

COURTHOUSE SPRING ASSOCIATION

BYLAWS - RULES AND REGULATIONS

ARTICLE VI
USE OF PROPERTY

Section 6.1. Protective Covenants.

(a) Nuisances. No nuisance shall be permitted to exist on any Lot. Noxious, destructive, or offensive activity, or any activity constituting an unreasonable source of annoyance, shall not be conducted on any Lot or on the Common Area or any part thereof, and the Association shall have standing to initiate legal proceedings to abate such activity. Each Owner shall refrain from any act or use of his or her Lot which could reasonably cause embarrassment, discomfort, or annoyance to other Owners, and the Board of Directors shall have the power to make and to enforce reasonable rules in furtherance of this provision.

(b) Restriction on Further Subdivision. No Lot shall be further subdivided or separated into smaller Lots by any Owner, and no portion less than all of any such Lot, nor any easement or other interest herein, shall be conveyed or transferred by an Owner, provided that this shall not prohibit the vacating of boundaries between adjacent Lots to create a bigger Lot, deeds of correction, deeds to resolve boundary line disputes and similar corrective instruments. The vacation of a boundary line between two Lots to create one bigger Lot shall require the prior written consent of the ARB, which consent the ARB may grant or withhold in its sole and absolute discretion. If the vacation of a boundary line between two Lots occurs, the Owner of the newly created bigger Lot shall continue to pay assessments based on the original two Lots.

(c) Rules. From time to time the Board of Directors may adopt general rules, including but not limited to rules to regulate potential problems relating to the use of Properties and the well-being of Members, such as the definition of nuisances, keeping of animals, storage and use of all vehicles, storage and use of machinery, use of outdoor drying lines, antennas, satellite dishes, signs, trash and trash containers, restrictions on sprinkler and irrigation systems, private irrigation wells and uses of lakes, water bodies and wetlands, maintenance and removal of vegetation on the Properties and the type and manner of application of fertilizers or other chemical treatments to the Properties in accord with non-point source pollution control standards (collectively, the "Rules"). All such Rules and any subsequent amendments thereto shall be binding on all Members and occupants of the Properties, including their tenants, guests and invitees, except where expressly provided otherwise in such Rule. Such Rules as adopted from time to time are herein incorporated by reference and shall be as binding as if set forth herein in full; provided, however, that in the event of a conflict between any provision(s) in the Rules and the Governing Documents, the provision(s) set forth in the Governing Documents shall control.

(d) Exceptions. In certain special circumstances, the Board of Directors may issue variances exempting a particular Lot from any of the provisions of this Article VII.

(e) Irrigation. Subject to the rights retained by Developer in Section 7.7, no sprinkler or irrigation system of any type which draws upon water from creeks, streams, rivers, lakes, ponds, wetlands, canals or other ground or surface waters within the Properties, except for those which draw on County water or wells which are authorized by the County, shall be installed, constructed or operated within the Properties except for the irrigation system installed by Developer and maintained, repaired and replaced by the Association in accordance with its obligations hereunder; provided, however, this paragraph shall not apply to the Developer, and may not be amended without Developer's written consent so long as Developer has the right to add property in accordance with Article II.

(f) Alteration of Grade. Except for the grading work performed on the Properties by the Developer, there shall be no altering and/or regrading of the established grade of any Lot or Common Area without the prior written approval of the Developer (for so long as the Developer owns any Lots) and the Architectural Review Board. All berms, swales and drainage channels created by Developer shall be deemed to be a part of the grading of all Lots and Common Areas.

(g) Permitted Uses. Except as otherwise provided in the Governing Documents (including without limitation any applicable Supplemental Declaration), no Lot shall be used for other than residential purposes except as designated by the Developer or as set forth below. Nothing in the Governing Documents shall be construed to prohibit the Developer or its designees from using any Lot owned by the Developer (or any other Lot with the permission of the Owner thereof) or any portion of the Common Area for promotional, marketing, display or customer service purposes (such as a visitors' center) or for the settlement of sales of Lots.

Further, the Developer specifically reserves the right to operate a construction office or a rental, brokerage and management office at any time on Lots owned or leased by the Developer (or any other Lot with the permission of the Owner thereof) and on any portion of the Common Area, to the extent permitted by law. The Developer may assign its rights under this section to or share such rights with one or more other persons, exclusively, simultaneously or consecutively with respect to the Common Area and Lots owned or leased by the Developer or such persons.

