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

60 2010 00032565

Instrument Number: 2010- 00032565
As
Restrictive Covenants

Recorded On: November 22, 2010

Parties: PLEASANT RUN LC
To
NO GRANTEE

Recorded By: LENHART OBENSHAIN

Num Of Pages: 18

Comment: PARCEL CENTRAL

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

Restrictive Covenants	6.50	11 - 30 Pages	28.50
Recording Charge:	**35.00**		

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

I hereby certify that the within and foregoing was recorded in the Register of Deeds Office For: ROCKINGHAM COUNTY, VA

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LENHART OBENSHAIN
90 NORTH MAIN ST
SUITE 201
HARRISONBURG VA 22801

ROCKINGHAM COUNTY, VA CIRCUIT COURT

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

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Nov 22,2010

DECLARATION OF PROTECTIVE COVENANTS AND CONDITIONS OF THE SPRINGS AT OSCEOLA, SECTION 1

Rockingham County Tax Parcel 125-(3)-3 (portion)

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Pleasant Run LC, a Virginia Limited Liability Company, is the owner and proprietor of certain land comprised of 39.55 acres, more or less, in Central District, Rockingham County, Virginia, being designated and divided into lots and open space on a plat entitled "**The Springs at Osceola, Section I**, dated August 18, 2010, revised November 4, 2010, and made by Michael W. Mars, L.S. (the "**Plat**"), which plat is to be recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia, immediately prior to the recordation hereof (all of the land shown on such plat, excluding public roads dedicated to public use, being the "**Property**");

WHEREAS, the Property is a portion of the land acquired by Pleasant Run LC from Rockingham Memorial Hospital by deed dated September 1, 2006, of record in the aforesaid Clerk's Office in Deed Book 2945, page 755, less and except that portion conveyed by Pleasant Run LC to Richard S. Myers by deed dated September 20, 2007, of record in the aforesaid Clerk's Office in Deed Book 3208, page 660 (such residue of land owned by Pleasant Run LC, excluding the Property, being the "**Expansion Property**");

WHEREAS, the aforesaid owner and proprietor of the aforesaid lots of land, in order to insure purchasers of said lots a uniform mode of development, declares that the Property, but specifically excluding the Expansion Property (which may later be added to these restrictions at the discretion of Pleasant Run LC as herein provided) and all of the other lands of the Grantors, whether now owned or hereinafter acquired, shall be sold subject to the following restrictions, conditions, covenants, limitations and easements, these restrictions being designed to limit the use of the land to residential purposes, to promote pleasing and harmonizing architectural designs, and to protect lot owners against undesirable uses by other lots owners;

NOW, THEREFORE, PLEASANT RUN LC covenants and agrees for itself, its successors and assigns, that the Property each and every one of said lots shown on said Plat shall be sold and held by the purchasers thereof, their heirs, successors, devisees and assigns, subject to the following restrictions, conditions, covenants, limitations and easements, which shall run with the title to said Property, to-wit:

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ARTICLE 1
Definitions

"**Association**" means The Springs at Osceola Property Owners' Association, Inc., a non-stock, non-profit corporation, its successors and assigns.

"**Board of Directors**" means the executive organ of the Association elected or appointed pursuant to the Association's Bylaws.

"**Common Area**" means any real property (including any improvements thereon) owned or to be owned by the Association for the common use and enjoyment of the Owners and any and all personal property or facilities owned or required to be maintained by the Association. The Association shall maintain all Common Area. The Common Area shall specifically include, but not be limited to any gazebo or decorative landscaping contained within said Common Area. The Common Area shall also include any agility trail through the Property, which shall be owned and maintained by the Association. The Common Area is more particularly described on the Plat and expressly includes an area designated on the Plat as "Open Space."

"**Declarant**" means Pleasant Run LC, a Virginia limited liability company, its successors and assigns, but only to the extent that any of the rights, reservations, easements, interests, exemptions, privileges and powers of the Declarant are specifically assigned or transferred to such successors or assigns by recorded instrument.

