

Wellington Property Owners Association

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, December 21, 2001

This is to Certify that the certificate of incorporation of

Wellington Property Owners Association

was this day issued and admitted to record in this office and that the said corporation is authorized to transact its business subject to all Virginia laws applicable to the corporation and its business. Effective date: December 21, 2001



State Corporation Commission

Attest:

Joel H. Peck

Clerk of the Commission

**BOOK OF RESOLUTIONS
RULES AND REGULATIONS
WELLINGTON PROPERTY OWNERS ASSOCIATION**

These Rules and Regulations are adopted in accordance with and are subject to the Articles of Incorporation of Wellington Property Owners Association (the "Association"), a Declaration of Covenants and restrictions for Wellington at Wyndhurst ("Declaration"), dated January 4, 2002, recorded in the Clerks Office of the Circuit Court of the City of Lynchburg, Virginia, as Instrument Number 020000159, and the By-Laws of the Association and all amendments and supplements thereto. In case of any conflict between these Rules and Regulations and the Articles of Incorporation, the Declaration, or the By-Laws, the Articles of Incorporation, Declaration or By-Laws shall control.

1. Vehicles and Parking.

(a) Owners or tenants of Living Units on Lots having a driveway and garage on the Lot and their visitors, guests or invitees shall park only on the Lot and not in a Common Area. Lots that do not have a driveway and garage on the Lot shall be assigned two parking spaces in paved Common Area abutting or near the Lot and Owners or tenants of Living Units on such Lots and their visitors, guests or invitees shall park only in the assigned spaces.

(b) No portion of the Development shall be used for the repair of motor vehicles other than routine cleaning.

(c) No unregistered motor vehicles or motor vehicles with expired registration or state inspections may be parked in the Development.

(d) All motor vehicles and other wheeled devices designed or used for riding by persons, including but not limited to bicycles, tricycles, tractors, motorcycles, mopeds, dune buggies, and snowmobiles, shall be driven only upon paved streets, roads, driveways and parking areas constructed for that purpose, except vehicles authorized by the Association as needed to maintain, repair, or improve the Common Area may enter other areas.

(e) Parking of all commercial and recreational vehicles and related equipment, including camping trailers, boats and boat trailers, other than on a temporary and nonrecurring basis, shall be in garages or in areas approved by the Association for such parking. No such area for approved parking is currently contemplated by the Declarant or the Association. If a truck-mounted camper is to be an Owner's primary means of transportation, it shall not be considered a recreational vehicle provided it meets the following conditions: (i) the vehicle is moved on a daily basis; (ii) it is parked within a garage, driveway or other designated parking area; and (iii) if the camper is removed, the camper shall be stored in an area screened from all surrounding property.

2. Pets. Subject to limitations as may from time to time be set by the Board of Directors, not more than two generally recognized house pets may be kept and maintained in a Living Unit, provided such pets are not kept or maintained for breeding or commercial purposes. All pets

must be kept under the control of their owner when they are outside the Lot, must not become a nuisance to other residents, and must be in compliance with all applicable ordinances of the City of Lynchburg. No pen, kennel, house or other facility for the occupancy or confinement of a pet shall be maintained or used outside a Living Unit.

3. Clothes-Drying Equipment. No exterior clotheslines or other exterior clothes-drying apparatus shall be permitted on any Lot, unless approved in writing by the Board of Directors. It is contemplated that no exterior clotheslines or other exterior clothes-drying apparatus will be permitted.

4. Trash and Garbage.

(a) The Association shall contract for the periodic removal of trash and garbage from Lots and property of the Association.

(b) Owners or occupants of Living Units shall keep and store all trash and garbage inside the Living Unit. On days designated by the contractor employed by the Association trash shall be placed at the front or rear of each Lot as directed by the contractor in containers approved by the contractor or the Board of Directors.

(b) No trash, leaves, paper, wood or similar material may be burned on any Lot, Common Area or Open Area. This shall not apply to material or debris from construction which may be burned by Declarant on a vacant Lot or area of the Development in which there are no occupied Living Units.

5. Mailboxes and Newspaper Tubes. The Declarant or the Association shall erect structures or facilities for mailboxes and newspaper tubes to be maintained by the Association that each Living Unit shall be required to use. Such structures or facilities shall also have a blank surface suitable for the posting of notices and messages to and among members and the Board of Directors. Otherwise, only mailboxes and newspaper tubes meeting design standards established by the Board of Directors shall be permitted.

6. Wood or Propane Stoves. No wood stove or propane stove shall be installed, maintained or used on or within any Living Unit or Common Area, except a propane grill for cooking purposes only may be used and kept outdoors in rear yards or on outside decks.

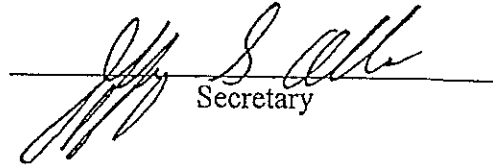
7. Flags: No free standing pole or other structure for the display of flags may be erected or maintained on any Lot. One flag of not more than 3 feet by 4 feet in size may be displayed on a pole of not more than 6 feet in length affixed to the front or rear of a Living Unit. Official flags of the United States of America and the Commonwealth of Virginia may be displayed without further permission. Otherwise, flags must be approved by the Board of Directors or a person or committee authorized by the Board to review and approve flags before it can be displayed.

8. Notices of Meetings. The Board of Directors shall post copies of notices of meetings of the members or directors of the Association on structures or facilities for mailboxes. Notices of meetings of the members shall be posted no less than fourteen (14) days prior to the date of a

Regular Meeting and no less than seven (7) days prior to the date of a Special Meeting. Notices of meetings of the board of directors shall be posted no less than five (5) days prior to the date of a regular meeting or no less than three (3) days prior to a special meeting.

9. Communications Among Members and the Board of Directors. Members may post messages and communications to other members or directors at the structure or facility for the mailbox of the receiving member or director. The Board of Directors may also designate one or more officers or members of the Association living in the Development to receive communications to the Board at the residence of the designated person during such hours as the Board of Directors may from time to time specify in notice mailed or delivered to all Owners and the Declarant.

Adopted by unanimous consent in writing of the Board of Directors of the Wellington Property Owners Association as of the 4th day of January 2002.


Secretary

BYLAWS OF
WELLINGTON PROPERTY OWNERS ASSOCIATION

These ByLaws are adopted in accordance with and are subject to the Articles of Incorporation of Wellington Property Owners Association (the "Association") and a Declaration of Covenants and Restrictions for Wellington at Wyndhurst ("Declaration"), dated January 4, 2001, recorded in the Clerks Office of the Circuit Court of the City of Lynchburg, Virginia, as Instrument Number 020000159, and all amendments and supplements thereto. In case of any conflict between these ByLaws and the Articles of Incorporation or the Declaration, the Articles of Incorporation or the Declaration shall control.

Article One
Membership

Section 1. The Association has the following classes of members:

Class A. Class A members shall be all owners of "Lots" (as defined in the Declaration) in a "Development" (as defined in the Declaration) located in the City of Lynchburg, Virginia, known as "Wellington at Wyndhurst" shown or established on or by any deed, plat, declaration or other instrument recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia by T & A Development Company, a Virginia corporation, its successors and/or assigns, (the "Declarant"), except the Class B member (as defined in the Declaration). Class A membership shall be appurtenant to a Lot and upon sale, conveyance or other transfer of ownership of a Lot the Class A Membership shall pass to the successive Owner or Owners and shall not otherwise be assigned, transferred, pledged, hypothecated, conveyed, or alienated. Upon the transfer of fee simple title to a Lot or an interest in a Lot, the purchaser or transferee shall give written notice of the transfer to the Secretary of the Association which notice shall contain the name, residence address and mailing address of the transferee and the date of recordation of the deed, will or other instrument by which such title was transferred. The Board of Directors may authorize a form to be used by a transferee of a Lot or an interest in a Lot for the purpose of notice of the transfer.

Class B. The Class B Member shall be the Declarant (as defined in the Declaration), or any successor or assignee to whom the Declarant assigns any or all of its rights as Declarant pursuant to the Declaration by assignment recorded in the land records of the City of Lynchburg, Virginia. Such assignment shall only operate as to the land which is owned by such successor or assignee and which is referenced specifically in the instrument of assignment. In the event of the assignment by the Declarant of its rights as Declarant as to less than all of the land in the Development then owned by the Declarant the Class B votes shall be allocated between the Declarant and the assignee as agreed by the Declarant and the assignee and stated in the instrument of assignment. The Class B membership and Class B voting rights shall cease upon the earliest of the date that the Declarant does not own any vacant or undeveloped land or Lot in the Development or December 31, 2011. Thereafter, the Declarant shall have Class A membership rights for each Lot which it owns. For the purpose of this provision the term "vacant" shall mean both land with no building erected thereon and a Lot upon which Declarant has erected a Living Unit (as defined in the Declaration) which has not been occupied and used

as a residence by a tenant of Declarant. Once a Living Unit on a Lot has been occupied and used as a residence by a tenant of Declarant, Declarant shall have Class A membership rights and obligations for such Lot whether or not the Class B membership has ceased.

Section 2. Voting.

Class A Members shall be entitled to one vote for each Lot owned. The vote for any membership held by more than one person may be exercised by any one of them, provided that no objection or protest by any other holder of such membership is made prior to the completion of a vote. If such protest is lodged prior to the completion of the vote, the vote for such membership shall not be counted, but the Member whose vote is in dispute shall be counted as present at the meeting for quorum purposes if the protest is lodged at such meeting. In no case may a member be entitled to vote at any meeting who is obligated to the Association for an unpaid assessment or portion thereof as of the date of the meeting.

The Class B Member(s) shall have the number of votes equal to two hundred percent (200%) of the total of the number of Class A votes outstanding at the time the vote is taken. The votes of the Class B Member may be cast at any meeting by any officer, employee or agent of the Class B Member so authorized by a written authorization or proxy executed by any officer of the Class B Member dated prior to the meeting and filed with the Secretary of the Association at or prior to the convening of the meeting. The authorization or proxy of any employee or agent of the Class B Member to cast the votes of the Class B Member may provide that the authorization or proxy may continue for a specified time or until revoked by a written revocation executed by any Manager or Member of the Class B Member filed with the Secretary of the Association.

The votes appertaining to any Lot may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Owner, or, in cases where the Owner is more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by actual notice to the persons presiding over the meeting, by the Owner or by any of such persons, that it be revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice as aforesaid, or if the signatures of those executing the same have not been witnessed by a person who shall have signed his full name and address. The proxy of any person shall be void if not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy, and must be filed with the Secretary before the appointed time of that meeting.

Section 3. Assessments.

Imposition. Assessments provided for in the Declaration shall be set by the Board of Directors. Assessments shall be payable at such time and in such installments as the Board of Directors shall determine. Assessments are a debt to the Association.

Annual Assessment. During the month of October of each year, the Board of Directors shall determine the amount of Annual Assessment to be assessed for the next fiscal year. Annual Assessments become incurred as of the first day of each fiscal year. Prior to the first day of

December of each year the Treasurer shall send to each Class A Member a statement of Annual Assessment due for the next fiscal year and a schedule for payment of such assessment. The Annual Assessment due by a Class A Member upon the initial purchase of a Lot by a Class A Member from the Declarant or the Declarant becoming a Class A Member as to a Lot (as defined in the Declaration) shall be the prorated portion of the Annual Assessment for the fiscal year in which such purchase or event occurs for the period beginning on the date of purchase or the date the Declarant becomes a Class A Member as to a Lot and ending on the last day of the fiscal year.

Special Assessment. The Board of Directors shall determine the amount, and manner of assessment and payment of any Special Assessments. Special Assessments become incurred as of the date adopted by the Board of Directors; however, no assessment or installment payment of a Special Assessment shall be due and payable by a Class A Member sooner than one month following the date of giving of notice of the assessment to the Member by written notice delivered personally or mailed to the last known address of the intended recipient. A majority of votes cast, in person or by proxy, at a meeting of the membership convened in accordance with the provisions of these ByLaws within sixty days of promulgation of the notice of a Special Assessment shall rescind or reduce the special assessment. No director or officer of the association shall be liable for failure to perform his fiduciary duty if a special assessment for funds necessary for the director or officer to perform his fiduciary duty is rescinded by the owners pursuant to this section, and the association shall indemnify such director or officer against any damage resulting from any claimed breach of fiduciary duty arising therefrom.

Section 4. Membership Meetings.

Regular Meetings: The annual membership meeting shall be held on the second Tuesday in November of each year commencing November 12, 2002.

Special Meetings: Special membership meetings may be called by the President or the Class B Member and shall be called by the President upon a vote of a majority of the members of the Board or receipt of a petition signed by ten or more Class A Members.

Notice: Except as otherwise provided herein, written notice of a meeting shall be sent by the Secretary of the Association no less than fourteen (14) nor more than sixty (60) days prior to the date of a Regular Meeting and no less than seven (7) nor more than sixty (60) days prior to the date of a Special Meeting. The notice of a Special Meeting shall state the purpose of the meeting and no other business shall be transacted. If an amendment of the articles of incorporation, a plan of merger, the sale, lease, exchange or other disposition of all, or substantially all, of the property of the corporation or the dissolution of the corporation is to be acted upon at a meeting, notice of the meeting shall be sent by the Secretary no less than twenty five (25) nor more than sixty (60) days prior to the date of the meeting. Notice to Class A Members shall be given to the Owners who have given notice of their ownership of a Lot in accordance with Article One, Section 1 of these ByLaws.