(h) Hazardous Uses, Waste. Nothing shall be done or kept on the Properties which will increase the rate of insurance applicable for permitted uses for the Common Area or any part thereof without the prior written consent of the Board of Directors, including, without limitation, any activities which are unsafe or hazardous with respect to any person or property. No person shall permit anything to be done or kept on the Properties which will result in the cancellation of any insurance on the Common Area or any part thereof or which would be in violation of any law, regulation or administrative ruling. No vehicle of any size which transports inflammatory or explosive cargo may be kept or driven on the Properties at any time. Each Owner shall comply with all federal, state and local statutes, regulations, ordinances, or other rules intended to protect the public health and welfare as related to land, water, groundwater, air or other aspects of

the natural environment (the "Environmental Laws"). Environmental Laws shall include, but are not limited to, those laws regulating the use, generation, storage or disposal of hazardous substances, toxic wastes and other environmental contaminants (collectively, the "Hazardous Materials"). No Owner shall knowingly use, generate, manufacture, store, release, dispose of or knowingly permit to exist in, on, under or about such Owner's Lot, the Common Area or any portion of the Properties, or transport to or from any portion of the Properties any Hazardous Materials except in compliance with the Environmental Laws. No waste shall be committed on the Common Area.

(i) Lawful Use. No improper, offensive or unlawful use shall be made of the Properties or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Properties shall be complied with, by and at the sole expense of the Owner, the Association or the Developer, whichever shall have the obligation for the upkeep of such portion of the Properties, and, if the Association, then the cost of such compliance shall be included in the General Assessment or Limited Common Expense Assessment, as appropriate.

(j) Emissions. There shall be no emissions of dust, sweepings, dirt, cinders, odors, gases or other substances into the atmosphere except for normal residential chimney emissions, no production, storage or discharge of Hazardous Materials on the Properties or discharges of liquid, solid wastes or other environmental contaminants into the ground or any body of water, if such emission, production, storage or discharge may adversely affect the use or intended use of any portion of the Properties or may adversely affect the health, safety or comfort of any person.

(k) Noise. No person shall cause any unreasonably loud noise (except for security devices) anywhere on the Properties, nor shall any person permit or engage in any activity, practice or behavior for the purpose of causing annoyance, discomfort or disturbance to any person lawfully present on any portion of the Properties.

(l) Obstructions. No person shall obstruct any of the Common Area or otherwise impede the rightful access of any other person on any portion of the Properties upon which such person has the right to enter. No person shall place or cause or permit anything to be placed on or in any of the Common Area without the approval of the Board of Directors of the Association. Nothing shall be altered or constructed in or removed from the Common Area except with the proper written approval of the Board of Directors.

(m) Association Property. The Common Area shall be used only for the furnishing of the services and facilities for which the same is reasonably suited and which are incident to the use and occupancy of the Lots. The improvements located on the Common Area shall be used only for their intended purposes. Except as otherwise expressly provided in the Governing Documents, no Owner shall make any private,

exclusive or proprietary use of any of the Common Area without the prior written approval of the Board of Directors and then only on a temporary basis.

(n) Mining. No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth except with the prior written approval of the Board of Directors.

(o) Signs. Except for such signs as may be posted by the Developer for promotional or marketing purposes or by the Association, no signs of any character shall be erected, posted or displayed in a location that is visible from the Common Area, or any other Lot, except as otherwise expressly permitted in the Rules and/or the guidelines adopted from time to time by the Board of Directors and/or the Architectural Review Board.

(p) Rental Signs. "For Rent" signs may only be displayed in windows of homes and may not be displayed in the yard.

(q) Trash. Except in connection with construction activities, no burning of any trash and no accumulation or storage of litter, refuse, bulk materials, building materials, garbage, or trash of any other kind shall be permitted on any Lot. Trash containers shall not be permitted to remain in public view from the Common Area, any street or another Lot except on days of trash collection. Trash containers and refuse disposal systems must be maintained and stored in the garage of the dwelling located on the Lot. Trash, leaves and other materials shall not be burned in violation of local ordinances. No incinerator shall be kept or maintained upon the Properties without the prior written approval of the Board of Directors. All trash collection and removal shall be in accordance with the Rules.

(r) Landscaping, Sight-lines. No tree, hedge or other landscape feature shall be planted or maintained in a location which obstructs sight-lines for vehicular traffic on public streets. Pavement, plantings and other landscape materials shall not be placed or permitted to remain upon any Lot: (i) if such materials may damage or interfere with any easement for the installation or maintenance of utilities; (ii) in violation of the requirements of such easements; (iii) unless in conformity with public utility standards; or (iv) if such materials may unreasonably change, obstruct or retard direction or flow of any drainage channels. No water pipe, sewer pipe, gas pipe, drainage pipe, television cable, electrical wire, or other similar transmission line shall be installed or maintained upon any Lot above the surface of the ground.

(s) County Right-of-way. No planting, irrigation system or construction will be permitted within the boundaries of Gloucester County right-of-way as shown on the site plans of each parcel. The placement of a mailbox within the County's right-of-way is permitted.

(t) Vegetation. No trees of any kind and no live vegetation may be cut without prior approval of the Architectural Review Board. The Board of Directors may set rules for cutting of trees to allow for selective clearing or cutting.