"**Expansion Property**" has the meaning given to it in the Recitals above.

"**Lot**" shall mean and refer to any residential lot shown upon the Plat (or any future lot platted on the Expansion Property if such lot is expressly made subject to these restrictions by Declarant by recorded instrument).

"**Member**" mean the Class A and B members of the Association as described in Article 4 below.

"**Mortgagee**" means the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. "Mortgage," as used herein, shall include deeds of trust. "**First Mortgage**" shall mean a Mortgage secured by a Lot with priority over other mortgages. "**First Mortgagee**" as used herein, shall mean the holder of a First Mortgage. As used in the Declaration, the term "**Mortgagee**" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in this Declaration, the term "**institutional mortgagee**" or "**institutional holder**" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home

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Loan Mortgage Corporation ("FHLMC"), all corporations and any agency or department of the United States Government or of any state and municipal government.

"**Owner**" means the record owner or owners of a fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

"**Plat**" has the meaning given to it in the Recitals above.

"**Property**" has the meaning given to it in the Recitals above.

"**Single Family**" shall mean and refer to a single housekeeping unit which includes not more than three (3) adults who are not legally related by marriage, blood, or adoption.

ARTICLE 2
Use and Occupancy Restrictions

2.1 Each Lot shall be used for single-family residential purposes and for no other purpose. Single-family purposes shall include leases for a term of longer than six months for residential use by a single family, but shall not include short-term rental of property for a term of less than six months or on a basis that is similar to a boarding house, bed and breakfast or other lodging operation. Notwithstanding the foregoing, the use of a portion of a residential dwelling for home office purposes is permitted if such use does not create undue noise or undue customer or client traffic, as determined by the Association in its sole discretion, subject to applicable zoning ordinances of Rockingham County, Virginia. Neither this paragraph nor any other provision of this Declaration shall prohibit the Declarant or its agents from using any Lot or any dwelling unit on the Property as a model home and/or sales office.

2.2 No structures or buildings of a temporary character (except a sales facility or construction trailer for Declarant's use in selling or developing Lots), nor any mobile home, house trailer, tent, shack, shed, outbuilding or other such structure shall be placed or used on any Lot, either temporarily or permanently, without prior written approval of the Architectural Review Committee, which approval may be withheld in the Committee's sole discretion. No trailer, double wide, basement, tent, shack, barn or other outbuilding erected on any Lot shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted. No house trailer shall be permitted on any Lot at any time. Each Lot may be improved with one single-family residence and customary appurtenances thereto (such as sheds and garages); No townhouse, duplex or other multi-family structure shall be constructed on any of the Lots. Temporary construction trailers are permitted during construction.

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2.3 No building or other structures or improvements shall be erected, placed, or altered on any Lot until construction plans and application, and a plat showing the location of the structure have been submitted in writing and approved by the Architectural Review Committee as to external design and materials, harmony of external design with existing structures and as to location on the Lot, including all setbacks. No fence, wall, dog kennels, swimming pool, or accessory buildings shall be erected, placed or altered on any of Lot unless similarly approved. No wall, fence or hedge exceeding three feet (3') in height shall be constructed or planted forward of the front elevation of any dwelling. No chain link fences or metal storage buildings may be constructed on any Lot. Flags larger than 3 feet by 5 feet must be approved by the ARC (including location, size and appearance), except that the flag of the United States of America may be displayed consistent with the provisions of the Federal Flag Code and any rule or custom pertaining to proper display or use of the American flag to the full extent permitted under the Freedom to Display the American Flag Act.