Record Date: The record date for determination of the Class A Members entitled to notice of a meeting shall be a date that is seventy days before the meeting or other action requiring a vote or determination by the Members.

Members List: The Secretary shall make, at least ten days before each meeting (or such longer period that may be required by applicable law) a complete list of the members, with the address of each, arranged by class of membership. For a period of ten days prior to a meeting (or such longer period that may be required by applicable law) the list of members shall be subject to inspection by any member at any time during usual business hours. The list shall be produced and kept open at each meeting and subject to the inspection of any member during the meeting.

Quorum: The quorum for membership meetings shall be twenty percent (20%) of the members holding votes entitled to be cast at such meeting.

Place, Date and Hour: All meetings of the Corporation, whether of the membership or the Directors, shall be held in the City of Lynchburg at such place, date and hour as may be designated by the person or persons authorized herein to call such a meeting.

Section 5. Notices to Members. Any notice given to Members shall be sent by United States mail to all Members at the address of their respective Lots and to such other addresses as any of them may have designated to such officer; or notice may be hand delivered by the officer, provided the officer certifies in writing that notice was delivered to the member.

Section 6. Distribution of Information by Members. The Board of Directors shall establish a reasonable, effective and free method for Members to communicate among themselves and with the Board of Directors regarding any matter concerning the Association.

Section 7. Termination of Membership.

Resignation: No member may resign or unilaterally terminate a membership.

Lapsing: A membership will be considered as lapsed and automatically terminated upon the sale or transfer of legal title to the Lot to which the membership applies. However, such termination shall not relieve the Member of liability for any unpaid assessment or terminate the lien of the Association upon the Lot for any unpaid assessment except to the extent provided in the Declaration for the sale or transfer of any Lot pursuant to foreclosure of a first priority mortgage or first priority deed of trust.

Article Two Directors and Officers

Section 1. Board of Directors.

Number of Directors: Until the Class B membership ceases the number of directors shall be not less than two nor more than three. As of the first annual membership meeting after the Class B membership ceases the number of directors shall be seven (7) unless the number of

persons eligible and willing to serve is less than seven (7), in which event the number of directors shall be the number nominated and elected at the annual meeting.

Election: The directors constituting the initial board of directors shall be elected by the incorporator pursuant to § 13.1-822, Code of Virginia, and shall hold office until the first annual election of directors. The initial board of directors are not required to be members. Upon and after the first annual election of directors the Board shall be comprised of either members in good standing or persons who may or may not be members designated and approved by the Class B Member.

Term of Office. Directors shall be elected for terms of one year and shall serve until their successors are duly elected.

Elections Committee. Until the Class B membership ceases the Board of Directors shall act as the Elections Committee. After the Class B membership ceases, the Board of Directors shall appoint an Elections Committee consisting of a member of the Board of Directors whose term is not then expiring and at least two other Class A Members at least ninety days prior to each annual meeting of the Association. The Elections Committee shall develop election procedures and administer such procedures as are approved by the Board of Directors.

Nominations: Persons qualified to be Directors may be nominated for election only by a nominating petition submitted to the Chairman of the Elections Committee at least thirty-five days before the annual meeting at which the election is to be held signed by either the Class B Member, a member of the Elections Committee or by Owners representing at least ten percent (10%) of the Class A Members and either signed by the nominee or accompanied by a document signed by the nominee indicating willingness to serve as a member of the Board of Directors; provided, however, that additional nominations may be made from the floor at the meeting at which the election is held for each vacancy on the Board of Directors for which no more than one Person has been nominated by petition. The nominee must either be present and consent to the nomination or have indicated in writing the willingness to serve.

Election. At any election of Directors if the number of nominees is more than seven (7) the seven (7) nominees receiving the highest number of votes each shall be declared elected. If the number of persons nominated and eligible and willing to serve is seven (7) or less, each nominee shall be deemed elected.

Powers and Duties. In addition to the powers and duties set forth in these ByLaws, the Board of Directors shall have and execute all powers and duties granted, authorized or imposed by Chapter 10, Title 13.1, Code of Virginia (the Virginia Nonstock Corporation Act), Chapter 26, Title 55, Code of Virginia (the Virginia Property Owners' Association Act), Sections 35.1-42.2(d), 35.1-43.6(c), 35.1-43.9(b) and 35.1-56(c) of the Lynchburg City Code, the Articles of Incorporation and the Declaration.

Section 2. Officers.

Offices and Election: The officers of the Association, consisting of the President, Secretary and Treasurer, shall be elected by the Board of Directors at the annual meeting of the Board and serve in their respective capacities both with regard to the membership and its meetings and the Board and its meetings. The Board of Directors may elect a Vice-President at any time. One person may serve as both Secretary and Treasurer.

President: The President shall be a member of the Board of Directors and shall preside at all meetings of the membership and of the Board and shall perform such other duties as are incident to his or her office or are properly required of him or her by the Board of Directors.

Vice-President: The Vice-President shall be a member of the Board of Directors and shall exercise the authority of the President in his or her absence and perform such other duties as may be assigned to him or her by the President or Board of Directors.

Secretary: The Secretary shall be responsible for recording the minutes of the membership and Board meetings and maintaining such other records as may be required of him or her by the President or the Board. He or she shall have charge of the correspondence, notify members of meetings, notify new members of their election to membership, notify officers and directors of their election to office, keep a roll of the members with their addresses, and carry out such other duties incident to his or her office as the President may request or the Board assign. The Secretary shall be either a Class A Member in good standing or designated and approved by the Class B Member but the Secretary is not required to be a member of the Board of Directors.

Treasurer: The Treasurer shall collect and receive all monies due or belonging to the Association. He or she shall deposit the same in a bank designated by the Board in the name of the Association. His or her books shall at all times be open to inspection by the Board and he shall report to them at every meeting the condition of the Association's finances and every item of receipt or payment not before reported; and at the annual membership meeting he or she shall render an account of all monies received and expended during the previous fiscal year. There shall be an annual audit of books as directed by the Board. The Treasurer shall be either a Class A Member in good standing or designated and approved by the Class B Member but the Treasurer is not required to be a member of the Board of Directors.

Section 3. Vote Required to Elect. At any election of Officers the candidate receiving the greatest number of votes for each office shall be declared elected.

Section 4. Meetings.

Definition: "Meeting" or "meetings" means the formal gathering of the board of directors where the business of the Association is discussed or transacted.

Meetings Open to Members: All meetings of the board of directors shall be open to all Members of record. The board of directors shall not use work sessions or other informal

gatherings of the board of directors to circumvent the open meeting requirements of this section. Minutes shall be recorded and shall be available as provided in Article 4.

Annual: The annual meeting of the Board of Directors shall be held immediately following the annual meeting of the membership. At the annual meeting the Board shall elect officers of the Association to serve until their successors are duly elected.

Regular: Regular meetings of the Board of Directors shall be held at least four times in each year. At the annual meeting the Board of Directors shall establish a schedule of regular meetings. Written notice of each such meeting shall be mailed by the Secretary at least five (5) days prior to the date of the meeting.

Special: Special meetings of the Board may be called by the President, and shall be called by the Secretary upon the receipt of a written request signed by at least two members of the Board. Written notice of such meeting shall be mailed by the Secretary at least five (5) days and not more than ten (10) days prior to the date of the meeting, or email or facsimile notice shall be transmitted at least three (3) days and not more than five (5) days prior to the date of the meeting. Any such notice shall state the purpose of the meeting and no other business shall be transacted thereat.

Quorum: A quorum for a meeting of the Board shall be a majority of the Board.

Notice: Notice of the time, date and place of each meeting of the board of directors shall be published where it is reasonably calculated to be available to a majority of the lot owners and shall be sent by first-class mail or e-mail to any lot owner requesting such notice. A lot owner may make a request to be notified on a continual basis of any such meetings which request shall be made at least once a year in writing and include the lot owners' name, address, zip code, and any e-mail address as appropriate. Notice, reasonable under the circumstances, of special or emergency meetings shall be given contemporaneously with the notice provided members of the association's board of directors conducting the meeting.

Conduct: A meeting may be conducted by telephone conference or video conference or similar electronic means if at least two members of the board of directors shall be physically present at the meeting place included in the notice. The audio equipment shall be sufficient for any member in attendance to hear what is said by any member of the board of directors participating in the meeting who is not physically present.

Recording: Any member may make an audio recording of any portion of a meeting required to be open. The board of directors conducting the meeting may adopt rules governing the placement and use of equipment necessary for recording a meeting to prevent interference with the proceedings.

Voting: Voting by secret or written ballot in an open meeting is prohibited except for the election of officers.

Section 5. Vacancies. Any vacancies occurring on the Board or among the officers during the year shall be filled for the unexpired term of office by a majority vote of the Board at its first regular meeting following the creation of such vacancy, or at a special Board meeting called for that purpose; except that a vacancy in the office of President shall be filled automatically by the Vice-President if a Vice-President is then serving and the resulting vacancy in the office of Vice-President shall be filled by the Board.

Section 6. Compensation. Except as otherwise provided herein, the directors and officers shall serve without compensation. The Board may authorize the reimbursement of expenses actually incurred by a director or officer in the performance of duties of the office and the Members may authorize compensation for the either the Secretary or Treasurer.

Section 7. Termination. The election and term of any director or officer who is a Class A Member, other than a director appointed by the Class B Member, shall automatically terminate upon the sale or transfer of legal title to the Lot or all Lots (if the director or officer is the Owner of more than one Lot) to which the membership applies

Article Three Committees

Section 1. Standing Committee. The Standing Committee shall be the Elections Committee appointed and acting in accordance with Article Two, Section 1, of these ByLaws.

Section 2. Other Committees. In addition to the Elections Committee, the Board may at any time appoint committees to advance the work of the Association in such matters as the Board may determine.

Section 3. Termination and Replacement. Any committee appointment may be terminated by a majority vote of the full membership of the Board upon three days written notice to the appointee; and the Board may appoint successors to those appointees whose services have been terminated.

Article Four Books and Records

Section 1. Financial Records. The association shall keep detailed records of receipts and expenditures affecting the operation and administration of the association. All financial books and records shall be kept in accordance with generally accepted accounting practices.

Section 2. Minutes. Minutes shall be recorded of all meetings of the members or the board of directors and retained by the association.

Section 3. Access. Subject to the provisions of subsection C of §55-510, Code of Virginia, all books and records kept by or on behalf of the association, including, but not limited to, the association's membership list and addresses, which shall not be used for purposes of pecuniary gain or commercial solicitation, and aggregate salary information of employees of the

association, shall be available for examination and copying by a member in good standing or his authorized agent so long as the request is for a proper purpose related to his membership in the association. This right of examination shall exist without reference to the duration of membership and may be exercised (i) only during reasonable business hours or at a mutually convenient time and location and (ii) upon five days' written notice reasonably identifying the purpose for the request and the specific books and records of the association requested. Prior to providing copies of any books and records to a member in good standing under this section, the association may impose and collect a charge, reflecting the reasonable costs of materials and labor, not to exceed the actual costs thereof.

Article Five General Provisions

Section 1. Calendar. The first fiscal year of the Association shall begin on the date the Association first has a Class A member end on the 31st day of December, 2002. Commencing January 1, 2003, the fiscal year of the Association shall be a calendar year.

Section 2. Amendments.

Amendments to the Articles of Incorporation may be proposed by a resolution of the Board of Directors recommending the amendment to the members unless the Board of Directors determines that because of conflict of interests or other special circumstances it should make no recommendation and communicates the basis for its determination to the members. The resolution shall be submitted to the membership at a regular or special meeting. The written notice of the meeting shall contain the date, time, and place, and that the purpose of the meeting is to consider the proposed amendment; the notice shall contain or be accompanied by a copy of the proposed amendment. The notice shall be given to each member not less than twenty-five (25) days nor more than sixty (60) days before the meeting. The amendment shall be adopted upon receiving more than two-thirds (2/3) of all votes entitled to be cast by the members voting as a single group.

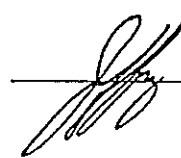
Amendments to the ByLaws may be made by a majority vote of the Directors at any meeting at which a quorum is present, provided ten (10) days written notice is given to the Directors of any proposed change. The foregoing notwithstanding, ByLaws made by the members may not be altered or repealed by the Board of Directors without the consent of the members. Such consent shall be obtained in the same manner as hereinabove provided for an amendment to the Articles of Incorporation. Any ByLaws made by the Board of Directors may be repealed or changed, and new ByLaws made, by a majority vote of the members voting as a single group.

Section 3. Merger. The Association may merge into or with another surviving or consolidated community association owning or controlling real estate located within the Wyndhurst Traditional Neighborhood Development or whose members are owners of real estate located within the Wyndhurst Traditional Neighborhood Development and similar in corporate nature and purposes as set forth in Section 3, ARTICLE II of the Declaration.

