

Richard W. Allen

LAWYERS TITLE INSURANCE CORPORATION

NEWBERRY TOWNE HOUSES

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

(Imposed by Deed dated January 20, 1971, and recorded in Deed Book 1003, Page 744, Circuit Court, Chesterfield County, Virginia.)

THIS DECLARATION, made on the date hereinafter set forth by NEWBERRY CORPORATION, hereinafter referred to as the "Declarant",

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Chesterfield County, Virginia, containing 15.82 acres, more or less, being a tract of land conveyed to it by L'Pell's, Incorporated, by deed dated October 6, 1970, and recorded October 12, 1970, in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, in Deed Book 997, page 301; and

WHEREAS, the Declarant with L'Pell's Incorporated, as part of an over-all planned community of 38.0 acres, as provided and permitted under Chapter 17, Section 17-5.1 of the Chesterfield County Zoning Ordinance, is developing a portion of said land containing 15.82 acres in accordance therewith, said portion of said development having been set aside for townhouses and common and recreation areas associated with said townhouses and is shown and described on plat made by J. K. Timmons and Associates, Civil Engineers, dated November 10, 1970, consisting of three pages, numbered 1, 2 and 3 respectively, recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, in Plat Book 18 pages 4, 5 and 6.

WHEREAS, Declarant will convey the said properties, including four acres, more or less, along Pocoshock Creek, which properties shall serve as the Recreation Area for the whole 38.0 acre tract, and area set aside for townhouses, subject to certain protective covenants, conditions and restrictions and reservations, liens and charges, as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the townhouse properties. 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 I

DEFINITIONS

Section 1. "Association" shall mean and refer to Newberry Towne Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain 15.82 acre parcel of real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Areas" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association, including parking and recreation areas designated as such on the plats above described.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to or life estate in any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. For the purpose of making monthly and special assessments and permitting voting in meetings the Association and its officers and directors may treat an owner as

continuing to be such until evidence of a change of membership, in the form of a recorded deed, certified copy thereof, or other evidence of a change of ownership, is submitted to the Secretary of the Association.

Section 7. "Declarant" shall mean and refer to Newberry Corporation its successors and assigns, if such successors or assigns, should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

CONVEYANCE OF COMMON AREAS

Prior to the sale of any townhouses by the Declarant, the Declarant will deed to Newberry Towne Association, Inc. all of that area shown on the plats attached hereto as Common Areas, (the Common Areas shall be deemed to include all parking areas), which Common Areas shall be used by the members of said Association, as hereinafter set forth for their benefit and enjoyment, as provided in this Declaration.

ARTICLE III

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. The restrictions contained herein, as well as all of the rules, regulations and controls herein provided may be applied to such future land as may be platted by the Declarant, or its assigns, so long as said land is either a portion of the remaining properties originally conveyed to L'Pell's, Incorporated, by deed from Benjamin F. Phillips and wife, dated May 19, 1970, of record in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia, in Deed Book 987, page 565, or is adjoining any of said property conveyed to L'Pell's, Incorporated, by the aforesaid Deed, or adjoining adjacent land subsequently acquired, and the application of these restrictions to said adjoining land or portion of land conveyed to L'Pell's, Incorporated, by Benjamin F. Phillips and wife, shall commence upon the election of the Declarant or its assigns, without the assent of the Class A members' provided, however, that the development of the additional lands described in this section shall be in accordance with a general plan.

Section 2. There shall be no annexations under Section 1 above after January 1, 1980.

ARTICLE IV

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest or life estate in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

ARTICLE V

VOTING RIGHTS

The Association shall have two classes of voting memberships:

Class A. Class A members shall be all those Owners as defined in Article IV with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article IV. 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 determine among themselves, but in no event shall more than one vote be cast with respect to any lot. Any person owning a part interest in a Lot shall be permitted to cast the vote for that Lot unless objection is made by another part owner.

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 the interest required for membership by Article IV, provided that the Class B membership shall cease and be converted to Class A membership on a section by section basis at such time as more than seventy-five per cent (75%) of the Lots in that section have been sold by the Declarant to individual purchasers, provided that the Declarant shall retain his Class B membership as to the other sections where less than seventy-five per cent (75%) of the Lots have been sold to individual purchasers. In any event any remaining

Class B membership as to all sections shall cease and terminate and be converted to Class A membership on January 1, 1980.