2.4 The Architectural Review Committee ("**ARC**") shall review and have the authority to approve or disapprove all proposed Buildings, structures, landscaping plans, exterior lighting and other improvements to be erected, placed or altered on any Lot. The ARC shall consist of the Declarant and two (2) others approved by the Declarant. The Declarant shall have the right to appoint the members of the ARC until the date the Declarant conveys the last Lot in the Property and Expansion Property. Thereafter, the Owners shall select the three (3) members of the ARC by vote of Owners of a majority of the Lots, with each Lot entitled to cast one (1) vote for each position to be filled. Such election may be called by any Owner by giving thirty (30) days written notice to all other Owners at their individual addresses of record. The ARC has thirty (30) days to note their approval or disapproval, with the same being in writing to the Owner(s) involved.

2.5 The Architectural Review Committee shall have full, absolute and complete discretion to approve or disapprove proposed buildings, structures and improvements, to include square footage and roof pitches, on any Lot and in the exercise of its discretion said Committee shall not be bound to approve any proposed structures solely because such comply with the other restrictions and covenants herein contained or are equal in cost or value to buildings and improvements on other Lots. Dwellings must include a paved or concrete driveway. Said committee shall also have the further discretion to approve any proposed buildings or improvements on any of said Lots even though said improvements do not meet the requirements of the other provisions of this instrument, if in the discretionary opinion of the ARC, such variances will not adversely affect the value of the adjoining property. In no event, however, shall said Committee be empowered to permit any use of said Lots other than as provided in paragraph 2.1 above.

2.6 No residence or other building shall be constructed upon any Lot nearer the front of said Lot or nearer the other boundaries of said Lot than the distance set forth in the zoning ordinance of the governmental body having jurisdiction over the real estate as outlined in Article 2, Section 2.3 above.

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2.7 No dwelling shall be permitted to be erected on any Lot unless adequate provisions for off-street parking for at least two (2) vehicles are provided upon such Lot.

2.8 No dwelling shall be erected or placed on said lot which has an exterior construction of concrete block aggregate, basement and foundation walls excepted, and exposed foundation or basement walls shall have stucco, brick or stone.

2.9 The exterior of any dwelling or accessory structure on any Lot shall be completed within twelve (12) months after start of construction.

2.10 Unless lesser square footage is approved in advance, in writing, by the ARC: (a) one-story dwellings constructed on any Lot shall have a minimum of 2,500 square feet of finished heated floor area on the first floor, and (b) two-story dwellings constructed on any Lot shall have a minimum of 3,000 square feet of heated area on both floors.

2.11 No sign of any kind shall be displayed to the public view on any Lot except one sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by the builder to advertise the property during construction. One sign not exceeding one-half (1/2) square foot displaying the name of the owner of the property shall be permitted on any Lot.

2.12 Satellite television antennas, commonly known as "dishes" shall be permitted upon approval of style and placement by the Architectural Review Committee in keeping with the regulations of the Federal Communications Commission regarding such approvals.

2.13 No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept provided they are not kept, bred, or maintained for any commercial purpose and do not constitute a nuisance as determined by the Board of Directors of the Association after a hearing allowing for presentation of evidence by the Owner of such animal and other interested persons.

2.14 No unlicensed, stripped down, partially wrecked, or junk motor vehicle or sizable part thereof, shall be permitted to be parked on any street or any Lot in such manner as to be visible to the occupants of other Lots or to the users of any street or road. No commercial vehicle or truck larger than three-quarter (3/4) ton shall be parked for overnight (or longer) storage on any street or on any Lot in such a manner as to be visible to the occupants of other Lots or the users of any street or road, except those vehicles which will be necessary during the actual period of construction. All boats, equipment, campers and or recreational vehicles must be stored in a garage or other structure approved by the ARC.

2.15 All lots, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained in such a manner as to prevent their becoming unsightly by reason of unattractive growth on such lot or the accumulation of rubbish or

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debris thereon.

2.16 No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be kept in sanitary and closed containers, and all other containers shall be appropriately screened from view of any street or road on which any of said Lots front. Lots shall be mowed and properly maintained at all times.