Article Five
Dissolution

The Association may be dissolved with the written consent of seventy-five percent (75%) of the Class A Members and the consent of the Class B Member, if any. Prior to the dissolution of the Association, other than incident to a merger or consolidation in accordance with Section 3, Article Four of these ByLaws, the assets of the Association shall be offered for dedication to the City of Lynchburg. In the event that such dedication is refused acceptance, upon dissolution such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to similar purposes.

Adopted by unanimous consent in writing of the Incorporator, the Declarant and Board of Directors of the Wellington Property Owners Association as of the 4th day of January 2002.


Secretary

ARTICLES OF INCORPORATION
OF
WELLINGTON PROPERTY OWNERS ASSOCIATION

The undersigned incorporator, pursuant to Chapter 10 of Title 13.1 of the Code of Virginia, states as follows:

1. The name of the corporation is: Wellington Property Owners Association.
2. The corporation is a nonstock corporation and shall be a "community association" as described and defined by § 13.1-814.1, Code of Virginia, and, pursuant to § 13.1-814B, Code of Virginia, the provisions set forth in §§ 13.1-851, 13.1-852, 13.1-855, 13.1-856, 13.1-857, 13.1-858 and 13.1-862, Code of Virginia, need not be set forth in these articles of incorporation and shall be effective as set forth in the bylaws except to the extent set forth in these articles of incorporation.
3. The purposes of the corporation are:
 - A. To administer and enforce the covenants, conditions and restrictions imposed upon a "Development" located in the City of Lynchburg, Virginia, known as "Wellington at Wyndhurst" by T&A Development Company, a Virginia corporation, its successors and/or assigns, (the "Developer") or the corporation by any plat or declaration recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia.
 - B. To own, control and maintain portions of the Development set aside and designated by the Developer as "Common Area" and including but not limited to open space, private streets, parking areas or alleys and sidewalks and structures and improvements thereon.
 - C. To maintain the exterior and roofs of townhouse units and party walls between townhouse units and portions of lots not occupied by townhouse units to the extent and in the manner provided by the Developer by any deed, plat, declaration or other instrument recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, or by the corporation by or in accordance with its ByLaws.
 - D. To assess and collect assessments to fund the activities, duties and purposes of the corporation, which assessments shall constitute liens upon the property of Class A members.
 - E. To promulgate and enforce rules and regulations for the use and occupancy of the Common Areas and the Development as the corporation may determine, subject to any applicable recorded plat or declaration.
 - F. To participate and assist in the administration and compliance of the Development as part of a Traditional Neighborhood Development, known as Wyndhurst

Traditional Neighborhood Development which will contain residential, office, retail, civic and related uses as defined and established pursuant to Sections 35.1-43.5 through 35.1-43.13 of the Lynchburg City Code and a resolution of the Council of the City of Lynchburg, Virginia, adopted July 14, 1998, approving a Conditional Use Permit ("CUP") for the Developer to construct a Traditional Neighborhood Development ("TND"), subject to conditions set forth in said resolution, all of which are and shall remain binding upon the Development and the Developer, the corporation and their respective successors in title, assignees, subsidiaries and affiliates.

G. To conduct such other activities and perform such other services and duties as the Board of Directors or the members shall determine and direct.

3. The corporation is to have members. The corporation may not discriminate by race, creed or sex with regard to membership, or any rights, duties or obligations of members. The corporation is to have the following classes of members:

Class A. Class A members shall be all owners of subdivided lots in the Development except the Class B member.

Class B. The Class B Member shall be the Developer, or any successor or assignee to whom the Developer assigns any or all of its rights as Developer.

The Class B membership shall cease upon the earliest of the date that the Developer does not own any vacant or undeveloped land or Lot in the Development or December 31, 2011. Thereafter, the Developer shall have Class A membership rights for each Lot which it owns. For the purpose of this provision the term "vacant" shall mean both land with no building erected thereon and a Lot upon which Developer has erected a building which has not been occupied and used as a residence by a tenant of Developer. Once a building on a Lot has been occupied and used as a residence by a tenant of Developer, Developer shall have Class A membership rights and obligations for such Lot whether or not the Class B membership has ceased.

Pursuant to § 13.1-837, Code of Virginia, all other rights of the members of each class and voting rights of members will be as set forth in the corporation's bylaws.

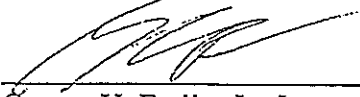
4. The directors constituting the initial board of directors shall be elected by the incorporator pursuant to § 13.1-822.A.2, Code of Virginia, and shall hold office until the first annual election of directors. The number and terms of directors shall be fixed by the bylaws. Thereafter, directors of the corporation shall be elected by the members in accordance with the corporation's bylaws as provided by §§ 13.1-814.1B and 13.1-819A.4, Code of Virginia.

5. A. The corporation's initial registered office address which is the business address of the initial registered agent is:

2104 Langhorne Road, Lynchburg, VA 24501

- B. The registered office is physically located in the City of Lynchburg.
- 6. A. The name of the corporation's initial registered agent is:
George H. Fralin, Jr.
- B. The initial registered agent is an individual who is a resident of Virginia and a member of the Virginia State Bar.

Date: December 17, 2001



George H. Fralin, Jr., Incorporator

LAW OFFICES
FRALIN, FEINMAN, COATES & KINNIER, P.C.
2104 LANGHORNE ROAD
LYNCHBURG, VIRGINIA
24501

TELEPHONE (434) 846-5900
TOLL FREE 1-800-203-9625

TELECOPIER (434) 847-058

December 17, 2001

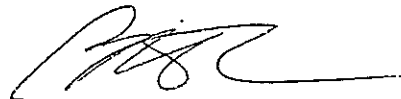
Clerk
State Corporation Commission
P. O. Box 1197
Richmond, VA 23218-1197

Re: Wellington Property Owners Association

Dear Sir:

I enclose for filing in your office the Articles of Incorporation of Wellington Property Owners Association, a nonstock corporation, together with a check in the amount of \$75.00 for filing and recording fees.

Very truly yours,



George H. Fralin, Jr.

Enclosures
pc: T&A Development Company

ARTICLES OF AMENDMENT
OF
WELLINGTON PROPERTY OWNERS ASSOCIATION
ID: 0569387-4

Article I

The articles of incorporation of Wellington Property Owners Association, a Virginia nonstock corporation incorporated by Certificate of Incorporation effective December 21, 2001 is amended and restated in its entirety to read as follows:

1. The name of the corporation is: Wellington Property Owners Association.
2. The corporation is a nonstock corporation and shall be a "community association" as described and defined by § 13.1-814.1, Code of Virginia, and, pursuant to § 13.1-814B, Code of Virginia, the provisions set forth in §§ 13.1-851, 13.1-852, 13.1-855, 13.1-856, 13.1-857, 13.1-858 and 13.1-862, Code of Virginia, need not be set forth in these articles of incorporation and shall be effective as set forth in the bylaws except to the extent set forth in these articles of incorporation.
3. The purposes of the corporation are:
 - A. To administer and enforce the covenants, conditions and restrictions imposed upon a "Development" located in the City of Lynchburg, Virginia, known as "Wellington at Wyndhurst" by T&A Development Company, a Virginia corporation, its successors and/or assigns, (the "Developer") or the corporation by any plat or declaration recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia. The total extent of the Development is limited to those portions of real estate known as Block "J" Wyndhurst (the "Development Limit") as shown on a plat thereof recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, at Plat Cabinet 6, slide 335, and conveyed to T & A Development Company by J. E. Jamerson & Sons, Inc., by deed dated May 21, 2001, recorded in said Clerk's Office as Instrument No. 010003997, that may be added to or included in the Development by the Developer by plat or declaration recorded in said Clerk's Office from time to time. No more than 57 lots may be created or subdivided within the total Development Limit.
 - B. To own, control and maintain portions of the Development set aside and designated by the Developer and conveyed to the corporation as "Common Area" and including but not limited to open space, private streets, parking areas or alleys and sidewalks and structures and improvements thereon.
 - C. To maintain the exterior and roofs of townhouse units and party walls between townhouse units and portions of lots not occupied by townhouse units to the extent and in the manner provided by the Developer by any deed, plat, declaration or other instrument

recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, or by the corporation by or in accordance with its ByLaws.

D. To assess and collect assessments from Class A members to fund the activities, duties and purposes of the corporation, which assessments shall constitute liens upon the property of Class A members.

E. To promulgate and enforce rules and regulations for the use and occupancy of the Common Areas and the Development as the corporation may determine, subject to any applicable recorded plat or declaration.

F. To participate and assist in the administration and compliance of the Development as part of a Traditional Neighborhood Development, known as Wyndhurst Traditional Neighborhood Development which will contain residential, office, retail, civic and related uses as defined and established pursuant to Sections 35.1-43.5 through 35.1-43.13 of the Lynchburg City Code and a resolution of the Council of the City of Lynchburg, Virginia, adopted July 14, 1998, approving a Conditional Use Permit ("CUP") for the Developer to construct a Traditional Neighborhood Development ("TND"), subject to conditions set forth in said resolution, all of which are and shall remain binding upon the Development and the Developer, the corporation and their respective successors in title, assignees, subsidiaries and affiliates.

G. To conduct such other activities and perform such other services and duties as the Board of Directors or the members shall determine and direct.

3. The corporation is to have members. The corporation may not discriminate by race, creed or sex with regard to membership, or any rights, duties or obligations of members. Every person or entity who is a record owner of any lot is entitled to membership and voting rights in the corporation. Membership is appurtenant to and inseparable from ownership of the lot. The corporation is to have the following classes of members:

Class A. Class A members shall be all owners of subdivided lots in the Development except the Class B member.

Class B. The Class B member shall be the Developer, or any successor or assignee to whom the Developer assigns any or all of its rights as Developer.

The Class B membership shall cease upon the earliest of the date that the Developer has deeded forty-two lots in the Development to homeowners or December 31, 2011. If a building on a Lot owned by Developer has been occupied and used as a residence by a tenant of Developer, Developer shall have Class A membership rights and obligations for such Lot whether or not the Class B membership has ceased.

Pursuant to § 13.1-837, Code of Virginia, all other rights of the members of each class and voting rights of members will be as set forth in the corporation's bylaws.

4. The directors constituting the initial board of directors shall be elected by the incorporator pursuant to § 13.1-822.A.2, Code of Virginia, and shall hold office until the first annual election of directors. The number and terms of directors shall be fixed by the bylaws. Thereafter, directors of the corporation shall be elected by the members in accordance with the corporation's bylaws as provided by §§ 13.1-814.1B and 13.1-819A.4, Code of Virginia.

5. Annexation of additional property located outside the Development Limit to the Development, mergers and consolidations, mortgaging of Common Area, dissolution of the corporation and amendment of the articles of incorporation require prior approval of the Department of Housing and Urban Development of the United States of America or its duly designated agency as long as there is a Class B membership.

6. Amendment of the articles of incorporation must be approved by the consent in writing of all members or the affirmative vote of more than

7. The corporation may be dissolved with the written consent of seventy-five percent (75%) of the Class A members and the consent of the Class B member, if any. Prior to the dissolution of the corporation, other than incident to a merger or consolidation, the assets of the Corporation shall be offered for dedication to the City of Lynchburg. In the event that such dedication is refused acceptance, upon dissolution such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to similar purposes.

Article II

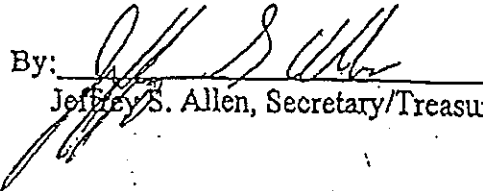
These articles of amendment shall be effective upon issuance of a certificate by the State Corporation Commission of Virginia

Article III

The foregoing articles of amendment was adopted by unanimous consent of all of the members effective July 29, 2002.

The undersigned Secretary/Treasurer of the corporation declares that the facts herein stated are true as of July 15, 2002.

Wellington Property Owners Association

By: 
Jeffrey S. Allen, Secretary/Treasurer

020000159

751

PIN: 250-14-001

P. C. 7
Slide 11912

WELLINGTON AT WYNDHURST
DECLARATION OF COVENANTS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS AND RESTRICTIONS ("Declaration") is made this 4th day of January 2002, by T & A DEVELOPMENT COMPANY, a Virginia corporation, Grantor, hereinafter "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of real property located in the City of Lynchburg, Virginia, known as "Wellington at Wyndhurst" and described on Exhibit A to this Declaration, and which property is referred to herein as the "Development"; and

WHEREAS, the Development is part of a Traditional Neighborhood Development, known as Wyndhurst Traditional Neighborhood Development which will contain residential, office, retail, civic and related uses as defined and established pursuant to Sections 35.1-43.5 through 35.1-43.13 of the Lynchburg City Code and a resolution of the Council of the City of Lynchburg adopted July 14, 1998, approving a Conditional Use Permit ("CUP") for the Declarant to construct a Traditional Neighborhood Development ("TND"), subject to conditions set forth in said resolution, all of which are and shall remain binding upon the Development and the Declarant, the Association (as hereafter defined) and their respective successors in title, assignees, subsidiaries and affiliates; and

WHEREAS, in order to provide for the preservation and maintenance of the Common Area shown on the aforesaid plat and improvements thereon and any additional Common Areas hereafter made subject to this Declaration and to provide for the orderly and cohesive use, preservation and maintenance of Lots and Living Units in the Development and the Wyndhurst Traditional Neighborhood Development, the Declarant desires to subject the Development to the covenants, restrictions, easements, charges, and liens of this Declaration of Covenants and Restrictions, said covenants, restrictions, easements, conditions, and charges running with the real property within the Development; and

WHEREAS, pursuant to Sections 35.1-43.6(c) and 35.1-56(c) of the Lynchburg City Code, and § 13.1-814.1, Code of Virginia, the Declarant has incorporated the Association under the laws of the Commonwealth of Virginia as a "community association" to provide a means for meeting the purposes and intents herein set forth.