(u) Temporary Structures. No structure of a temporary character, such as, by way of illustration and not limitation, trailers, tents, shacks, barns, pens, kennels, runs, stables, sheds not anchored on foundations or other temporary accessory buildings shall be erected, used or maintained on any Lot except in connection with construction activities. The guidelines adopted by the Architectural Review Board, from time to time, may contain further limitations with respect to permanent accessory structures, if any, which may be erected, used or maintained on any Lot.

(v) Fences. Except for any fence installed by the Developer or the Association, no fence shall be installed within the Properties other than those approved by the Architectural Review Board.

(w) Vehicles. Except in connection with construction activities, no trucks, trailers, campers, recreational vehicles, boats or other large vehicles, including grounds maintenance equipment, may be parked on any portion of the Common Area, or any portion of a Lot visible from the Common Area, or any other Lot or on any public right-of-way within or adjacent to the Properties, unless expressly permitted by the Board of Directors and only in such parking areas or for such time periods (if any) as may be designated for such purpose. Parking of all such vehicles and related equipment, other than on a temporary and nonrecurring basis, shall be in garages or screened enclosures approved by the Architectural Review Board or in areas, if any, designated in the Rules. All vehicles must be parked so as not to impede traffic or damage vegetation. No junk or derelict vehicle or other vehicle on which current registration plates and current County and state inspection permits are not displayed shall be kept upon any portion of the Common Area, or any portion of a Lot visible from the Common Area, or another Lot. Vehicle repairs and storage of vehicles are not permitted, except in accordance with the Rules; provided, however, that noncommercial repair of vehicles is permitted within enclosed structures. All motor vehicles including, but not limited to, trail bikes, motorcycles, dune buggies, and snowmobiles shall be driven only upon paved streets and parking lots. No motor vehicles shall be driven on community trails, pathways or unpaved portions of the Common Area, except such vehicles as are authorized by the Board of Directors as needed to maintain, repair, or improve the Common Area. This prohibition shall not apply to normal vehicular use of designated streets, and alleys constructed on the Common Area.

(x) Timeshares. No Lot shall be subjected to or used for any timesharing, cooperative, licensing or other arrangement that would entail weekly, monthly, or any other type of revolving or periodic occupancy by multiple Owners, cooperators, licensees, or timesharing participants.

(y) Professional Offices. No Lot containing a dwelling unit shall be used for any business, commercial, manufacturing, mercantile, storing, vending or other non-

residential purpose; provided, however, that an Owner may maintain a home occupation as permitted by Gloucester County and may maintain an office in the dwelling constructed on such Owner's Lot if (i) such occupation or office generates no significant number of visits (as determined by the Board of Directors) by clients, customers or other persons related to the business, (ii) no equipment or other items related to the business are stored, parked or otherwise kept on such Owner's Lot or the Properties outside of an approved enclosure, and (iii) such Owner has obtained approvals for such use as may be required by Gloucester County, Virginia. As a condition to such use, the Board of Directors may require the Owner to pay any increase in the rate of insurance or other costs for the Association which may result from such use.

(z) Animals. The maintenance, keeping, boarding or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited on any Lot or upon the Common Area, except that the keeping of guide animals and orderly domestic pets (e.g., dogs, cats or caged birds) without the approval of the Board of Directors, is permitted, subject to such limitations and restrictions as may be set forth in the Rules (including, but not limited to restrictions on the number of pets that may be kept on any Lot); provided, however, that such pets are not kept or maintained for commercial purposes or for breeding and that any such pet causing or creating a nuisance or unreasonable disturbance or noise may be permanently removed from the Properties upon ten (10) days written notice from the Board of Directors. Pets shall not be permitted upon the Common Area unless accompanied by someone who can control the pet and unless carried or leashed. Pet droppings shall be removed contemporaneously by the Owner of the pet. Any Owner who keeps or maintains any pet upon any portion of the Properties agrees to indemnify and hold the Association, each Owner and the Developer free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Properties. All pets shall be registered and inoculated as required by law.

(aa) Clothes Drying Equipment. No clotheslines or other clothes drying apparatus shall be permitted outside of an enclosed structure on any Lot, unless approved in writing by the Architectural Review Board. No portion of a Lot shall be used for the drying or hanging of laundry unless such laundry is adequately screened from public view.

(bb) Mailboxes and Newspaper Tubes. Only mailboxes and newspaper tubes, if any shall be permitted according to specific criteria adopted by the Architectural Review Board.

(cc) Lighting. No exterior lighting shall be directed outside the boundaries of any Lot.

(dd) Pools. Swimming pools (above-ground or in-ground) and hot tubs may be erected or maintained on any Lot subject to the terms of the Courthouse Spring Homeowners' Association Inc.'s Architectural Guidelines.