ARTICLE VI

PROPERTY RIGHTS

Section 1. Members' Easements 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 Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, but the rights of such mortgagee in said properties shall be subordinate to the rights of the members 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:

(e) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless approved by members entitled to cast more than two-thirds (2/3) of the votes of the Class A membership and more than two-third (2/3) of the votes of the Class B membership, if any as to such dedication or transfer, and unless written notice of the proposed action is sent to every member not less than 10 days nor more than 60 days in advance; and

(f) the right of the individual owners to the exclusive use of parking spaces as provided in this Article.

Section 2. Delegation of Use. Any member may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property but shall continue to be liable for the annual and special assessments on the Lot or Lots owned by him.

Section 3. Parking Rights. Ownership of each Lot shall entitle the owner or owners thereof to the use of not more than two (2) automobile parking spaces, which shall be as near and convenient to said Lot as reasonably possible, together with the right of ingress and egress in and upon said parking areas. The Association shall permanently assign at least two (2) vehicular parking spaces for each dwelling.

Section 4. Utility Easements. The Association by normal corporate action may convey and grant any utility easements.

ARTICLE VII

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, 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: (1) monthly assessments or charges, and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The monthly and special assessments, together with such interest thereon, costs and reasonable attorney's fees for the 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 in the manner as hereinafter provided, and subject to prior liens upon the property as hereinafter provided, Each such assessment, together with such 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 falls due. The personal obligation for delinquent assessments shall not pass to any successors in title unless expressly assumed by them.

Section 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 residents in the Properties and for the improvements and maintenance of the Common Area, and of the dwellings situated upon the Properties.

The Association shall use such assessments and levies for the general purposes stated above, and in addition thereto shall be required to maintain and operate the following:

(a) The Association shall provide exterior maintenance on all lots and improvements and Common Area, including paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements, with the exception that the Association shall not maintain and replace glass surfaces and broken window glass in individual living units, nor shall the Association maintain the grass, flowers and shrubs on patios in the rear yard of any townhouses or the flower beds in the front of any townhouse, which care, if desired by the member and agreed to by the Association, may be contracted with the Association. However, in the event the member fails to care for any gardens or flower beds in the front of said townhouse, the Association may maintain them to keep up the standards of the subdivision and charge the Owner for said maintenance, which charge shall become a lien as the assessment hereinafter provided.

In the event that any such need for maintenance or repair is caused by the willful or negligent act of the owner, his family, guests, or invitees, as determined by the Association, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Lot is subject.

(b) The Association shall maintain all open and Common Area, as well as all private parking areas. The Association shall maintain a service for the collection of garbage and trash, shall provide snow removal for the walkways and grass cutting in the Common Area, as well as for the individual lots, except as provided in paragraph (a) above, and shall provide street lighting where not provided by public authorities.

(c) The Association shall operate such recreational facilities as it deems fit and proper and make such extra charges as it deems proper for the use of these recreational facilities.

(d) The Association shall further be in charge of the general policing and control of the entire townhouse area, and can make any reasonable regulations for control of such and prevention of nuisances.

Section 3. Basis and Maximum Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner the maximum monthly assessment shall be Twenty Dollars (\$20.00) per improved lot (improved by completed dwelling), and the assessment on unimproved lots shall be ten per cent (10%) of the assessment on improved lots.

(a) For the year beginning January 1 of the year immediately following the conveyance of the first Lot to an Owner, the monthly assessment may be increased up to a maximum of five per cent (5%) effective January 1 of such year, by the Board of Directors of the Association, without a vote of the membership, and an increase of not exceeding five per cent (5%) may be put into effect by the Board of Directors from time to time for each succeeding year.

(b) Any increase requested by the Board of Directors in the monthly assessments above the annual five per cent (5%) increase must be approved by more than two-thirds (2/3) vote of each class of members who are voting, in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the monthly assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the monthly assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall be authorized by more than two-thirds (2/3) of the votes of each class of members who are voting, in person or by proxy, at a meeting called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or or proxies entitled to cast sixty per cent (60%)

of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, the meeting may be adjourned to a later date with the same quorum requirement.

Section 6. Uniform Rate of Assessment. Both monthly and special assessments must be fixed at a uniform rate for all improved Lots as a class and all unimproved Lots as a class, and may be collected on a monthly basis.