NOW, THEREFORE, Declarant does hereby declare the real property within the Development to be held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions, easements, conditions, charges, and liens (hereinafter referred to as "Covenants and Restrictions"), hereinafter set forth, which shall run with, the real property within the Development and be binding on all parties having any right, title, or

Prepared by: Fralin, Feinman, Coates & Kinnier, P.C.
2104 Langhorne Road
Lynchburg, VA 24501

interest in the above-described real property or any portions thereof, their successors and assigns, and shall inure to the benefit of each Owner thereof.

AND FURTHER, the Declarant intends to delegate and assign to the Association the powers of owning, maintaining, and administering Common Areas, administering and enforcing the Covenants and Restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the preservation and enhancement of the property values, amenities, and opportunities in the Development.

ARTICLE I DEFINITIONS

Unless the context clearly indicates to the contrary, the terms listed below shall be construed in accordance with the following definitions:

Section 1. "Approval" shall mean and refer to the issuance by any public agency of written approval, or any written waiver of approval rights, or a formal letter stating "no objection."

Section 2. "Assessable Unit" shall mean and refer to any real property within the Properties that is subject to assessments, as provided in Article V.

Section 3. "Association" shall mean and refer to Wellington Property Owners Association, its successors and assigns.

Section 4. "Book of Resolutions" shall mean and refer to the document containing the rules and regulations and policies of the Association as they may from time to time be amended.

Section 5. "Common Areas" shall mean and refer to all portions of the Development and improvements thereon and all interests therein defined or designated as such by recorded plat or other instrument owned or controlled by the Association for the benefit of the Development. Common Area shall include, without limitation, Open Space, Common Areas, Private Streets, Parking Areas or Alleys as defined in §§ 35.1-43.5 through 35.1-43.10 of the Lynchburg City Code and sidewalks, structures and improvements thereon and the Proposed 45' Ingress Egress Easement (herein referred to as the "Access Road") described on a plat entitled "Plat Showing Lots 1 Through 8 Wellington at Wyndhurst, Lynchburg, VA", dated 9/11/2001, made by Hurt & Proffitt, Incorporated, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, contemporaneously with this Declaration.

Section 6. "Declaration" shall mean and refer to this Declaration of Covenants and Restrictions and all other provisions herein set forth in this entire document, as supplemented or amended from time to time by Supplementary Declaration.

Section 7. "Declarant" shall mean and refer to T & A Development Company, its successors and assigns; provided, however, that no successor or assignee of the Declarant shall have any rights or obligations of the Declarant hereunder unless such rights and obligations are specifically assigned by T & A Development Company by document recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, or unless said rights and obligations of the Declarant inure to the successor of T & A Development Company, by operation of law. The rights and obligations set forth herein of the Declarant, as Declarant, shall cease when the Declarant or any successor no longer own any Lot or December 31, 2011, whichever is sooner.

Section 8. "Development" shall mean and refer to all real property described on Exhibit A to this Declaration together with the potential land that may become a part of the Development as described on Exhibit B attached hereto to the extent annexed and subjected to this Declaration as amended or supplemented in accordance with Article II hereof.

Section 9. "Founding Documents" shall mean and refer to the Articles of Incorporation of the Association, this Declaration, and the Bylaws of the Association, all as initially drawn by the Declarant and filed or recorded as the case may be, and all as may be duly amended from time to time.

Section 10. "Governing Documents" shall mean and refer collectively and severally to the Founding Documents and the Book of Resolutions, as such may be amended from time to time.

Section 11. "Increment" shall mean eight or fewer Lots with adjoining Living Units shown on a recorded plat of survey or subdivision.

Section 12. "Living Unit" shall mean and refer to a townhouse erected on any numbered lot shown upon any subdivision plat of the Development.

Section 13. "Lot" shall mean and refer to any numbered lot shown upon any subdivision plat of the Development (with the exception of Common Area as heretofore defined).

Section 14. "Members" shall mean and refer to members of the Association, each of whom shall be the Owner of a Lot or the Declarant.

Section 15. "Notice" shall mean and refer to written notice delivered personally or mailed to the last known address of the intended recipient or by email if requested by a Member and the Association has the capacity to transmit and receive email.

Section 16. "Owner" shall mean and refer to the record holder of the fee simple title to any Lot, whether referring to one person or entity or collectively to more than one person or entity who have joint ownership of a Lot. The term "Owner" does not include

those having an interest merely as security for the payment or performance of an obligation.

Section 17. "Quorum of Members" shall mean and refer to the representation at a duly called meeting of the Members by presence or proxy of Members who hold at least sixty percent (60%) of the outstanding Class A votes, and the representation by presence or proxy of the Class B Member, so long as the Class B Member shall exist. In the event a "Quorum of Members" is not present at a duly called meeting of the Members, no action may be taken which requires the vote of a Quorum of Members. At the next duly called meeting of the Members after failure of the attending Members at the previous meeting to constitute a quorum, the quorum requirement shall be at least thirty percent (30%) of the outstanding Class A votes and the representation by presence or proxy of the Class B Member, so long as the Class B Member shall exist, provided that in order for the reduced quorum requirement to apply, the purpose of the meeting as recited in the notice given to all Members is the same as the purpose recited in the notice of the preceding meeting at which no quorum was present.

Section 18. "Registered Notice" shall mean and refer to any Notice which has been sent by Certified or Registered U.S. Mail, return receipt requested, to the last known address of the intended recipient and which has been signed for or has been certified by the U.S. Postal Service that delivery was attempted at the aforementioned address. Failure by refusal of an intended recipient to acknowledge or accept such Notice shall nevertheless constitute receipt.

Section 19. "Single Family" shall mean and refer to a single housekeeping unit that includes not more than three adults who are not legally related.

Section 20. "Supplementary Declaration" shall mean and refer to any declaration of covenants, conditions, and restrictions which may be recorded by the Declarant, which amends this Declaration, establishes provisions related specifically to an Increment of Lots upon recordation of the subdivision plat of such Increment and/or expands the Development beyond the land which is initially subjected to the Declaration.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

Section 1. The Development. The Development is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration. The Development is to be subdivided by Declarant into Lots and Common Areas in increments by means of subdivision plats to be made and recorded by Declarant from time to time.

Section 2. Additions to the Development. The Declarant shall have the unilateral right to subject to the Declaration any additional property that lies within the property described in Exhibit B to this Declaration by a subdivision plat and Supplementary

Declaration recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia.

The Supplementary Declaration which subjects additional property to the Declaration shall describe the real property to be annexed to the scheme of this Declaration and shall state that it is being made pursuant to the terms of this Declaration for the purpose of annexing the property described in the Supplementary Declaration to the scheme of this Declaration and extending the jurisdiction of the Association to cover the real estate so described in such Supplementary Declaration.

The Declarant is not required to add to the Development any or all of the property described in Exhibit B to this Declaration, nor to improve any portion of such lands unless and until a Supplementary Declaration is filed by the Declarant for such property which subjects it to this Declaration. Thereupon, the Declarant shall then be obligated to complete development of the portion of the Properties annexed by the Supplementary Declaration.

Section 3. Merger. The real estate, personalty, rights, and obligations of the Association may be transferred to another surviving or consolidated community association owning or controlling real estate located within the Wyndhurst Traditional Neighborhood Development or whose members are owners of real estate located within the Wyndhurst Traditional Neighborhood Development and similar in corporate nature and purposes. Similarly, the real estate, personalty, rights, and obligations of a community association owning or controlling real estate located within the Wyndhurst Traditional Neighborhood Development or whose members are owners of real estate located within the Wyndhurst Traditional Neighborhood Development and similar in corporate nature and purposes to the Association may be added to the property, rights, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration upon any other real property as one scheme. No such merger or consolidation, however, shall effect any revocation, change, or addition to the Covenants established by this Declaration within the Development except as hereinafter provided. Such merger or consolidation shall require the affirmative vote of more than two-thirds (2/3) of the Members voting as a single group.

ARTICLE III THE ASSOCIATION

Section 1. Organization. The Association shall be a nonprofit, non-stock corporation organized and existing under the laws of Virginia as a "community association" as defined in §13.1-814.1, Code of Virginia, and as a "property owners' association" pursuant to Chapter 26, Title 55, Code of Virginia, and charged with the duties and vested with the powers prescribed by law and set forth in the Governing Documents, as such may be amended from time to time.

Section 2. Membership.

(a) Member's Rights and Duties. Each Member shall have the rights, duties, and obligations set forth in the Governing Documents. All Owners must be Members of the Association and the Association may not discriminate by race, creed or sex with regard to Membership, or any rights, duties or obligations of Members.

(b) Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners except the Class B Member. Class A Members shall be entitled to one vote for each Lot owned. Class A membership shall be appurtenant to a Lot and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except as provided in the Governing Documents.

Class B. The Class B Member shall be the Declarant, or any successor or assignee to whom the Declarant assigns any or all of its rights as Declarant pursuant to this Declaration by assignment recorded in the land records of the City of Lynchburg, Virginia. Such assignment shall only operate as to the land which is owned by such successor or assignee and which is referenced specifically in the instrument of assignment. The Class B Member(s) shall have the number of votes equal to two hundred percent (200%) of the total of the number of Class A votes outstanding at the time the vote is taken. In the event of the assignment by the Declarant of its rights as Declarant as to less than all of the land in the Development then owned by the Declarant the Class B votes shall be allocated between the Declarant and the assignee as agreed by the Declarant and the assignee and stated in the instrument of assignment.

The Class B membership and Class B voting rights shall cease upon the earliest of the date that the Declarant does not own any vacant or undeveloped land or Lot in the Development or December 31, 2011. Thereafter, the Declarant shall have Class A membership rights for each Lot which it owns. For the purpose of this provision the term "vacant" shall mean a Lot with no building erected thereon and a Lot upon which Declarant has erected a building that has not been occupied and used as a residence by a tenant of Declarant. Once a building on a Lot has been occupied and used as a residence by a tenant of Declarant, Declarant shall have Class A membership rights and obligations for such Lot whether or not the Class B membership has ceased.

(c) Exercise of Vote. The vote for any membership held by more than one person may be exercised by any one of them, provided that no objection or protest by any other holder of such membership is made prior to the completion of a vote. If such protest is lodged prior to the completion of the vote, the vote for such membership shall not be counted, but the Member whose vote is in dispute shall be counted as present at the meeting for quorum purposes if the protest is lodged at such meeting.

Section 3. Board of Directors.

(a) Composition. The number of Directors and method of selection of Directors shall be as provided in the Bylaws; provided, however, that the Class B Member shall be entitled to appoint the number of Directors sufficient to constitute a majority of the Directors until the Class B membership has ceased.

(b) Extent of Power.

(1) The Board of Directors shall have all powers to conduct the affairs of the Association which are enabled by law or the Governing Documents and which are not specifically reserved to Members or the Declarant by said Documents.

(2) The Board of Directors shall exercise its powers in accordance with the Governing Documents.

(c) Powers and Duties. By way of example and without limiting the generality thereof, the Board shall have the power and obligation to perform the following duties:

(1) To acquire, own, hold, improve, maintain, and manage in the name of and on behalf of the Association the Common Areas for the benefit of the Members in connection with the affairs of the Association, except the acquisition, mortgaging, or disposal of Common Area and/or improvements shall be subject to the provisions of Articles II and IV of this Declaration, the CUP and TND Ordinance; and

(2) To establish rules and regulations for the use of property as provided in Articles IV and VI and to review, modify, and approve architectural standards adopted by the Architectural Review Board; and

(3) To fix, levy, and collect assessments as provided in Article V; and

(4) To grant and convey easements over and across the Common Area as may become necessary and as provided in Article VII; and

(5) To employ, enter into contracts with, delegate authority to, and supervise such persons or entities as may be appropriate to manage, conduct, and perform the business obligations and duties of the Association; and

(6). To participate in mergers and consolidations with other corporations as provided in Article II; and

(7) To enter into joint contracts with or participate with other community associations owning or controlling real estate located within the Wyndhurst Traditional Neighborhood Development or whose members are owners of real estate located within

the Wyndhurst Traditional Neighborhood Development for the purpose of improving, maintaining, and managing, Common Areas; and

(8) To perform acts, as may be reasonably necessary or appropriate, including bringing suit, causing a lien to be filed or enforced, suspending membership rights, or enforcing or effectuating any of the provisions of the Governing Documents;

Section 4. Fidelity Bonds. The Association may obtain fidelity coverage against dishonest acts on the part of Directors, officers, managers, employees, or agents responsible for handling funds collected and held for the benefit of the Association.

