable thereto, and such remedies shall be deemed cumulative and not exclusive.

11.24 Inasmuch as enforcement of the provisions hereof is deemed essential for the implementation and preservation of the general plan of development, and for the protection of the undersigned and all of the Owners and residents of the Townes at Bluestone, it is hereby declared that any violation of the provisions hereof shall constitute irreparable harm not adequately compensable by recovery of damages, and any person, firm or corporation shall be entitled, in addition to all other remedies, to relief by way of injunction for enforcement of the provisions hereof.

11.25 Cost and expenses incidental to the abatement of any violation hereof, including reasonable attorneys' fees, and of the removal and correction of any offending structure or condition shall be paid by Owner of the offending property, and the amount thereof until paid shall constitute a lien upon the offending property, in favor of the Association, inferior only to liens as prescribed in Va. Code § 55-516.

11.26 The Declarant reserves and shall have the right alone to waive any one or more of the restrictive covenants, conditions and restrictions contained herein as to any lot transferred by it except that it cannot change the use of any lot from residential to commercial. This waiver shall not affect the otherwise binding effect of the covenants, conditions and restrictions upon any other lot. The Declarant further reserves the right alone to impose additional restrictive covenants, conditions and restrictions as to any lot or lots owned by it at the time of the imposition, and such imposition shall not affect the otherwise binding effect of these provisions upon any other lots.

ARTICLE TWELVE  
RIGHT TO INCLUDE ADDITIONAL REAL PROPERTY  
AND EXCLUDE REAL PROPERTY

12.1 Right to Include Additional Real Property. For so long as Declarant owns any portion of the Property, Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property and adjoining property, to this Declaration by recording in the Office of the Clerk of the Circuit Court of Rockingham County, Virginia, an instrument signed by Declarant setting forth the following: (a) a statement that the real property to be added is owned by Declarant and is adjacent to the Property or within one mile of any boundary of the Property, (b) a statement that Declarant has determined that such real property should be included as part of the Townes at Bluestone, (c) the legal description of the real property to be added, and (d) a statement that the property to be added shall be subject to and governed by the provisions of this Declaration. Upon the recording of such instrument, (i) the real property described therein shall thereafter be part of the Property and shall be governed by all of the provisions herein, and (ii) the Declaration shall be deemed amended to add such additional property to the definition and description of the Property herein.

12.2 Right to Exclude Real Property. For so long as Declarant owns any portion of the Property, any real property made part of the Property and subject to this Declaration, pursuant to this Declaration, may at any time prior to conveyance of such property to a third party be excluded from the development project and made no longer subject to this Declaration by the recording in the Office of the Clerk of the Circuit Court of Rockingham County, Virginia, of a written instrument signed by Declarant containing (a) a legal description of the real property to be excluded, (b) a statement that such real property is owned by Declarant, and (c) a statement that said real property shall no longer be deemed to be a part of the Property or bound by or subject to any part of this Declaration.

12.3 Townes at Bluestone Name. The name "Townes at Bluestone" may be used by Declarant, its members and their respective affiliates to refer to all or any part of the Property or other nearby properties, regardless of whether such property is ever made subject to the Declaration. The names "Townes" and "Townes at Bluestone" are proprietary to Declarant and may not be used without Declarant's written authorization.

ARTICLE THIRTEEN  
GENERAL PROVISIONS

13.1 Enforcement. 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. Failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

13.2 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.



13.3 Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to the Declaration, their respective legal representatives, heirs, successors, and assigns for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each. The covenants, conditions and restrictions of this Declaration may be amended by the affirmative vote of not less than two-thirds (66.67%) of the votes allocated to all Members of each class on a class basis. Any amendment must be properly recorded.

ROCKTOWN DEVELOPMENTS, INC.  
a Virginia corporation

By: V.T.F.  
Name: Vaughn T. Foura  
Its: Vice President

COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Winchester, to-wit:

The foregoing instrument was acknowledged before me this 31 day of January, 2007, by Vaughn T. Foura, who is Vice-President of Rocktown Developments, Inc. a Virginia corporation, on behalf of the corporation.