2.17 No Lot shall be re-subdivided into smaller lots, nor shall any portion of any Lot be sold and conveyed by the owner thereof without the prior approval of the Architectural Review Committee. The right to approve such re-subdivision of Lots and to relocate lot lines of any unsold Lots is reserved to the Architectural Review Committee to Declarant and to the County of Rockingham.

2.18 Easements for drainage and for the installation, repair, replacement and maintenance of underground water and sewer pipes and mains and for overhead or underground utilities lines are reserved to Declarant and its assigns over, through, across and around the strips of land designated on the Plat (and any future plat of any portion of the subdivision made subject to this Declaration) as drainage and utility easements for a width of ten feet (10'), unless noted for a larger width on the aforesaid plats. Such easements are expressly reserved to the use of Declarant and its assigns, and no third party shall be or become entitled to the use thereof, nor shall any other party, except the Owner of the affected Lot, have any vested interest in or to the use of such easements except Declarant or such utility company as may be granted specific rights over, through or across such easements by Declarant. Except as such rights are granted to a utility company by a recorded easement or right-of-way, a release by Declarant to any individual Lot Owner of any easements so reserved shall operate as a complete release to such Lot Owner and no other party shall be entitled to exert any claim or right to the use thereof. Declarant shall not be responsible for replacement of any landscaping within the easement area which is disturbed by exercise of easement rights.

2.19 No illegal, noxious or offensive activity shall be carried on upon any portion of the Property, nor shall anything be done or placed on any Property that is or may become a nuisance or cause any significant embarrassment, disturbance or annoyance to others.

2.20 No activities shall be conducted on any portion of the Property and no improvements may be constructed on any portion of the Property which are or might be unsafe or hazardous to any person or property; provided, however, that construction activities for which all applicable permits and ARC approval have been obtained and which are conducted in accordance with industry standards shall not violate this provision. Without limiting the generality of the prior sentence, (a) no firearms shall be discharged upon any portion of the Property, and (b) no open fires shall be lighted or permitted on the Property except in a contained units while attended and in use for cooking or aesthetic purposes or within a safe and well-designed interior fireplace, except attended fires

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authorized in writing by Declarant or the Association and required for clearing or maintenance of land.

2.21 No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing oil, gas or other hydrocarbons, minerals, rocks, stones, gravel or earth, except earthwork associated with grading and construction of improvements as permitted by this Declaration and applicable law.

2.22 None of the restrictions in this Article 2 shall apply to or prevent activities of Declarant pertaining to its development, sale, or marketing of the Lots, including but not limited to restrictions on use, signage and improvements.

2.23 The Board of Directors can adopt rules and regulations addressing pets, parking, construction procedures and standards and other similar matters.

ARTICLE 3
Property Rights

3.1 Every Owner shall have a right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Board of Directors to suspend the right to use the Common Area and the voting rights of an Owner and its tenants or guests for any period during which an assessment against the Owner's Lot remains unpaid; and for a period not to exceed sixty (60) days for an infraction of its published rules and regulations. The Board of Directors has the right to assess charges against an Owner for violations of the Association's legal documents or rules or regulations for which the Owner, the Owner's family members, tenants, guests or invitees are responsible, provided that no such charges may be imposed until the Owner has been given the opportunity to be heard and represented by counsel before the Board of Directors. Notice of a hearing shall be hand delivered or mailed by certified delivery, return receipt requested, to the Owner at the address of record with the Association at least fourteen (14) days prior to the hearing. The amount of any charges so assessed shall not exceed the charges permitted by Section 55-513 of the Virginia Property Owners Association Act and shall be treated as an assessment against the Owner's Lot;

(b) The right of the Board of Directors to mortgage, dedicate or transfer all or any part of the Common Area to any entity, public or municipal agency, authority or utility, subject to the then existing laws and applicable ordinances;