Section 5. Insurance. The Association shall maintain hazard insurance policies for 100% of the replacement cost of any improvements on the Common Areas and a comprehensive policy of public liability insurance covering the Common Areas.

ARTICLE IV COMMON AREA

Section 1. Obligations of the Association. The Association, subject to the rights of the Members set forth in this Declaration, shall be responsible for the management and control for the benefit of the Members of the Common Areas and Open Areas conveyed to it, including open spaces, private streets or alleys, parking areas, sidewalks and all improvements thereon or related to or serving any Common Area (including without limitation landscaping, paving, drainage facilities, signs, street lights, furnishings, and equipment related thereto), and shall keep the same in good, clean, attractive, and sanitary condition, order and repair in compliance with standards established by the Board of Directors. The Association shall also maintain the Proposed 45' Ingress Egress Easement across property now owned by Young Mens' Christian Association of Central Virginia as shown and described on a plat entitled "Plat Showing Lots 1 Through 8 Wellington at Wyndhurst, Lynchburg, VA", dated 9/11/2001, made by Hurt & Proffitt, Incorporated, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, contemporaneously with this Declaration in the manner and to the extent set forth in a deed dated November 27, 2001, from Young Mens' Christian Association of Central Virginia to Declarant, recorded in said Clerk's Office contemporaneously with this Declaration.

Section 2. Additional Rights of the Association. The Board of Directors may authorize additional activities including, without limitation, the cleaning and maintenance of any portion of public rights-of-way within or abutting the Development located between the exterior boundary of the right-of-way and the paved or improved portion of the right-of-way, garbage and trash removal from the Common Areas or other portion of the Development (including Lots) and maintenance and cleaning of the roofs, decks and exterior of Living Units, party walls between adjoining Living Units and that portion of Lots not occupied by Living Units to the extent the Board of Directors shall determine from time to time.

Section 3. Easement of Enjoyment. Subject to the provisions herein, every Owner shall have a right and nonexclusive easement of access in and to the Common Areas, which shall be appurtenant to and shall pass with the title to every Lot, and every member shall have a right of enjoyment of the Common Areas subject to the provisions of Section 4 of this Article IV.

Section 4. Extent of Members' Easement. The Members' easement of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to convey or transfer, all or any part of the Common Areas, subject to the prior approval of the City of Lynchburg, the assent of sixty-seven percent (67%) of the Class A Members and the approval of the Class B Member;

(b) The right of the Association to regulate and limit the use of the Common Areas for the benefit of Members and the overall integrity of the Development;

(c) The right of the Association to establish rules and regulations for the use of the Common Areas;

(d) The right of the Association, at any time or times, consistent with the then existing zoning ordinances of the City of Lynchburg, and pursuant to a recorded subdivision or resubdivision plat approved by the City of Lynchburg, to transfer or exchange part of the Common areas to the Declarant or a Builder or Owner or at the direction of the Declarant for the purpose of adjusting Lot lines or otherwise in connection with the orderly subdivision and development of the Development, provided that:

(1) such transfer or exchange shall not reduce the portion of the Development set aside for Open Space to less than 10% of the total area of the Development,

(2) all Lots which were adjacent to Common Area prior to such transfer shall remain adjacent to Common Area after such transfer; and

(3) the adjustment shall not materially alter the nature of the Common Area.

Section 5. Delegation of Use. Any Member may delegate to a tenant or to the Member's or tenant's family and guests his right of enjoyment to the Common Area and facilities subject to such general regulations as may be established from time to time by the Board of Directors, and included within the Book of Resolutions.

Section 6. Title to Common Area. The Declarant hereby covenants that areas which the Declarant conveys to the Association as Common Areas shall be free and clear

of liens and financial encumbrances at the time of conveyance. Partition of Common Areas among Members is prohibited.

Section 7. Amendment by Declarant. It is the intention of the Declarant to develop and build the Development in increments of eight or fewer Lots with adjoining Living Units by recording a plat of survey or subdivision as to each such increment. As to any such increment of the Development, the Declarant may alter, change or amend the designation, size or dimensions of any portion of Common Area shown on any recorded plat of survey or subdivision of any such increment in any manner and to any extent until a Lot in such increment is conveyed to an Owner. The Declarant may unilaterally amend the subdivision plat of any such increment to add or convert any portion of the Common Area which constitutes Open Space as defined by the TND Ordinance to a Lot or other form of Common Area, including private streets or alleys, until all Lots in such increment are sold to Owners or the Common Area designated on the recorded plat or plats of such increment has been conveyed to the Association. Any such alteration, change, amendment, addition or conversion shall be subject to the conditions and limitations set forth in Section 2 of ARTICLE II of this Declaration as amended and shall be accomplished by recordation of an amended subdivision plat of such increment approved by the City of Lynchburg, Virginia.

ARTICLE V
COVENANT FOR ASSESSMENTS

Section 1. Creation of a Lien and Personal Obligation for Assessments. The Declarant hereby covenants and each Owner of any Lot by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association such Annual and Special Assessments as are established herein and paid in the manner hereinafter provided.

All such assessments, together with interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made and, except as provided in Section 2 of this Article V, no sale or transfer of any Lot shall affect the assessment lien. Each such assessment, together with interest thereon and costs of collection thereof, shall also be the personal obligation of the person who is the Owner of such property at the time the assessment becomes due but shall not pass as a personal obligation to a successor in title unless expressly assumed by them. The lien of any assessment may be perfected and enforced in accordance with § 55-516, Code of Virginia, 1950, as amended, or any other applicable law.

Section 2. Subordination of the Lien to Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of any first priority mortgage or first priority deed of trust. The sale or transfer of any Lot pursuant to foreclosure of a first priority mortgage or first priority deed of trust or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such

sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 3. Method of Assessment. All assessments shall be levied by the Association against Lots, and collected and disbursed by the Association. The Board of Directors shall fix the amount of the assessments and set the dates such assessments shall become due.

Section 4. Annual Assessments. Annual Assessments shall be payable in such installments as the Board of Directors may determine but not less frequently than quarterly.

Assessments shall be used to improve, maintain, and operate the Common Areas and facilities, the periodic cleaning and caulking of the exterior walls of Living Units and the periodic repair and replacement of exterior decks, roofs and gutters of all Living Units and shall include the funding of appropriate reserves for future maintenance, repair, and replacement.

Until the first day of the fiscal year following commencement of assessments, the maximum Annual Assessment rate for one year shall be \$1,200.00.

From and after the first day of the fiscal year immediately following the commencement of assessments, the Board of Directors may increase the maximum each year by not more than ten percent (10%) of the maximum for the current fiscal year.

Such increase shall become effective the first day of the next fiscal year. From and after the first day of the fiscal year immediately following the commencement of assessments, the maximum may be increased above the amount which can be set by the Board with the affirmative vote of a majority of the Class A Members who are present and voting, in person or by proxy, at a meeting at which a Quorum of Members is present, and with the consent of the Class B Member, if Class B membership has not ceased.

Section 5. Special Assessments.

(a) Maintenance of Party Walls.

(1) General Rules of Law to Apply. Each wall which is built as a part of the original construction of any Living Unit in the Development subject to this Declaration and placed on the dividing line between Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(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.

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

(4) Weatherproofing. Notwithstanding any other provisions of this Section, any 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.

(5) Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to and run with the land and shall pass to such Owner's successors in title.

(6) Association's Right to Repair and Maintain. In the event that any Owner shall fail to maintain a party wall in a manner satisfactory to the Board of Directors, the Association, after thirty (30) days' prior written notice to such Owner, and upon affirmative vote of a majority of the Board of Directors, shall have the right (but not the obligation), through its agents and employees, to enter upon such Lot and adjoining Living Units and to repair, maintain, and restore the party wall. The cost of such repair and maintenance shall be a Special Assessment to which such Lot is subject.

(b) Capital Improvement Assessment. The Association may levy in any assessment year a Special Assessment against Lots, applicable to that year and payable over not more than the next three (3) succeeding years, 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, any major and/or extraordinary cleaning of exterior surfaces and roofing and gutter work of any Living Unit or other specified purpose, provided that any such assessment shall require the affirmative vote of two-thirds of the Class A Members who are present and voting, in person or by proxy, at a meeting at which a Quorum of Members is present, and the consent of the Class B Member, if Class B membership has not expired.

(c) Restoration Assessment. The Association may levy a Restoration Assessment upon any Lot whose Owner fails to maintain such Lot, as provided in Article VI, Section 2, or who fails to provide such maintenance funds as may be required by the Supplementary Declaration for such Lot. Restoration Assessments shall be limited to the amount necessary to meet the cost of restoration or deficiency in required funds and the cost of collection thereof.

Section 6. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment installment not paid within thirty (30) days after the due date shall be delinquent. Thereupon, the Association shall provide Notice of such delinquency as provided by law and may (a) declare the entire balance of such Annual or Special Assessment due and payable in full; (b) charge interest from the due date at a percentage rate equal to the lesser of eighteen percent (18%) per annum or the maximum rate then permitted by law, such rate to be set by the Board for each Assessment period; (c) charge a penalty to be set by the Board of Directors not exceeding twenty percent (20%) of the installment; (d) give Notice to the Owner that in the event payment with accrued interest and penalties are not paid within thirty (30) days from the date of such Notice, then the expressed contractual lien provided for herein shall be filed and/or enforced; and (e) upon Registered Notice to the Owner or Occupant of the Lot, suspend the right of such Owner or Occupant to vote until the assessment, accrued interest, penalties, and costs of collection are paid in full.

ARTICLE VI USE OF PROPERTY

Section 1. Protective Covenants.

(a) Nuisances. No nuisance shall be permitted to exist or operate upon any of the Properties so as to jeopardize property values or be detrimental to the well-being of Members.

(b) Restriction on Further Subdivision. No Lot upon which a Living Unit has been constructed 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 therein, shall be conveyed or transferred by an Owner, provided that this shall not prohibit deeds of correction, deeds to resolve boundary line disputes and similar corrective instruments, easements to public agencies or authorities, or for utilities.

(c) Conditions for Architectural Control. No improvements, alterations, repairs, change of exterior colors, excavations, changes in grade, or other work which in any way alters the exterior of any Lot or Living Unit or the improvements located thereon from its natural or improved state existing on the date such property was first conveyed to an Owner by the Declarant shall be made or done without the prior approval of the Board of Directors.

(d) Residential Use. All Lots and Living Units shall be used, improved, and devoted exclusively to residential use, except home occupations may be pursued if permitted by the City of Lynchburg and approved in writing by the Board of Directors, subject to rules and regulations adopted by the Board of Directors to prevent unreasonable adverse impact on adjacent Lots and Living Units. Nothing herein shall be deemed to prevent an Owner from leasing a Living Unit to a Single Family, provided such lease shall be in writing and subject to all of the provisions of the Governing

Documents with any failure by a lessee to comply with the terms of the Governing Documents constituting a default under the lease.

(e) Vehicles. Parking, use and storage of all vehicles and recreational equipment within the Development shall be subject to the rules and regulations adopted by the Board of Directors.

(f) Satellite dishes with a diameter of more than eighteen (18) inches are prohibited, unless approved in writing by the Board of Directors. All dishes must be mounted on the rear of a Living Unit and no dish shall be mounted on a roof or affixed to a gutter or downspout.

(g) Signs. No signs of any type shall be displayed to public view on any Lot, Common Area or Open Area without the prior written approval of the Board of Directors, except customary name and address signs meeting standards established by the Board of Directors and real estate sale and rental signs of the usual and customary size and design utilized by members of the Lynchburg Board of Realtors for placement on residential lots which shall be removed immediately when a binding contract or lease has been entered into for the Lot.

(h) Fences, Walls and Enclosures. No fences, walls or other enclosures may be erected on any Lot.

(i) Surfacing of Driveways and Entrances. All driveways or vehicle entrances on lots shall be surfaced with asphalt or concrete.

(j) Leases. All leases within the Neighborhood shall be for a minimum of six (6) months. Leases shall be valid only if the tenant acknowledges receipt of a copy of the rules and regulations of the Association and the lease shall state such acknowledgment. Approved lease language meeting this requirement will be provided by the Board of Directors.

(k) Rules and Regulations. The Rules and Regulations adopted by the Board of Directors may set forth further restrictions, limitations and requirements for the use, occupancy and appearance of Lots and Living Units.

(l) Exceptions. The Board of Directors may permit exceptions to any prohibitions or requirements expressed or implied by this section, provided that Board can show good cause and acts in accordance with adopted guidelines and procedures. So long as the Declarant is engaged in developing or improving any portion of the Development, it shall be exempted from Rules and Regulations affecting movement, disposition, and storage of building materials and equipment, erection and maintenance of directional and promotional signs, and conduct of sales activities, including maintenance of model Living Units.

Section 2. Maintenance of Property.