My commission expires: 12-31-09.

(SEAL)

Jeanie Jarrett  
Notary Public

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SUNTRUST BANK, Noteholder

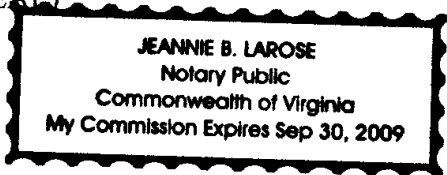
By: *Don H. Andre*  
Name: Don H ANDRE  
Title: SENIOR VICE PRESIDENT

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

The foregoing instrument was acknowledged before me this 29 day of January, 2007, by Don H. Andre, who is Senior Vice President of Suntrust Bank, on its behalf.


My commission expires: 9/30/2009.

(SEAL)



*Jeannie B. Larose*  
Notary Public

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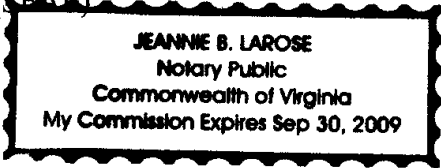
  
Steven C. Akers, Sole Acting Trustee

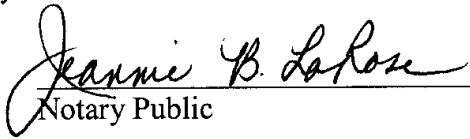
COMMONWEALTH OF VIRGINIA  
CITY/COUNTY OF Roanoke, to-wit:

The foregoing instrument was acknowledged before me this 29 day of January, 2007, by Steven C. Akers, Sole Acting Trustee.

My commission expires: 9/30/2009.

(SEAL)



  
Notary Public

98830

Exhibit A: Property

**EXHIBIT A**

**Development Property:**

All that certain tract or parcel of land lying along Deyerle Avenue and Blue Stone Hills Drive in the City of Harrisonburg, Virginia, containing 5.00 acres, more or less, and being more particularly described and shown on that certain plat of survey entitled "DIVISION PLAT SHOWING 13.409 ACRES of LAND PRESENTLY in the NAME of ROCKTOWN LAND COMPANY, LLC," prepared by Michael W. Mars, L.S., dated August 14, 2006, and recorded with the Deed referenced below, and on that certain subdivision plat made by Michael W. Mars, L.S., dated September 18, 2006, entitled "Final Plat, The Townes at Bluestone, Section One," recorded in Deed Book 2976, Page 162 of the Clerk's Office of the Circuit Court of Rockingham County, Virginia.

This is the same real estate acquired by Rocktown Developments, Inc., from Rocktown Land Company, LLC, by deed dated August 21, 2006 (the "Deed"), of record in the aforesaid Clerk's Office in Deed Book 2937, Page 546.

**Expansion Property:**

**Tract One:**

That certain tract lying along Deyerle Avenue and Blue Stone Hills Drive in the City of Harrisonburg, Virginia, containing 8.409 acres, more or less, and being more particularly described and shown on that certain plat of survey entitled "DIVISION PLAT SHOWING 13.409 ACRES of LAND PRESENTLY in the NAME of ROCKTOWN LAND COMPANY,

LLC,” prepared by Michael W. Mars, L.S., dated August 14, 2006, which plat is recorded in Deed Book 2937, Page 546, et seq. in the aforesaid Clerk’s Office.