(c) The right of the Board of Directors to establish uniform rules and regulations pertaining to the use of and access to the Common Area and any facilities thereon;

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(d) The right of the Declarant to the nonexclusive use of the Common Area for display and exhibit purposes, which right Declarant hereby reserves, provided, however, that no such use by Declarant or their sales agents or representatives shall otherwise restrict the Owners in their use and enjoyment of the Common Area or any facilities thereon;

(e) The right of the Board of Directors to regulate parking on the Common Area through the granting of easements or promulgation of rules and regulations;

(f) The right of the Board of Directors to grant licenses, rights of way and easements for access or for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Declarant or any other person or entity; provided, however, that no such licenses, rights of way or easements shall be unreasonably and permanently inconsistent with the rights of the Owners to the use and enjoyment of the Common Area;

(g) The right of the Board of Directors to convey portions of the Common Area for purposes of boundary line adjustment(s) if required by the Declarant or any governmental authority or municipal agency and at no cost to the Association, provided, however, that no such conveyance shall be unreasonably and permanently inconsistent with the rights of the Owners to the use and enjoyment of the Common Area and access to their Lots; and

(h) The reserved easement rights of the Declarant hereunder.

3.2 Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area to the Association, free of all encumbrances and liens.

3.3 Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area to the members of his family, his tenants, or contract purchasers who reside on the Property. Any person(s) who has access to any part of the Common Area through any recorded easement(s) shall be subject to such rights and restrictions with respect to the easement area as are contained in this Declaration and the Association's rules and regulations as if he were an Owner.

ARTICLE 4
Membership and Voting Rights

4.1 Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

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4.2 The Association shall have two (2) classes of voting membership.

(a) Class A. Class A members shall be all Owners with the exception of the Declarant (with respect to any Lot for which the Declarant holds a Class B membership). Class A members shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast by a Class A member with respect to any Lot.

(b) Class B. Class B members shall be the Declarant, which shall be entitled to five (5) votes for each Lot it owns. The Class B membership shall cease and be converted to a Class A membership upon the happening of any of the following events, whichever occurs earliest:

(i) twenty (20) years from the date of recordation of this Declaration;

(ii) the sale by Declarant all of the Property and Expansion Property to third parties other than a successor declarant; or

(iii) the recordation among the land records of the County of Rockingham of a written instrument signed by the Declarant or its successors or assigns, specifically terminating such rights.

Notwithstanding the foregoing, in the event of annexation of any additional properties, Class B membership shall be revived with respect to all Lots owned by the Declarant on the annexed property and, if applicable, the Property.

ARTICLE 5
Covenant for Maintenance Assessments

5.1 Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the Lot (including all improvements thereon), and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, late charges, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them, but successors in title shall take title subject to the lien rights of the Association with regard to unpaid assessments

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accruing before such successor took title.

5.2 The assessments levied by the Association shall be used exclusively to provide services and promote the recreation, health, safety, and welfare of the residents in the Property, for the improvement and maintenance of the Common Area and the maintenance of the Property, services and facilities devoted to this purpose including those duties of the Association set forth in this Declaration and its governing documents, including but not limited to the obligation to keep and maintain the Common Area and improvements thereon and to enforce the restrictions and assessments herein contained.

5.3 Until January 1 of the fifth year following the conveyance of the first Lot to a Class A member, the maximum annual assessment shall be determined by the Declarant for Class A members. Thereafter, the annual assessment shall be determined by the Board of Directors. Initial annual assessment shall be $400.00 on each Lot sold to an Owner. The Declarant covenants and agrees to fund any operating budget deficits until the Declarant has conveyed ninety percent (90%) of the Lots within an applicable section. Except for funding operating budget deficits, Declarant shall not be assessed on any Lots owned by it.

5.4 In addition to the annual assessments authorized above, the Board of Directors may levy, in any assessment year, as special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Common Area, including fixtures and personal property related thereto or for any purpose which the Association is responsible. Any special assessment may be rescinded by a majority vote of each Class of Members in person or by proxy, at a meeting of the Members convened within sixty (60) days of notice of the special assessment.