(a) Owner Obligation. To the extent that exterior maintenance is not undertaken by the Association pursuant to Section 2 of Article IV or otherwise provided for in this Declaration or a Supplementary Declaration, the Owner of each Lot and Living Unit shall keep the Lot and Living Unit and all improvements therein or thereon, including party walls, in good order and repair, free of debris, all in a manner and with such frequency as is consistent with good property management.

(b) Failure to Maintain. In the event an Owner of any Lot and Living Unit in the Development shall fail to maintain the Lot and the improvements situated thereon as provided herein, the Association, after Notice to the Owner and approval by two-thirds (2/3) vote of the Board of Directors, shall have the right to enter upon said Lot to correct drainage and to repair, maintain, and restore the Lot and the exterior of the Living Unit and any other improvements erected thereon. All costs related to such correction, repair, or restoration shall become a Restoration 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 for herein for nonpayment.

Section 3. Resale of Lots.

(a) Reference to Declaration. The deed or instrument transferring title to any Lot shall contain a provision incorporating by reference the Covenants and Restrictions set forth in this Declaration as well as any applicable Supplementary Declaration. Failure of any such deed to insert such provision in a deed shall not to any extent limit, abrogate or affect the applicability of such Covenants and Restrictions to any Lot.

(b) Notification. Further, the contract seller of a Lot shall disclose in the contract that the Lot is in a development subject to the Virginia Property Owners' Association Act and, more than fourteen days prior to the closing date, notify the Board of Directors of the name and address of the contract purchaser and the scheduled date and place conveyance will be accomplished (the "closing date"). The seller shall be provided a disclosure packet pursuant to §§ 55-511 and 55-512 of the Code of Virginia, 1950, as amended, which packet shall include a statement of any assessments and charges due upon such Lot as of the closing date whether there are violations of the Governing Documents as to the Lot as of the date of preparation of such packet.

ARTICLE VII EASEMENTS

Section 1. Easements for Encroachments and Support. Each Lot, Living Unit and the property included in the Common Area shall be subject to an easement for encroachments created by the construction, settling, and overhangs of Living Units and other structures designed or constructed by the Declarant. A valid easement for said encroachments and the maintenance of same, so long as it stands, shall and does exist. In

the event that the Living Unit on a Lot shall be partially or totally destroyed, and then rebuilt, the owner of the Lot so affected agree that minor encroachments of parts of the adjacent Living Units due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist. Every portion of a Living Unit contributing to the support of an abutting Living Unit shall be burdened with an easement of support for the benefit of such abutting Living Unit.

Section 2. Utility Easements.

(a) That portion of the Development shown on the plat dated 9/11/2001 described in Exhibit A to this Declaration is subject to the Existing 10' City of Lynchburg Utility Easement along and adjoining Wyndhurst Drive, the Existing City of Lynchburg Storm Drainage Easement, the Proposed 15' Sanitary Sewer Easement Hereby Dedicated to the City of Lynchburg, an easement for the Proposed Variable Width Waterline and Sanitary Sewer Hereby Dedicated to the City of Lynchburg and the Proposed 63.5' Public Utility Easement and Common Area shown and designated on said plat and that portion of the Development described in Exhibit B to this Declaration is also subject to the Existing City of Lynchburg Storm Drainage Easement and the Proposed 15' Sanitary Sewer Easement Hereby Dedicated to the City of Lynchburg shown and designated on said plat.

(b) There is hereby created and granted to the provider thereof an easement upon, across, over, through, and under the Development, including but not limited to Lots and Common Areas, for ingress, egress, installation, replacement, repair, operation (including reading and checking meters), inspection and maintenance of all utility and service lines and systems, including, but not limited to, water, sanitary sewers, storm water drainage, gas, telephones, electricity, television, cable, or communication lines and systems.

(c) Notwithstanding anything to the contrary contained in this Section 2: (1) no sanitary sewers, storm water drainage facilities, electrical lines, water lines, gas lines, or other utility service lines or facilities for such utilities may be installed or relocated on said premises except as approved or granted by the Declarant prior to the termination of the Declarant's rights or by the Association thereafter, and (2) this paragraph shall not be construed to apply to the relocation, installation, or removal of utility lines within a Lot which serve only that Lot.

(d) This Section 2 shall in no way affect any other existing recorded easements on the Development.

Section 3. Declarant's Easements to Correct Drainage. For a period of five (5) years from the date of submission of each Lot to this Declaration, the Declarant reserves an easement and right on, over, and under the ground within each Lot to maintain and to correct drainage of surface water in order to maintain reasonable standards of health, safety, and appearance. Such right expressly includes the right to cut any trees, bushes, or shrubbery, to perform any grading of the land, or to take any other similar action reasonably necessary, following which the Declarant shall restore the affected property to its original condition as nearly as is practicable. The Declarant shall give reasonable

notice of intent to take such action to all affected Owners, unless in the opinion of the Declarant an emergency exists which precludes such notice.

Section 4. Construction Easements and Rights. Notwithstanding any provision of this Declaration or of any Supplementary Declaration, so long as the Declarant is engaged in developing or improving any portion of the Development, the Declarant and its contractors, employees, agents, and assigns shall have an easement of ingress, egress, and use over any portion of the Development not conveyed as a Lot to an Owner for occupancy for (1) movement and storage of building materials and equipment, (2) erection and maintenance of directional and promotional signs, and (3) conduct of sales activities, including maintenance of model residences. Such easement shall be subject to such rules as may be established by the Declarant to maintain reasonable standards of safety, cleanliness, and general appearance of the Development.

Section 5. Easement to Inspect. There is hereby created an easement in favor of the Declarant and the Association for ingress and egress on any Lot (a) to inspect such property for alleged violations of the Governing Documents, based on formal, written complaints, and/or compliance with architectural standards and/or approved plans for alterations and improvements and (b) to perform such maintenance as is required by this Declaration for such property, provided the Owner is given written notice of the purpose and time of inspection at least three (3) days in advance thereof and such inspection is performed during reasonable hours.

Section 6. Easement for Governmental Personnel. A right of entry on the Development is hereby granted to authorized governmental employees and agents, including law enforcement officers and fire and rescue personnel, as is needed to carry out their duties, including enforcement of cleared emergency vehicle access.

Section 7. Easement for Landscaping, Signs, and Related Purposes. There shall be and is hereby reserved to the Declarant, for so long as it retains its rights as Declarant, a nonexclusive easement over all Lots and Common Areas for a distance of five (5) feet from a street (whether public or private) or parking area for the purpose of erecting and maintaining street intersection signs, directional signs, temporary promotional signs, plantings, street lights, entrance features and/or related landscaping. Exercise of this easement will be with the consent of the Owner of the affected Lot, or the Board of Directors of the Association if the said Owner does not consent.

ARTICLE VIII GENERAL PROVISIONS

Section 1. Duration. The Covenants and Restrictions of this Declaration shall run with and bind the land for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of twenty-five (25) years, unless the Covenants and Restrictions are expressly terminated by an instrument signed by not less than seventy-five percent (75%) of the Class A Members and the Class B Member. A termination must be approved by the City of

Lynchburg, Virginia, and be recorded in the Clerk's Office of the Circuit Court of said City in order to become effective.

Section 2. Amendment. As to any Increment of the Development, the Declarant may amend this Declaration in any manner and to any extent until a Lot in the Increment is conveyed to an Owner. As to those areas of the Development not subdivided into Lots by a recorded subdivision plat of an Increment, the Declarant may amend this Declaration in any manner and to any extent until any portion of such area is subdivided by a recorded subdivision plat into an Increment and a Lot in that Increment is conveyed to an Owner. For a period of three (3) years after the recording of this Declaration, the Declarant may make any amendment unilaterally which is required by the City of Lynchburg, Virginia, by the execution and recordation of such amendment following Registered Notice to all Owners. Otherwise, any amendment must be approved by a majority of the Class A Members present and voting in person or by proxy at a meeting of the Members after notice which sets forth the amendment and by the Class B Member. At such time as the Class B membership ceases, any amendment must be approved by more than two-thirds of the Class A Members present and voting in person or by proxy at a meeting of the Members after notice which sets forth the amendment. Any amendment must be approved by the City of Lynchburg, Virginia, to the extent required by applicable zoning or City Ordinance and recorded in the land records of the City of Lynchburg in order to become effective.

Section 3. Enforcement. The Association, the Declarant, any Owner or the City of Lynchburg, Virginia, as their interests may appear, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration and of Supplementary Declarations. Failure to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Certain Rights of the Declarant. For such time as the Declarant shall own Lots, its rights and interests shall not be prejudiced by any of the following actions unless it shall, in writing, join in such actions:

There shall be no amendments to the Founding Documents which:

- (a) Discriminate or tend to discriminate against its rights as an Owner;
- (b) Change Article I, Definitions, in a manner that alters its rights or status;
- (c) Alter the character and rights of membership or the rights of the Declarant as set forth in Article III;
- (d) Alter previously recorded or written agreements with public or quasi-public agencies as regards easements and rights-of-way;

(e) Deny the right to convey Common Area to the Association so long as such Common Area lies within the land area represented in the Development or Development Limits;

(f) Alter its rights as set forth in Article III relating to design controls;

(g) Alter the basis for assessments;

(h) Alter the provisions of the protective covenants as set forth in Article VI;

(i) Alter the number or selection of Directors;

(j) Alter the Declarant's rights as they appear under this Article.

Section 5. Management Contracts. Until such time as the Class B membership expires, the Declarant shall have the right to enter into professional management contracts for the management of the Development; provided, however, that such contracts shall not be for more than three (3) years, and the Association shall have the right to terminate such contracts, with or without cause, upon ninety (90) days' written notice given to the other party, or upon the expiration of the rights of the Declarant as set forth in Article I, Section 7.

Section 6. Limitations. As long as the Declarant has an interest in developing the Development as defined in Article I hereof, the Association may not use its financial resources to defray any costs of opposing the development activities of the Declarant. Nothing in this Section shall be construed to limit the rights of Members to act as individuals or in affiliation with other Members or groups.

Section 7. Severability. Invalidation of any one of those covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 8. Conflict. In the event of conflict among the Governing Documents, this Declaration shall control, then the Articles of Incorporation of the Association, then the Bylaws, then the Book of Resolutions; except that in all cases where the Governing Documents are found to be in conflict with statute, the statute shall control.

Section 9. Interpretation. Unless the context otherwise requires, the use of the singular shall include the plural and vice versa; the use of one gender shall include all genders; and the use of the term "including" shall mean "including, without limitation." This Declaration shall be liberally construed in favor of the party seeking to enforce the provisions hereof to effectuate the purpose of protecting and enhancing the value, marketability, and desirability of the Development by providing a common plan for the development thereof. The headings used herein are for indexing purposes only and shall not be used as a means of interpreting or construing the substantive provisions hereof.

ARTICLE X
DISSOLUTION OF THE ASSOCIATION

The Association may be dissolved with the written consent of seventy-five percent (75%) of the Class A Members and the consent of the Class B Member, if any. Prior to the dissolution of the Association, other than incident to a merger or consolidation in accordance with Section 3, ARTICLE II of this Declaration, the assets of the Association shall be offered for dedication to the City of Lynchburg. In the event that such dedication is refused acceptance, upon dissolution such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to similar purposes.

IN WITNESS WHEREOF, the Declarant, T & A Development Company, has caused this Declaration to be duly executed this ____ day of January, 2002.

T & A Development Company

By F. Dale Tyree
Its President

STATE OF VIRGINIA
CITY OF LYNCHBURG

The foregoing instrument was acknowledged before me this 4th day of January 2002, by F. Dale Tyree as President of T & A DEVELOPMENT COMPANY, on behalf of the corporation.

Rose C Reid
NOTARY PUBLIC

My Commission expires: 2/28/03.

43019.01

EXHIBIT A
WELLINGTON AT WYNDHURST
DECLARATION OF COVENANTS AND RESTRICTIONS

Property Description

All those certain lots or parcels of land, together with the privileges and appurtenances thereunto belonging, located in that part of the City of Lynchburg, Virginia, annexed from Campbell County, Virginia, on January 1, 1976, designated and described as all of Lots 1 through 8, inclusive, the parcel designated and described as Common Area 0.289 AC., the parcels designated and described as Open Area 0.018 AC. and 0.114 AC. and an easement and right of way over the parcel designated and described as Proposed 45' Ingress Egress Easement on a plat entitled "Plat Showing Lots 1 Through 8 Wellington at Wyndhurst, Lynchburg, VA", dated 9/11/2001, made by Hurt & Proffitt, Incorporated, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, contemporaneously with this Declaration.

The said property is part of the property conveyed to T & A Development Company by J. E. Jamerson & Sons, Inc., by deed dated May 21, 2001, recorded in said Clerk's Office as Instrument No. 010003997 and the easement and right of way over the said Proposed 45' Ingress Egress Easement was granted to T & A Development Company by Young Mens' Christian Association of Central Virginia, by deed dated November 27, 2001, recorded in said Clerk's Office contemporaneously with this Declaration.