Tract Two:

All that certain lot or parcel of land containing 0.971 of an acre, more or less, with improvements, together with an easement twelve (12) feet in width for ingress and egress, and all rights, privileges, appurtenances, easements and rights of way thereunto belonging or in anywise appertaining, situate on the east side of Reservoir Street, approximately one-half (1/2) mile south of Mabel Memorial Chapel in the City of Harrisonburg, Virginia, and being known and designated as Lot 1 upon a plat of the Hottinger Subdivision, which plat is recorded in the aforesaid Clerk’s Office in Deed Book 752, Page 191, and more particularly shown and described upon a plat of survey made by J. R. Copper, Jr., C.L.S., dated April 29, 1985, by metes and bounds as follows:

Beginning at an iron pin set, a new corner in the line of Deyerle Land Inc.; thence leaving said Deyerle Land, Inc. and with a new division line N 31° 43’ 49” E 263.42’ to an iron pin set in another line of the aforementioned Deyerle Land Inc.; thence with said Deyerle Land Inc. S 76° 33’ 10” E 169.91’ to a metal fence post; thence S 31° 43’ 49” W 260.68’ to an iron pin found; thence N 77° 25’ 42” W 170.79’ to the beginning and containing 0.971 of an acre of land.

The foregoing two (2) tracts are the same real estate acquired by Rocktown Developments, Inc., from Rocktown Land Company, LLC, by deed dated December 21, 2006, of record in the aforesaid Clerk’s Office in Deed Book 3011, Page 532.

ROCKINGHAM COUNTY  
Chaz W. Evans-Haywood  
CLERK OF COURT  
Harrisonburg, VA 22801



60 2008 00007553

Instrument Number: 2008- 00007553

As

Amendment

Recorded On: March 11, 2008

Parties: ROCKTOWN DEVELOPMENTS INC

To

NO GRANTEE

Recorded By: ROCKTOWN DEVELOPMENT

Num Of Pages:

9

Comment:

**\*\* Examined and Charged as Follows: \*\***

Amendment	6.50	10 or Fewer Pages	14.50
Recording Charge:	21.00		

**\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\***

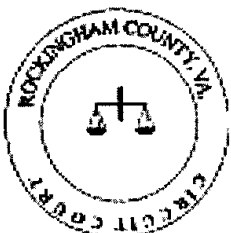
I hereby certify that the within and foregoing was recorded in the Clerk's Office For: ROCKINGHAM COUNTY, VA

**File Information:**

**Record and Return To:**

Document Number: 2008- 00007553  
 Receipt Number: 93045  
 Recorded Date/Time: March 11, 2008 04:16:45P  
 Book-Vol/Pg: Bk-OR VI-3281 Pg-671  
 Cashier / Station: B Huffman / Cash Station 3

ROCKTOWN DEVELOPMENT  
 126 NORTH KENT STREET  
 WINCHESTER VA 22601



THE STATE OF VIRGINIA }  
COUNTY OF ROCKINGHAM }

I certify that the document to which this authentication is affixed is a true copy of a record in the Rockingham County Circuit Court Clerk's Office and that I am the custodian of that record

Chaz W. Evans-Haywood, Clerk of Court

CLERK OF COURT  
ROCKINGHAM COUNTY, VIRGINIA

Doc Bk	Vol	Pa	# of Pgs
00007553 OR	3281	671	9
Mar 11, 2008			

City of Harrisonburg Tax Parcels : 80-F-0, 80-F-20 through 28, 80-F-30 through 32, 80-F-35, 80-F-37, 80-F-42; 80-H-0, 80-H-1 through 19, 80-H-21, and 80-A-8

**FIRST SUPPLEMENT TO  
DECLARATION OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS  
TOWNES AT BLUESTONE**

This First Supplement to Declaration of Covenants, Conditions, and Restrictions Townes at Bluestone (the "First Supplement") is made this 25th day of February, 2008, by and among **ROCKTOWN DEVELOPMENTS, INC.**, a Virginia corporation ("Declarant"), to be indexed as a "Grantor;" **OAKCREST PROPERTIES, LLC**, a Virginia limited liability company ("Oakcrest"), also to be indexed as a "Grantor;" **STEVEN C. AKERS**, Sole Acting **TRUSTEE** (the "Trustee"), also to be indexed as a "Grantor;" and **SUNTRUST BANK** (the "Lender" and/or "Beneficiary"), to be indexed as a "Grantor," and constitutes a supplement (the "Supplemental Declaration") to the Declaration of Covenants, Conditions, and Restrictions, Townes at Bluestone, of record in the Clerk's Office of the Circuit Court of Rockingham County, Virginia in Deed Book 3038, Page 750 (the "Covenants").