5.5 Except as otherwise provided in Section 5.3, both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected in advance on a monthly, quarterly or annual basis, as determined by the Board of Directors.

5.6 The annual assessments provided for herein shall commence as to each Lot on the date of settlement of the Lot to a Class A Member. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year and collected at closing. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer for the Association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association with the status of assessments on the Lots shall be binding on the Association on the date of its issuance.

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5.7 Any assessment not paid within fifteen (15) days after the due date shall be assessed a late fee and shall bear interest from the due date as shall be determined by the Board of Directors. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot (and all improvements thereon) as provided in the Virginia Property Owners Association Act. 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.

5.8 The lien of the assessments provided for herein shall be subordinate to the lien of a Mortgage on a Lot to the extent provided in the Virginia Property Owners Association Act. Sale or transfer of any Lot shall not affect the assessment lien. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No amendment to this Section shall affect the rights of the holder of any Mortgage on any Lot (or the indebtedness secured thereby); recorded prior to recordation of such amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

5.9 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) Lots owned by Declarant to the extent provided in Section 5.3 above.

5.10 Notwithstanding anything to the contrary contained herein, if any Association expense is caused by (i) the negligence or misconduct of an Owner or an Owner's family member, employee, agent or guest, or (ii) a violation of any covenant, condition or restriction of an Association Document by an Owner or an Owner's family member, employee, agent or guest, the Association may, if it deems necessary or advisable, levy an assessment against such Owner's Lot for the entire amount of such expense. In addition, the Association may, if it deems necessary or advisable, impose a fine, penalty, fee or other charge upon an Owner for the violation of any covenant or condition of any Association document by an Owner or an Owner's family member, employee, agent or guest. Also, if the Association takes action to correct a default of an Owner, and the Association incurs costs in taking such corrective action, then such costs and interest thereon at the rate herein provided shall constitute a default assessment against the Owner(s) of such Lot. Any such Assessment levied by the Association, and each fine, penalty, fee or other charge imposed under the Association Documents, and costs of corrective action by the Association, are each referred to as a default assessment. With respect to any default assessment, the Owner of the Lot against which the Association seeks to levy the default assessment shall be provided notice and an opportunity to be heard in accordance with the

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Virginia Property Owners Association Act. Owners of Lots against which default assessments have been levied shall pay such assessments when required by the Association.

5.11 The Association shall report to any Mortgagee any unpaid assessments remaining unpaid for more than sixty days after the same shall have become due, if such Mortgagee first shall have delivered to the Association a written request for notice of unpaid assessments as to any Lot for which it holds a Mortgage. Any Mortgagee holding a lien on a Lot may pay any unpaid Assessment with respect to such Lot, together with any and all costs and expenses incurred with respect to the assessment lien securing such unpaid Assessment, and upon such payment, such Mortgagee shall have a lien on the Lot for the amounts paid with the same priority as a lien of the Mortgage held by such Mortgagee.

ARTICLE 6
Right to Include Additional Property

6.1 For so long as Declarant owns any portion of the Property or the Expansion 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 a part ofThe Springs at Osceola , (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.

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

ARTICLE 7
Enforcement and Remedies

7.1 These restrictions, conditions, covenants, limitations and easements shall run with the title to the land and shall be binding upon all parties owning any Lot and all persons claiming under them until December 31, 2050, at which time they shall be automatically renewed for five (5) successive additional ten (10) year period, unless sooner terminated by the written consent of all parties in interest. This Declaration may be

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terminated at the expiration of such term by recorded instrument signed by the President and Secretary of the Association attesting that such termination was approved by 75% of the votes in each of Class A and Class B present in person or by proxy at a duly called meeting in accordance with the Virginia Property Owners Association Act and the governing documents of the Association. Notwithstanding anything to the contrary herein, Declarant may terminate this Declaration at any time prior to conveyance of any Lot to a third party.