(ee) Construction Activities. This section shall not be construed as forbidding any work involved in the construction or maintenance of any portion of the Properties so long as such work is undertaken and carried out (i) with the minimum practical disturbance to persons occupying other portions of the Properties; (ii) in such a way as does not violate the rights of any person under other provisions of this Declaration; and (iii) in accordance with all applicable restrictions in the Rules, any architectural guidelines, the resolutions of the Board of Directors and the other provisions of this Declaration. The Architectural Review Board may approve temporary structures for construction purposes which may otherwise be in violation of the Governing Documents or the Rules.

(ff) Leasing. No dwelling unit located on a Lot shall be used or occupied for transient or hotel purposes. No dwelling unit located on a Lot shall be leased for an initial period of less than six (6) consecutive months without the Company's approval. No portion of any dwelling unit (other than the entire dwelling unit) shall be leased for any period. No more than twenty percent (20%) of the dwelling units located on Lots subjected to this Declaration may be sold to any individual or entity that purchases such dwelling unit for resale or investment purposes. No Owner shall lease a Lot other than on a written form of lease (i) requiring the lessee to comply with this Declaration and the Rules and Regulations; (ii) providing that failure to comply with such documents constitutes a default under the lease; and (iii) permitting the Association or the Company to terminate said lease in the event of an Owner's failure to do so upon the occurrence of such a default, which default is not cured within thirty (30) days after notice thereof from the Owner, the Association, or the Company, as the case may be.

(gg) Archaeological Finds. Subject to applicable state and federal law regarding archaeological finds, all archaeological materials found within the Properties belong to the Association. Upon discovery of archaeological materials during periods of construction or otherwise, the Owner of a Lot shall immediately notify the Board of Directors and cease construction activity. The Board of Directors shall have ten (10) days to notify the Owner if it intends to exercise the Association's right under this section. Thereafter, the Board of Directors shall have a period of sixty (60) days to remove the archaeological materials without compensation to the Owner for the archaeological materials, the use of the Lot or delay in construction. The Association shall not be obligated to remove archaeological materials nor be held liable for failure to remove such materials.

(hh) Septic Tanks. No septic tank shall be installed, used, or maintained on any Lot.

(ii) Outbuildings, Detached Garages and Storage Sheds. No outbuildings, detached garages, or storage sheds shall be erected or maintained on any Lot unless approved by the Architectural Review Board. The Architectural Review Board may adopt specific criteria for such structures.

Section 6.2. Maintenance of Property

(a) Owner Obligation. Each Owner shall keep all Lots owned by him, and all improvements therein or thereon in good order and repair, free of debris, all in a manner and with such frequency as is acceptable to the Association and consistent with a first-quality development, any Rules adopted by the Association, and the Architectural Guidelines adopted by the Association.

(b) Reconstruction and Repair. If a building or other major improvement located upon a Lot is damaged or destroyed, the Owner thereof shall restore the site either (i) by repairing or reconstructing such building or other major improvement to substantially the same condition as the original construction, or (ii) by clearing away the debris and restoring the site to an acceptable condition compatible with the remainder of the Properties. Unless the Architectural Review Board permits a longer time period, such work must be commenced within sixty (60) days after the date of the casualty and substantially completed within twelve (12) months after the date of the casualty.

(c) Failure to Maintain. In the event an Owner shall fail to maintain his Lot and the improvements situated thereon as provided herein, the Association, after notice to the Owner and approval of the Board of Directors shall have the right to enter upon such Lot to correct such failure. All costs related to such correction shall become a special assessment upon such Lot and as such shall be regarded as any other assessment with respect to lien rights of the Association and remedies provided herein for non-payment.

Section 6.3. Resales of Lots by Owners Other Than Developer.

Upon the acquisition of record title to a Lot from an owner other than Developer, an administrative fee in an amount set from time to time by the Board of Directors, which amount shall initially be \$100.00, shall be paid to the Association by or on behalf of the purchaser of the Lot. Such administrative fee shall be deposited in the purchase and sales escrow at settlement and shall be disbursed therefrom to the Association.

Section 6.4. Security.

Neither the Association, nor Developer shall be held liable for any loss or damage by reason of failure to provide security or ineffectiveness of security measures undertaken. All Owners, tenants, guests, and invitees of any Owner, as applicable, acknowledge that the Association and Developer, and committees established by any of the foregoing entities, are not insurers and that each Owner, tenant, guest, and invitee assumes all risk or loss or damage to persons, to structures or other improvements situated on Lots, and to the contents of any Improvements situated on Lots and further acknowledge that Developer has made no representations or warranties, nor has any Owner, tenant, guest, or invitee relied upon any representations or warranties, expressed or implied, including any warranty or merchantability or fitness for any particular purpose relative to any security measures recommended or undertaken.