EXHIBIT B
WELLINGTON AT WYNDHURST
DECLARATION OF COVENANTS AND RESTRICTIONS

All that certain tract or parcel of land, together with the privileges and appurtenances thereunto belonging, located in that part of the City of Lynchburg, Virginia, annexed from Campbell County, Virginia, on January 1, 1976, designated and described as Block "J", containing 4.774 acres, more or less, on a plat entitled "Plat Showing Block "J" Wyndhurst Lynchburg, VA", dated 3/27/01, as resubmitted to TRC for review 4/19/01, made by Hurt & Proffitt, Incorporated, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, at Plat Cabinet 6, slide 335, together with the Proposed 45' Ingress Egress Easement on a plat entitled "Plat Showing Lots 1 Through 8 Wellington at Wyndhurst, Lynchburg, VA", dated 9/11/2001, made by Hurt & Proffitt, Incorporated, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, contemporaneously with this Declaration.

The said Block "J" is the same property conveyed to T & A Development Company by J. E. Jamerson & Sons, Inc., by deed dated May 21, 2001, recorded in said Clerk's Office as Instrument No. 010003997, and the said Proposed 45' Ingress Egress Easement was granted to T & A Development Company by Young Mens' Christian Association of Central Virginia, by deed dated November 27, 2001, recorded in said Clerk's Office contemporaneously with this Declaration.

Virginia: In the Clerk's Office of the Circuit Court of the City of Lynchburg The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgement annexed, admitted to record this 7th day of Jan, 2002, at 11:03 o'clock A. M.

TESTE: [Signature] Clerk

_____	Tax
_____	City Tax
<u>6.00</u>	TFTF
<u>46.00</u>	Fee
<u>52.00</u>	TOTAL

Retained And
Delivered To
Clerk
Inalen, Jam
Crafts & Kennel
P.C.
1-7-02

PIN: 250-30-001/010

SUPPLEMENTARY DECLARATION
WELLINGTON AT WYNDHURST
DECLARATION OF COVENANTS AND RESTRICTIONS

THIS SUPPLEMENTARY DECLARATION TO DECLARATION OF COVENANTS AND RESTRICTIONS FOR WELLINGTON AT WYNDHURST ("Declaration") is made as of the 29th day of July 2002, by T & A DEVELOPMENT COMPANY, a Virginia corporation, Grantor, hereinafter "Declarant"; TRACEY R. CAMPBELL and STANLEY E. CHIANG, Grantors, hereinafter "Owners"; and WELLINGTON PROPERTY OWNERS ASSOCIATION, a Virginia nonstick corporation, Grantor/Grantee, hereinafter "Association".

Whereas, by Declaration of Covenants and Restrictions for Wellington at Wyndhurst, dated January 4, 2002, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, as Instrument Number 020000159, (the "Declaration"), Declarant imposed certain covenants, restrictions, easements, charges, and liens upon real property located in the City of Lynchburg, Virginia, known as "Wellington at Wyndhurst" and described on Exhibit A to the Declaration and on Exhibit A to this Supplementary Declaration, and which property is referred to in the Declaration and herein as the "Development";

Whereas, Declarant has determined it is in the best interest of the orderly development of the Development to amend the Declaration to the extent set forth in this Supplementary Declaration;

Whereas, pursuant to ARTICLE VIII, Section 2, of the Declaration, an amendment must be approved by a majority of the Class A Members present and voting in person or by proxy at a meeting of the Members after notice which sets forth the amendment and by the Class B Member;

Whereas, Lot 2 has been sold and conveyed to Tracey R. Campbell, Lot 1 has been sold and conveyed to Stanley E. Chiang and Owners are the only Class A Members of the Association; and

Whereas, Owners approve and unite in this Supplementary Declaration and waive any meeting or notice of the amendments set forth in this Supplementary Declaration;

Therefore, Declarant, the Association and Owners hereby amend the Declaration as follows:

A. ARTICLE I is amended to add the following additional Sections:

Section 21. "Federal Mortgage Agencies" shall mean and refer to those Federal Departments and Agencies that have or may hereafter have an interest in the Development, including but not limited to the Department of Housing and Urban

Prepared by: Fralin, Feinman, Coates & Kinnier, P.C.
2104 Langhorne Road, Lynchburg, VA 24501

Development, the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Association, or successors to their interests.

Section 22. "First Mortgagee" shall mean and refer to an Institutional Lender who holds the first deed of trust on a Lot and who has notified the Association in writing of its interest in the Lot.

Section 23. "Institutional Lender" shall mean and refer to one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds, or business trusts, including but not limited to real estate investment trusts, any other lender regularly engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such a lender, or any private or governmental institution which has insured a loan of such a lender, or any combination of any of the foregoing entities.

B. ARTICLE II is amended to read as follows:

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION AND
ADDITIONS THERETO

Section 1. The Development. The Development is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration. The Development, including additional property located within the property described in Exhibit B to this Declaration hereafter added to the Development, may be subdivided by Declarant or its successor into not more than a total of 57 Lots and Common Areas in Increments by means of subdivision plats to be made and recorded by Declarant from time to time.

Section 2. Expansion of the Development. Subject to the limitation of 57 Lots set forth in Section 1, the Declarant has the unilateral right to expand the Development by subjecting to the Declaration all or any portion of the property that lies within the property described in Exhibit B to this Declaration that is not then part of the Development by subdivision plats and Supplementary Declarations recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia.

Any subdivision plat and Supplementary Declaration which expands the Development and subjects additional property to the Declaration shall describe the real property to be annexed to the scheme of this Declaration and shall state that it is being made pursuant to the terms of this Declaration for the purpose of annexing the property described in the subdivision plat and Supplementary Declaration to the scheme of this Declaration and extending the jurisdiction of the Association to cover the real estate so described in such subdivision plat and Supplementary Declaration.

The Declarant is not required to expand the Development, nor to improve any or all of the property described in Exhibit B to this Declaration until a Supplementary

Declaration is recorded by the Declarant for such property that subjects it to this Declaration. Thereupon, the Declarant shall be obligated to complete development of that portion of the property annexed by the Supplementary Declaration.

Section 3. Termination of the Development. The Declarant may convey all or any portion of the property described in Exhibit B to this Declaration that is not then part of the Development to the Association as Common Area to be owned and maintained by the Association.

Section 4. Merger. The real estate, personalty, rights, and obligations of the Association may be transferred to another surviving or consolidated community association owning or controlling real estate located within the Wyndhurst Traditional Neighborhood Development or whose members are owners of real estate located within the Wyndhurst Traditional Neighborhood Development and similar in corporate nature and purposes. Similarly, the real estate, personalty, rights, and obligations of a community association owning or controlling real estate located within the Wyndhurst Traditional Neighborhood Development or whose members are owners of real estate located within the Wyndhurst Traditional Neighborhood Development and similar in corporate nature and purposes to the Association may be added to the property, rights, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration upon any other real property as one scheme. No such merger or consolidation, however, shall effect any revocation, change, or addition to the Covenants established by this Declaration within the Development except as hereinafter provided. Such merger or consolidation shall require the affirmative vote of more than two-thirds (2/3) of the Members voting as a single group and the prior approval of the Federal Mortgage Agencies.

C. Paragraph (b), Section 2 of ARTICLE III is amended to read as follows:

(b) Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners except the Class B Member. Class A Members shall be entitled to one vote for each Lot owned. Class A membership shall be appurtenant to a Lot and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except as provided in the Governing Documents. Each Lot owned by Class A Members shall be subject to assessments imposed in accordance with the Founding Documents.

Class B. The Class B Member shall be the Declarant, or any successor or assignee to whom the Declarant assigns any or all of its rights as Declarant pursuant to this Declaration by assignment recorded in the land records of the City of Lynchburg, Virginia. Such assignment shall only operate as to the land which is owned by such successor or assignee and which is referenced specifically in the instrument of assignment. The Class B Member(s) shall have the number of votes equal to two hundred percent (200%) of the total of the number of Class A votes outstanding at the time the

vote is taken. In the event of the assignment by the Declarant of its rights as Declarant as to less than all of the land in the Development then owned by the Declarant the Class B votes shall be allocated between the Declarant and the assignee as agreed by the Declarant and the assignee and stated in the instrument of assignment.

The Class B membership and Class B voting rights shall cease upon the earliest of the date that the Developer has deeded forty-two lots in the Development to homeowners or December 31, 2011. Thereafter, the Declarant shall have Class A membership rights for each Lot which it owns. If a building on a Lot owned by Declarant has been occupied and used as a residence, Declarant shall have Class A membership rights and obligations for such Lot whether or not the Class B membership has ceased. Otherwise, no Lot owned by Declarant as Class B Member shall be subject to assessments.

D. Subparagraph (2), Paragraph (d), Section 3 of ARTICLE III is amended to read as follows:

(2) To establish rules and regulations for the use of property and architectural standards as provided in Articles IV and VI; and

E. Sections 5 and 6 of ARTICLE III are amended to read as follows:

Section 5. Fidelity Bonds. The Association shall obtain fidelity coverage against dishonest acts on the part of Directors, officers, managers, employees, or agents responsible for handling funds collected and held for the benefit of the Association as required by the Federal Mortgage Agencies.

Section 6. Insurance. The Association shall maintain hazard insurance policies for 100% of the replacement cost of any improvements on the Common Areas and a comprehensive policy of public liability insurance covering the Common Areas as required by the Federal Mortgage Agencies. In the event the Association shall fail to maintain insurance for the Common Areas or shall allow insurance coverage to lapse, one or more of the First Mortgagees shall have the right upon reasonable notice to the Association to obtain such insurance and to advance premiums on behalf of the Association. The Association shall reimburse such First Mortgagees for premiums advanced.

F. Paragraph (a), Section 4 of ARTICLE IV is amended to read as follows:

(a) The right of the Association to encumber, mortgage, convey or transfer all or any part of the Common Areas, subject to the prior (i) approval of the City of Lynchburg, (ii) assent of sixty-seven percent (67%) of the Class A Members, (iii) approval of the Class B Member, (iv) consent of fifty-one percent (51%) of the First Mortgagees and (v) any portion of the Common Area that is used or designated as or for ingress or egress to and from any lot shall remain subject to the lot owner's easement and right of access;

G. Section 6 of ARTICLE IV is amended to read as follows:

Section 6. Title to Common Area. The Declarant hereby covenants that any portion of or interest in the Development it conveys to the Association as Common Area shall be free and clear of liens and financial encumbrances at the time of conveyance. In the event a lien or encumbrance shall attach to all or a portion of the Common Area at any time, one or more of the lienholders and/or mortgagees shall have the right but not the obligation to discharge said lien or encumbrance after reasonable notice to the Association and to seek reimbursement for amounts paid to discharge the lien or encumbrance.

H. Section 2 of ARTICLE V is amended to add the following:

No mortgagee, trustee under a deed of trust or holder or owner of a debt secured by a mortgage or deed of trust shall be required to collect assessments. Except as otherwise provided in any deed of trust or mortgage made by a member, failure to pay assessments does not constitute a default under a mortgage or deed of trust.

I. Paragraph (b), Section 3 of ARTICLE VI is amended to read as follows:

(b) Notification. Further, the contract seller of a Lot shall disclose in the contract that the Lot is in a development subject to the Virginia Property Owners' Association Act (Chapter 26, Title 55 of the Code of Virginia, 1950, as amended), and, more than fourteen days prior to the closing date, notify the Board of Directors of the name and address of the contract purchaser and the scheduled date and place conveyance will be accomplished (the "closing date"). The seller shall be provided a disclosure packet pursuant to the Virginia Property Owners' Association Act which packet shall include a statement of any assessments and charges due upon such Lot as of the closing date and whether there are violations of the Governing Documents as to the Lot as of the date of preparation of such packet.

J. Section 3 of ARTICLE VI is amended to add the following Paragraph:

(c) Fee. The Board may charge a fee to cover the cost of providing such packet, not exceeding the maximum allowed by applicable law and require payment of the fee prior to delivery of the packet.

K. Section 2 of ARTICLE VIII is amended to read as follows:

Section 2. Amendment. As to any Increment of the Development, the Declarant may amend this Declaration in any manner and to any extent until a Lot in the Increment is conveyed to an Owner. As to those areas of the Development not subdivided into Lots by a recorded subdivision plat of all or part of a Increment, the Declarant may amend this Declaration in any manner and to any extent until any portion of such area is subdivided by a recorded subdivision plat into an Increment and a Lot in that Increment is conveyed to an Owner. For a period of three (3) years after the recording of this Declaration, the

Declarant may make any amendment unilaterally which is required by the City of Lynchburg, Virginia, by the execution and recordation of such amendment following Registered Notice to all Owners. Otherwise, any amendment must be approved by the Class B Member and by a majority of the Class A Members present and voting in person or by proxy at a meeting of the Members after notice which sets forth the amendment and by First Mortgagees and Federal Mortgage Agencies to the extent required by ARTICLE X. At such time as the Class B membership ceases, any amendment must be approved by more than two-thirds of the Class A Members present and voting in person or by proxy at a meeting of the Members after notice that sets forth the amendment. Any amendment must be approved by the City of Lynchburg, Virginia, to the extent required by applicable zoning or City Ordinance and recorded in the land records of the City of Lynchburg in order to become effective.