WHEREAS, under Article Eleven, specifically Paragraph 11.26, of the Covenants, Rocktown Developments, Inc., reserved the right as Declarant to waive any one or more of the Covenants as to any lot transferred by it and to impose additional Covenants as to any lot or lots owned by it;

WHEREAS, Declarant still owns all of the Property, as such term is defined in the Covenants, with the exception of the following individual lots: Lot Nos.: 29, 33, 34, 36, 38, 39, 40, and 41 (the "Outconveyed Lots"), as were numbered and shown on that plat of survey made by Michael W. Mars, L.S., dated July 28, 2006, and revised September 18, 2006, being recorded in the aforesaid Clerk's Office beginning in Deed Book 2976, Page 162 (the "Plat"), such remaining Property herein known as the "Rocktown Property;" and

WHEREAS, Oakcrest owns two (2) of the Outconveyed Lots, specifically Lot Nos. 29 and 34 (the "Oakcrest Property"), and Oakcrest joins in this Supplemental Declaration to give its consent to the terms herein and acquiesce in the Oakcrest Property being submitted to this Supplemental Declaration;

WHEREAS, the Rocktown Property is subject to the lien of that certain Credit Line Deed of Trust, of which Crestar Bank was the lender/beneficiary (the "Deed of Trust"),

*Prepared by  
Lenhart Obenshain PC  
90 N. Main Street, Suite 201, Harrisonburg, VA 22802*

dated June 23, 1998, and recorded in the aforesaid Clerk's Office in Deed Book 1596, Page 537, through subsequent modifications dated and recorded as follows:

(a) Deed of Trust Modification Agreement dated December 27, 2001, and recorded in the aforesaid Clerk's Office in Deed Book 2018, Page 11 (the "First Modification Agreement");

(b) Deed of Trust Second Modification Agreement dated June 18, 2004, and recorded in the aforesaid Clerk's Office in Deed Book 2505, Page 376 (the "Second Modification Agreement");

(c) Deed of Trust Third Modification Agreement dated December 14, 2006, and recorded in the aforesaid Clerk's Office in Deed Book 3004, Page 318 (the "Third Modification Agreement");

(d) Deed of Trust Fourth Modification Agreement dated April 13, 2007, and recorded in the aforesaid Clerk's Office in Deed Book 3080, Page 82 (the "Fourth Modification Agreement; and

(e) Deed of Trust Fifth Modification Agreement dated May 23, 2007, and recorded in the aforesaid Clerk's Office in Deed Book 3107, Page 414.

WHEREAS, SunTrust Bank is the beneficiary ("Beneficiary") of such Deed of Trust, as successor in interest to Crestar Bank, and Steven C. Akers is the Sole Acting Trustee ("Trustee") under such Deed of Trust; and

WHEREAS, both the Beneficiary and the Trustee join in this Supplemental Declaration to evidence their consent to the Rocktown Property's being submitted to this Supplemental Declaration.

NOW THEREFORE, pursuant to its rights as described above, Declarant hereby declares that the Rocktown Property, being further and more particularly described on Exhibit A attached hereto, shall at all times hereafter be owned, held, used, occupied, sold and conveyed subject to the provisions of the Covenants and this First Supplement, and to the covenants, conditions and restrictions, easements, reservations, assessments and charges contained in the Covenants and in this First Supplement thereto, all of which shall run with title to the Rocktown Property and bind all parties having any right, title or interest in such Rocktown Property, or any portion thereof, and their respective successors, assigns, heirs, devisees and personal representatives. This instrument is being made pursuant to the terms of the Covenants for the purpose of waiving certain of the Covenants and imposing additional Covenants, all as set forth below:

(1) Declarant shall waive enforcement of Paragraph 11.20 of the Covenants as to barbecue grills, provided that such grill, when left outside, is: (a) stored on the deck and (b) kept covered if not in immediate use ("Waiver 1").