Section 7. Date of Commencement of Monthly Assessments; Due Dates. The monthly assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The Board of Directors shall fix the amount of the monthly assessment against each Lot at least thirty (30) days prior to January 1 of the year the assessment will become effective. Written notice of the monthly assessment shall be sent to every Owner subject thereto. Unless otherwise established by the Board of Directors, the monthly assessments shall be due on the first day of each month. The Treasurer or Assistant Treasurer of the Association shall upon demand at any time furnish a certificate in writing setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the maximum interest rate permitted by law. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and, reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Deeds of Trust. The lien of the assessments provided herein shall be subordinate to the lien of any first or second deed of trust.

Section 10. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all properties dedicated to and accepted by a local public authority (b) the Common Area; and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Virginia. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VIII

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the properties 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 party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 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.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, an 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 Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 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.

Section 5. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators. The costs of arbitration shall be paid by the non-prevailing party.

ARTICLE IX

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant or by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location and to give written notice of its action to the person seeking the approval within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE X

USE RESTRICTIONS

Section 1. Limitation on Use of Lots and Common Area. The Lots and Common Area shall be occupied and used as follows:

(a) No Owner shall occupy or use his Lot, or permit the same or any part thereof to be occupied or used for any purpose other than as a private single-family residence for the Owner and the Owner's family and the Owner's Lessees and guests.

(b) There shall be no obstruction of the Common Area. Nothing shall be stored in the Common Area without the prior consent of the Board of Directors of the Association.

(c) Nothing shall be done or kept in any Lot or in the Common Area which will increase the rate of insurance on the Common Area, without the prior written consent of the Board of Directors of the Association. No Owner shall permit anything to be done or kept on his Lot or on the Common Area which will result in the cancellation of insurance on any improvements on any Lot or any improvements on any part of the Common Area, or which would be in violation of any law. No waste shall be committed in the Common Area;

(d) No sign of any kind shall be displayed to the public view on or from any Lot or the Common Area, without the prior consent of the Board of Directors of the Association;

(e) No animals, livestock or poultry of any kind shall be raised, bred, or kept in any Lot or in the Common Area, except that dogs, cats, or other household pets may be kept on Lots, subject to rules and regulations adopted by the Board of Directors of the Association;

(f) No noxious or offensive activity shall be carried on in any Lot or in the Common Area, nor shall anything be done therein which may be or become any annoyance or nuisance to the other Owners;

(g) Nothing shall be altered or constructed in or removed from the Common Area, except upon the written consent of the Board of Directors of the Association;

(h) There shall be no violation of rules for the use of the Common Area adopted by the Board of Directors of the Association and furnished in writing to the Owners, and the Board of Directors of the Association is authorized to adopt such rules;

(i) No radio, television, or other types of antennae shall be maintained on any individual townhouse units above the roof-eave line without the written consent of the Board of Directors of the Association;

(j) No boats or trailers shall be parked on any lot or in the Common Area. However, the Board of Directors of the Association may designate a part of the Common Area for such use.

(k) Easements; The Lots conveyed, in addition to any recorded utility easements, shall be subject to the following:

1. The developer reserves an easement for the installation of future utilities and antenna distribution system 9 feet in width, lying 4.5 feet on either side of the telephone and electric easements as they enter each dwelling or individual residence on each Lot from the entrance of said telephone or electric line on the individual Lot.

2. In cases where electric, telephone or television antenna distribution lines or appurtenances including boosters are located in any building for the purpose of serving adjoining or adjacent buildings, the conveyance of any Lot and building through which said lines run shall be subject to the use by others of said lines and appurtenances in the adjoining or adjacent buildings, together with the right of said other users of the Association to maintain said lines and appurtenances.

(1) The Declarant may construct and use such dwellings and temporary buildings as it may elect for storage, display, and its sales and operating offices.

Section 2. Entry for Repairs. The Association or its agents may enter any Lot or dwelling thereon when necessary in connection with any maintenance, landscaping or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Association out of the common expense fund.

ARTICLE XI

INSURANCE

The individual Lot Owner shall have the right to purchase his own fire insurance and in the event that he fails to purchase fire insurance in an amount satisfactory to the Association, then the Association shall have the right to purchase insurance for all Lots and residences thereon in amounts and coverages satisfactory to the Association, but such policies whether purchased by the Association or individual owners shall be paid for by the individual owners, either directly or to the Association, as the Association may designate, on a pro-rata basis. The premium for said insurance if unpaid shall become a lien upon the individual Lot in the same manner as provided for the annual and special assessments. Should an individual Lot owner request more than the minimum coverage required by the Association, then the Association, if purchasing the fire insurance, shall order this additional coverage for the individual owner to be paid for by him at time of purchase.