7.2 (a) Prior to the closing of the sale of the first Lot, Declarant may amend this Declaration in its sole discretion. Declarant may at any time amend this Declaration to add property, including, without limitation, the Expansion Property, to the subdivision as provided in this Declaration.

(b) Except as provided in paragraph (a) above, this Declaration may be amended only by the vote or written consent of (i) Owners of Property (including Declarant) having at least 75 percent of the total number of votes to which all Owners are entitled in each of Class A and Class B, and (ii) Declarant, for so long as Declarant owns any portion of the Property or Expansion Property. Any amendment to the Declaration shall be evidenced by the recording of a written instrument or instruments specifying the amendment or the repeal and containing the consents set forth above, if any. No amendment may remove, revoke or modify any right or privilege of Declarant without the prior written consent of Declarant or the assignee of such right or privilege.

7.3 The failure on the part of the Association or Declarant to enforce any restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter as to the same breach or as to one occurring prior or subsequent thereto.

7.4 Enforcement shall be by proceedings at law or in equity against any person or person violating or attempting to violate any covenant, either to restrain the violation or to recover damages, or both. Declarant, the Association and/or one or more Owners in the subdivision shall be proper parties to institute such proceedings.

7.5 Invalidation of any one of the provisions of this instrument by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

7.6 In the event of any dispute under or with respect to any Association document, the prevailing party (as to liability, without regard to any damage award) shall be entitled to recover from the non-prevailing party all of its costs and expenses in connection therewith, including, but not limited to, reasonable attorneys' fees and disbursements.

7.7 NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS DECLARATION, DECLARANT MAKES NO WARRANTIES OR REPRESENTATIONS WHATSOEVER THAT THE PLAN PRESENTLY ENVISIONED FOR THE COMPLETE DEVELOPMENT OF THE SUBDIVISION CAN OR WILL BE

Recorded On-2010-Nov-22 As-32565

CARRIED OUT OR THAT THE EXPANSION PROPERTY OR ANY OTHER LAND NOW OWNED OR HEREAFTER ACQUIRED BY DECLARANT IS OR WILL BE SUBJECTED TO THIS DECLARATION, OR THAT ANY SUCH LAND, WHETHER OR NOT IT HAS BEEN SUBJECTED TO THIS DECLARATION, IS OR WILL BE COMMITTED TO OR DEVELOPED FOR A PARTICULAR USE, OR THAT IF SUCH LAND IS ONCE USED FOR A PARTICULAR USE, THAT SUCH USE WILL CONTINUE IN EFFECT.

Each provision of this Declaration and a promise, covenant and undertaking to comply with each such provision (i) shall be deemed incorporated in each deed or other instrument by which any right, title or interest in any of the Property is granted, devised or conveyed; (ii) shall by virtue of acceptance of any right, title or interest in any of the Property by an Owner be deemed accepted, ratified, adopted and declared as a personal covenant of such Owner and shall be binding on such Owner or his or her respective heirs, personal representatives, successors or assigns, to, with and for the benefit of the Declarant and all Owners within the subdivision; (iii) shall be deemed a covenant, obligation and restriction secured by a lien binding, burdening and encumbering the title to all of such Owner's right, title and interest to any of the Property, which lien shall be deemed a lien in favor of the Declarant, as its interest may appear, and all Owners within the subdivision; and (iv) shall run with the Land.

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IN WITNESS WHEREOF, PLEASANT RUN LC has caused its name to be hereunto affixed this 11th day of November, 2010.

PLEASANT RUN LC

BY: _____ ***(SEAL)***

STATE OF VIRGINIA, AT LARGE,
CITY OF HARRISONBURG, TO-WIT:

The foregoing instrument was acknowledged before me this 11th day of November, 2010, by Michael W. Pugh, Manager of PLEASANT RUN L.C., a Virginia Limited Liability Company, for and on behalf of said corporation and by due authority.