(2) Declarant shall waive its right as provided under Paragraph 12.1(a) of the Covenants to add real property within one mile of any boundary of its Rocktown Property. Declarant, going forward, shall have only the right to add real property that is adjacent to its Rocktown Property ("Waiver 2").

(3) Declarant shall waive its right to make any change to Paragraph 11.10 that would allow more than two unrelated adults to lease or occupy any townhome unit it owns ("Waiver 3").

(4) Declarant shall impose the following additional covenant, condition and restriction on its Rocktown Property ("Additional Covenant"):

"Notwithstanding the right of the Board of Directors to increase the annual assessment per Lot, as provided in Paragraph 7.3, and to increase the annual parking lot assessment, as provided in Paragraph 8.2, any such annual increase shall not be more than thirty percent (30%) greater than the last such annual assessment without the affirmative vote of a simple majority of both the Class A Members and the Class B Member, as such are defined in the Covenants."

Oakcrest, by its execution, agrees that this First Supplement, specifically including the foregoing Waivers and Additional Covenant, shall apply to and be enforceable against its Oakcrest Property.

The Beneficiary and the Trustee, by their respective executions of this First Supplement, agree that the Rocktown Property shall be submitted to this First Supplement and that the Deed of Trust, together with all Modifications, shall be subordinated to the Covenants and to this First Supplement.

All capitalized terms not defined herein shall have the same meaning as defined in the Covenants.

This First Supplement shall hereafter be deemed for all purposes as a part of the Covenants.

IN WITNESS WHEREOF, Declarant, Oakcrest, Beneficiary and Trustee have executed this First Supplement as of the date first set forth above:

[SIGNATURE PAGES FOLLOW]

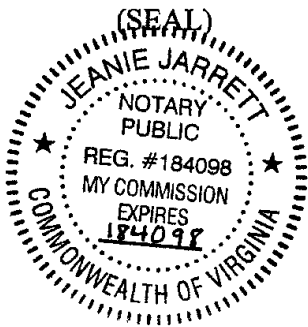
ROCKTOWN DEVELOPMENTS, INC.  
a Virginia corporation

By: [Signature]  
Name: Vaughn T. Fourn  
Title: Vice President

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

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid  
this 7 day of March, 2008, on behalf of Rocktown Developments,  
Inc., by Vaughn J. Fourn, its Vice-President

My commission expires: 12.31.09



[Signature]  
Notary Public Registration No. 184098

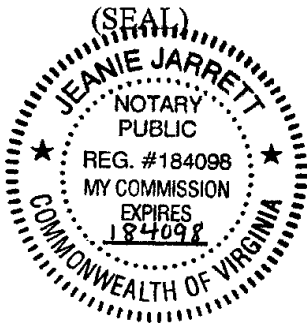
OAKCREST PROPERTIES, LLC  
a Virginia limited liability company

By: [Signature]  
Name: James T. Vickers  
Title: MEMBER

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

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid  
this 7 day of March, 2008, on behalf of Oakcrest Properties, LLC,  
by James J. Vickers, its member

My commission expires: 12.31.09



[Signature]  
Notary Public Registration No. 184098

SUNTRUST BANK

By: *Don H. Andre*  
Name: Don H. Andre  
Title: SR. VICE PRESIDENT

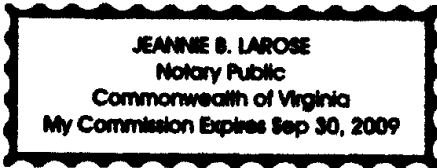
STATE OF VIRGINIA  
CITY/COUNTY OF Roanoke, to-wit:

The foregoing instrument was acknowledged before me in the jurisdiction aforesaid  
this 10<sup>th</sup> day of March, 2008, on behalf of SunTrust Bank,  
by Don H. Andre, its Sr. Vice President.

My commission expires: September 30, 2009.