ARTICLE XII

GENERAL PROVISIONS

Section 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 the Declaration. Failure by the Association or by 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.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the 15.82 acres of land any any additional land that hereafter may be added to the townhouse area, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this 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. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument approved by not less than ninety per cent (90%) of the Lot Owners, and thereafter by an instrument approved by not less than seventy-five per cent (75%) of the Lot Owners. Any amendment must be recorded.

Article VII, Section (1); Section (3); Section (4); Section (6); Section (7); Section (8)

Covenant for Maintenance Assessments of the Declaration is amended as follows:

Article VII, Covenant For Maintenance Assessments, Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, 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: (1) annual assessments or charges, and (2) 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, costs and reasonable attorney's fees for the 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 in the manner as hereinafter provided, and subject to prior liens upon the property as hereinafter provided. Each such assessment, together with such 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 falls due. The personal obligation for delinquent assessments shall not pass to any successors in title unless expressly assumed by them.

Section 3. Basis and Maximum Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner the maximum annual assessment shall be Two Hundred Forty Dollars (\$240.00) per improved lot (improved by completed dwelling), and the assessment on improved lots shall be ten per cent (10%) of the assessment on improved lots.

(a) For the year beginning January 1 of the year immediately following the conveyance of the first Lot to an Owner, the annual assessment may be increased up to a maximum of five per cent (5%), effective January 1 of such year, by the Board of Directors of the Association, without a vote of the membership, and an increase of not exceeding five per cent (5%) may be put into effect by the Board of Directors from time to time for each succeeding year.

(b) Any increase requested by the Board of Directors in the annual assessments above the annual five per cent (5%) increase must be approved by more than two-thirds (2/3) vote of each class of members who are voting, in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of

defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment must be authorized by more than two thirds (2/3) of the votes of each class of members who are voting, in person or by proxy, at a meeting called for this purpose.

Section 6. Uniform rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all improved Lots as a class and all unimproved Lots as a class, and may be collected on an annual basis.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots following the conveyance of the Common Area. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days prior to January 1 of the year the assessment will become effective. Written notice of the annual assessment shall be sent to every Owner subject thereto. The Treasurer or Assistant Treasurer of the Association shall upon demand at any time furnish a certificate in writing setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. The homeowner may pay his annual fee in twelve (12) equal monthly installments due on the first day of each month. If, however, a homeowner is delinquent for a period of three (3) months, the right to pay in installments is voided and the balance of the remaining year is accelerated and due and payable after notice from the Board or its agent. After an acceleration notice, a partial payment will not stop the acceleration. If at the end of a fiscal year, the homeowner is delinquent more than three (3) months, the subsequent annual fee will be due in full on January 1 of the new year also.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the maximum interest rate permitted by law. The Association may bring an action at law for the balance of the fiscal year against the Owner personally obligated to pay the same, or foreclose the liens against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Article XI of the Bylaws is amended as follows:

Article XI - Assessments. As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made.

The due dates for the annual assessment is provided in the Declaration. 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 bear interest from the date of delinquency at the maximum rate allowed by law, and the Association may bring an action at law, as provided in the Declaration against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Except as hereinabove provided, the aforescribed Declaration and Bylaws as amended shall remain in full force and effect.

WITNESS the following signatures:

Newberry Towne Association, Inc.

By: Norman Caine
Norman Caine, President

STATE OF VIRGINIA

CITY/COUNTY OF Henrico, to-wit:

The foregoing instrument was acknowledged before me this 12th day of June, 1997, by Norman Caine, President of Newberry Towne Association, Inc.

My Commission Expires: 2-28-98

Synthia Wilson
Notary Public

VIRGINIA:
IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF CHESTERFIELD COUNTY, THE 16 DAY OF JUN 1997, THIS DEED WAS PRESENTED AND WITH THE CERTIFICATE...., ADMITTED TO RECORD AT 8:40 O'CLOCK. THE TAX IMPOSED BY SECTION 58.1-802 IN THE AMOUNT OF \$1.00 HAS BEEN PAID.

TESTE: JUDY L. WORTHINGTON, CLERK