My commission expires: 7/31/2013.

_____
Notary Public Registration 7294874

TRISHA J. SMITH
NOTARY PUBLIC
REGISTRATION # 7294874
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES
JULY 31, 2013

(SEAL)
211503-5

Recorded On-2010-Nov-22 As-32565

LIENHOLDER CONSENT

Michael A. Estes, Trustee under a Credit Line Deed of Trust dated June 16, 2010, of record in the Office of the Clerk of the Circuit Court of Rockingham County, Virginia, in Deed Book 3721, page 424, and Pendleton Community Bank, as Noteholder and beneficiary of said Deed of Trust, acknowledge their consent to, and hereby subordinate said Credit Line Deed of Trust to the foregoing Declaration of Protective Covenants and Conditions of The Springs at Osceola, Section 1.

TRUSTEE:

Michael A. Estes
_____, Trustee

STATE OF Virginia
CITY/COUNTY OF Rockingham, to-wit:

The foregoing instrument was acknowledged before me this 11th day of November, 2010, by Michael Estes, Trustee.

My commission expires: 7/31/2013

Trisha J. Smith
Notary Public
Notary Public Registration # 7294874

TRISHA J. SMITH
(SEAL) NOTARY PUBLIC
REGISTRATION # 7294874
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES
JULY 31, 2013

PENDLETON COMMUNITY BANK

By: Michael A. Estes

Its: VP-Area Exec.

STATE OF Virginia
CITY/COUNTY OF Rockingham, to-wit:

The foregoing instrument was acknowledged before me this 11th day of November, 2010, by Michael Estes, as VP-Area Exec of Pendleton Community Bank.

My commission expires: 7/31/2013

Trisha J. Smith
Notary Public
Notary Public Registration # 7294874

TRISHA J. SMITH
(SEAL) NOTARY PUBLIC
REGISTRATION # 7294874
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES
JULY 31, 2013

Recorded On-2010-Nov-22 As-32565

LIENHOLDER CONSENT

BB&T-VA Collateral Services Corporation, Trustee under a Credit Line Deed of Trust dated September 15, 2006, of record in the Office of the Clerk of the Circuit Court of Rockingham County, Virginia, in Deed Book 2945, page 768, and Branch Banking and Trust Company of Virginia, as Noteholder and beneficiary of said Deed of Trust, acknowledge their consent to, and hereby subordinate said Credit Line Deed of Trust to the foregoing Declaration of Protective Covenants and Conditions of The Springs at Osceola, Section 1.

BB&T-VA COLLATERAL SERVICES CORPORATION, Trustee

By: Christopher L Ellis

Its: Senior Vice President

STATE OF Virginia
~~CITY~~/COUNTY OF Rockingham, to-wit:

The foregoing instrument was acknowledged before me this 16th day of November, 2010, by Christopher Ellis, as Senior VP of BB&T-VA Collateral Services Corporation, Trustee.

My commission expires: 4/30/2011 Registration # 7091559

JESSICA L. PHILLIPS
NOTARY PUBLIC
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES APRIL 30, 2011
(SEAL)

Jessica L Phillips
Notary Public
Notary Public Registration # 7091559

BRANCH BANKING AND TRUST COMPANY OF VIRGINIA

By: Tracie Dickson

Its: Vice President

STATE OF Virginia
~~CITY~~/COUNTY OF Rockingham, to-wit:

The foregoing instrument was acknowledged before me this 16th day of November 2010, by Tracie Dickson, as VP of Branch Banking and Trust Company of Virginia.

My commission expires: 4/30/2011.

Jessica L Phillips
Notary Public
Notary Public Registration # 7091559

(SEAL)
00211503

JESSICA L. PHILLIPS
NOTARY PUBLIC
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES APRIL 30, 2011