(SEAL)

*Jeanie B. LaRose*  
Notary Public Registration No. 361340



Steven C. Akers  
Steven C. Akers, Sole Acting Trustee

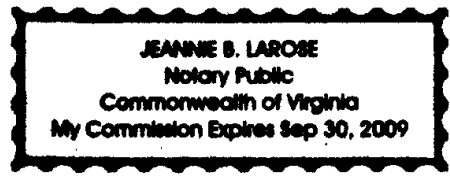
STATE OF VIRGINIA  
CITY/COUNTY OF Roanoke, to wit:

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of March, 2008, by Steven C. Akers, Sole Acting Trustee.

My commission expires: September 30, 2009.

(SEAL)

Jeanne B. LaRose  
Notary Public Registration No. 361340



00159805

EXHIBIT A

DESCRIPTION OF ROCKTOWN PROPERTY

**Development Property:**

All that certain tract or parcel of land lying along Deyerle Avenue and Blue Stone Hills Drive in the City of Harrisonburg, Virginia, containing 5.00 acres, more or less, and being more particularly described and shown on that certain plat of survey entitled "DIVISION PLAT SHOWING 13.409 ACRES of LAND PRESENTLY in the NAME of ROCKTOWN LAND COMPANY, LLC," prepared by Michael W. Mars, L.S., dated August 14, 2006, and recorded with the Deed referenced below, and on that certain subdivision plat made by Michael W. Mars, L.S., dated September 18, 2006, entitled "Final Plat, The Townes at Bluestone, Section One," recorded in Deed Book 2976, Page 162 of the Clerk's Office of the Circuit Court of Rockingham County, Virginia.

This is the same real estate acquired by Rocktown Developments, Inc., from Rocktown Land Company, LLC, by deed dated August 21, 2006 (the "Deed"), of record in the aforesaid Clerk's Office in Deed Book 2937, Page 546.

LESS AND EXCEPTING THEREFROM, HOWEVER, the following lots: Lot Nos.: 29, 33, 34, 36, 38, 39, 40, and 41.

**Expansion Property:**

**Tract One:**

That certain tract lying along Deyerle Avenue and Blue Stone Hills Drive in the City of Harrisonburg, Virginia, containing 8.409 acres, more or less, and being more particularly described and shown on that certain plat of survey entitled "DIVISION PLAT SHOWING

13.409 ACRES of LAND PRESENTLY in the NAME of ROCKTOWN LAND COMPANY, LLC," prepared by Michael W. Mars, L.S., dated August 14, 2006, which plat is recorded in Deed Book 2937, Page 546, et seq. in the aforesaid Clerk's Office.

Tract Two:

All that certain lot or parcel of land containing 0.971 of an acre, more or less, with improvements, together with an easement twelve (12) feet in width for ingress and egress, and all rights, privileges, appurtenances, easements and rights of way thereunto belonging or in anywise appertaining, situate on the east side of Reservoir Street, approximately one-half (1/2) mile south of Mabel Memorial Chapel in the City of Harrisonburg, Virginia, and being known and designated as Lot 1 upon a plat of the Hottinger Subdivision, which plat is recorded in the aforesaid Clerk's Office in Deed Book 752, Page 191, and more particularly shown and described upon a plat of survey made by J. R. Copper, Jr., C.L.S., dated April 29, 1985, by metes and bounds as follows:

Beginning at an iron pin set, a new corner in the line of Deyerle Land Inc.; thence leaving said Deyerle Land, Inc. and with a new division line N 31° 43' 49" E 263.42' to an iron pin set in another line of the aforementioned Deyerle Land Inc.; thence with said Deyerle Land Inc. S 76° 33' 10" E 169.91' to a metal fence post; thence S 31° 43' 49" W 260.68' to an iron pin found; thence N 77° 25' 42" W 170.79' to the beginning and containing 0.971 of an acre of land.

The foregoing two (2) tracts are the same real estate acquired by Rocktown Developments, Inc., from Rocktown Land Company, LLC, by deed dated December 21, 2006, of record in the aforesaid Clerk's Office in Deed Book 3011, Page 532.