L. The Declaration is amended to change the designation of existing ARTICLE X to ARTICLE XI and add the following new ARTICLE X:

ARTICLE X
RIGHTS OF INSTITUTIONAL LENDERS AND PUBLIC AGENCIES

Section 1. Consents. Subject to the right of the Declarant to add additional property, as provided in Section 2 of Article II, the Association shall not without the consent of sixty-seven percent (67%) of the Class A Members, the consent of the Class B Member, and the consent of fifty-one percent (51%) of the First Mortgagees:

(a) By act or omission seek to abandon, partition, encumber, sell, or transfer the Common Area or other property owned by the Association. The granting of easements for public utilities or other public purposes consistent with the intended use of the Development, or in accordance with Article VII, or a resubdivision of a portion of the Common Area in accordance with Article IV shall not be deemed a transfer within the meaning of this clause;

(b) Fail to maintain fire and extended coverage insurance on insurable parts of the Common Areas or other Association property on a current replacement-cost basis in an amount not less than one hundred percent (100%) of the insurable value, based on current replacement costs, not including land value;

(c) Use hazard insurance proceeds for other than the repair, replacement, or reconstruction of such property; or

(d) Add or amend any material provisions of this Declaration or related Association documents concerning the following:

- (1) voting,
- (2) assessments, assessment liens, or subordination of such liens,
- (3) reserves for maintenance, repair, and replacement of those parts of the Common Area that may be replaced or require maintenance on a periodic basis,
- (4) insurance or fidelity bonds,
- (5) responsibility for maintenance and repair of the Development,
- (6) architectural controls,
- (7) annexation or withdrawal of property to or from the Development, other than in accordance with Article II,
- (8) leasing of Living Units,
- (9) imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer, or otherwise convey his Property,
- (10) a decision by the Association to establish self-management when professional management had been required previously by a First Mortgagee,
- (11) restoration or repair of the Common Areas or any improvements thereon after a hazard, damage, or partial condemnation,
- (12) termination of this Declaration after substantial destruction or condemnation occurs, and
- (13) any provisions that are for the express benefit of First Mortgagees,

An addition or amendment to this Declaration or related Association documents shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. A First Mortgagee who receives a written request to approve material additions or amendments and does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have approved such request.

Section 2. Notice and Other Rights. The Association shall maintain a file of all First Mortgagees, with a proper designation of the property in which they have an interest; and shall send a copy of such list at least once every twelve months to any First Mortgagee who makes a written request for such list.

If requested in writing, the Association shall provide to all First Mortgagees who so request:

(a) Written notification of any default in the performance of any obligation under the Governing Documents by the Owner of a Lot that is the security for the indebtedness due the First Mortgagee, which is not cured within sixty (60) days;

(b) Written notice of any condemnation or eminent domain proceeding or other proposed acquisition by a condemning authority of any portion of the Common Area or of a Lot that is the security for the indebtedness due the First Mortgagee;

(c) Written notice of, with right to attend, all meetings of the Association;

(d) Any casualty loss that affects a material portion of the Lot that is the security for the indebtedness due the First Mortgagee; and

(e) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

Section 3. Books and Records. All Institutional Lenders who have an interest in the Development shall have the right to examine the books and records of the Association during normal business hours. The Association shall provide an audited statement for the preceding fiscal year to any Institutional Lender requesting such statement in writing.

Section 4. Notice of Actions. The Board shall give to such First Mortgagees as may request it expeditious notice of any civil action or liens lodged against the Association or officers or Trustees regarding their conduct in administering the affairs of the Association

Section 5. Payment of Taxes and Charges. A First Mortgagee may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area, and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy for such Common Area. The First Mortgagee or First Mortgagees making such payments shall be owed immediate reimbursement therefor by the Association.

Section 6. Approvals. As long as the Declarant has Class B voting rights, the following actions require the prior approval of the Federal Mortgage Agencies: annexation of additional properties not within the property described in Exhibit B to the Declaration, dedication of the Common Area, mergers and consolidations, mortgaging of the Common Area, amendment of this Declaration and any Supplementary Declarations.

IN WITNESS WHEREOF, the Declarant and the Association have caused this Declaration to be duly executed and the Owners have affixed their signatures and seals.

T & A Development Company

By Jeffrey S. Allen
Its Secretary/Treasurer

Tracey R. Campbell (SEAL)
Tracey R. Campbell

Stanley E. Chiang (SEAL)
Stanley E. Chiang

Wellington Property Owners Association

By Jeffrey S. Allen
Its Secretary/Treasurer

STATE OF VIRGINIA
CITY OF LYNCHBURG

The foregoing instrument was acknowledged before me this 29th day of July 2002, by Jeffrey S. Allen, as Secretary/Treasurer of T & A Development Company, on behalf of the corporation.

My Commission expires: 2/28/03. Rose C. Reid
NOTARY PUBLIC

STATE OF VIRGINIA
CITY OF LYNCHBURG

The foregoing instrument was acknowledged before me this 15th day of Aug 2002, by Tracey R. Campbell.

My Commission expires: 8/31/02. Joyce W. Hartman
NOTARY PUBLIC

STATE OF VIRGINIA
CITY OF LYNCHBURG

The foregoing instrument was acknowledged before me this 15th day of Aug
2002, by Stanley E. Chiang.

My Commission expires: 8/31/02. Joyce A. Hartman
NOTARY PUBLIC

STATE OF VIRGINIA
CITY OF LYNCHBURG

The foregoing instrument was acknowledged before me this 29th day of July
2002, by Jeffrey S. Allen, as Secretary/Treasurer of Wellington Property Owners
Association, on behalf of the corporation.

My Commission expires: 2/28/03. Rose C Reid
NOTARY PUBLIC

43019.01

EXHIBIT A
WELLINGTON AT WYNDHURST
DECLARATION OF COVENANTS AND RESTRICTIONS

Property Description

All those certain lots or parcels of land, together with the privileges and appurtenances thereunto belonging, located in that part of the City of Lynchburg, Virginia, annexed from Campbell County, Virginia, on January 1, 1976; designated and described as all of Lots 1 through 8, inclusive, the parcel designated and described as Common Area 0.289 AC., the parcels designated and described as Open Area 0.018 AC. and 0.114 AC. and an easement and right of way over the parcel designated and described as Proposed 45' Ingress Egress Easement on a plat entitled "Plat Showing Lots 1 Through 8 Wellington at Wyndhurst, Lynchburg, VA"; dated 9/11/2001; made by Hurt & Proffitt, Incorporated, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, at Plat Cabinet 7, Slides 11 and 12.

The said property is part of the property conveyed to T & A Development Company by J. E. Jamerson & Sons, Inc., by deed dated May 21, 2001; recorded in said Clerk's Office as Instrument No. 010003997 and the easement and right of way over the said Proposed 45' Ingress Egress Easement was granted to T & A Development Company by Young Mens' Christian Association of Central Virginia, by deed dated November 27, 2001, recorded in said Clerk's Office as Instrument No. 020000158.

EXHIBIT B
WELLINGTON AT WYNDHURST
DECLARATION OF COVENANTS AND RESTRICTIONS

All that certain tract or parcel of land, together with the privileges and appurtenances thereunto belonging, located in that part of the City of Lynchburg, Virginia, annexed from Campbell County, Virginia, on January 1, 1976, designated and described as Block "J", containing 4.774 acres, more or less, on a plat entitled "Plat Showing Block "J" Wyndhurst Lynchburg, VA", dated 3/27/01, as resubmitted to TRC for review 4/19/01, made by Hurt & Proffitt, Incorporated, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, at Plat Cabinet 6, slide 335, together with the Proposed 45' Ingress Egress Easement on a plat entitled "Plat Showing Lots 1 Through 8 Wellington at Wyndhurst, Lynchburg, VA", dated 9/11/2001, made by Hurt & Proffitt, Incorporated, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, at Plat Cabinet 7, Slides 11 and 12.

The said Block "J" is the same property conveyed to T & A Development Company by J. E. Jamerson & Sons, Inc., by deed dated May 21, 2001, recorded in said Clerk's Office as Instrument No. 010003997, and the said Proposed 45' Ingress Egress Easement was granted to T & A Development Company by Young Mens' Christian Association of Central Virginia, by deed dated November 27, 2001, recorded in said Clerk's Office as Instrument No. 020000158.

Virginia: In the Clerk's Office of the Circuit Court of the City of Lynchburg The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed admitted to record this 19th day of July, 2002, at 11:00 o'clock AM.

TESTE: *[Signature]* Clerk

_____ Tax
_____ City Tax
3.00 TTF
30.00 Fee
33.00 TOTAL

Examined And
Delivered To
[Signature]
George
Fralin

AUG 19 2002

PIN: 250-24-001, 250-24-005/007, 250-24-010/021

**SUPPLEMENTARY DECLARATION
WELLINGTON AT WYNDHURST
DECLARATION OF COVENANTS AND RESTRICTIONS**

THIS SUPPLEMENTARY DECLARATION TO DECLARATION OF COVENANTS AND RESTRICTIONS FOR WELLINGTON AT WYNDHURST ("Declaration") is made as of the 6th day of February 2003, by **T & A DEVELOPMENT COMPANY**, a Virginia corporation, Grantor, hereinafter "Declarant".

Whereas, by Declaration of Covenants and Restrictions for Wellington at Wyndhurst, dated January 4, 2002, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, as Instrument Number 020000159, as amended by a Supplemental Declaration dated July 29, 2002 recorded in the aforesaid Clerk's Office as Instrument Number 020008505, (the "Declaration"), Declarant imposed certain covenants, restrictions, easements, charges, and liens upon real property located in the City of Lynchburg, Virginia, known as "Wellington at Wyndhurst" and described on Exhibit A to the Declaration and on Exhibit A to this Supplementary Declaration, and which property is referred to in the Declaration and herein as the "Development";

Whereas, pursuant to ARTICLE II of the Declaration as amended, the Declarant has the unilateral right to expand the Development by subjecting to the Declaration all or any portion of the property that lies within the property described in Exhibit B to the Declaration that is not then part of the Development by subdivision plats and Supplementary Declarations recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia;

Whereas, by a plat entitled "Plat Showing Lots 9 Through 16 Wellington at Wyndhurst, Lynchburg, VA", dated 6-7-2002, made by Hurt & Proffitt, Incorporated, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, at Plat Cabinet 7, Slides 107 and 108, the Declarant subdivided a portion of the property described in Exhibit B to the Declaration as shown on said plat; and

Whereas, the Declarant desires to expand the Development by subjecting to the Declaration all of the property shown on said plat as herein designated and described;

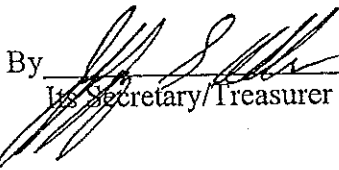
Therefore, pursuant to the terms of the Declaration as amended and for the purpose of annexing the property described in the above stated subdivision plat and this Supplementary Declaration to the scheme of the Declaration and extending the jurisdiction of the Association to cover the real estate so described in such subdivision plat and this Supplementary Declaration, the Declarant does hereby expressly declare the real property described on the aforesaid "Plat Showing Lots 9 Through 16 Wellington at Wyndhurst, Lynchburg, VA" as Lots 9 through 16, inclusive, Common Area 0.220 AC. and Open Area 0.019 AC. to be held, transferred, sold, conveyed, and occupied subject to

Prepared by: Fralin, Feinman, Coates & Kinnier, P.C.
2104 Langhorne Road, Lynchburg, VA 24501

the covenants, restrictions, easements, conditions, charges, and liens set forth and/or referred to in the aforesaid Declaration of Covenants and Restrictions for Wellington at Wyndhurst, dated January 4, 2002, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, as Instrument Number 020000159, as amended by a Supplemental Declaration dated July 29, 2002 recorded in the aforesaid Clerk's Office as Instrument Number 020008505, which shall run with the real property within the Development and be binding on all parties having any right, title, or interest in the above-described real property or any portions thereof, their successors and assigns, and shall inure to the benefit of each Owner thereof, subject to the Proposed 63.50' Public Utility Easement, Proposed 20' Waterline and Sanitary Sewer Easement hereby dedicated to the City of Lynchburg and Existing 10' City of Lynchburg Utility Easement shown on said plat.


IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be duly executed.

T & A Development Company

By  _____
Its Secretary/Treasurer

STATE OF VIRGINIA
CITY OF LYNCHBURG

The foregoing instrument was acknowledged before me this 17th day of February 2003 by Jeffrey S. Allen, as Secretary/Treasurer of T & A Development Company, on behalf of the corporation.

My Commission expires: August 31, 2006.  _____
NOTARY PUBLIC

43019.01

ARTICLES OF AMENDMENT
OF
WELLINGTON PROPERTY OWNERS ASSOCIATION
ID: 0569387-4

Article I

The articles of incorporation of Wellington Property Owners Association, a Virginia nonstock corporation incorporated by Certificate of Incorporation effective December 21, 2001 is amended and restated in its entirety to read as follows:

1. The name of the corporation is: Wellington Property Owners Association.

2. The corporation is a nonstock corporation and shall be a "community association" as described and defined by § 13.1-814.1, Code of Virginia, and, pursuant to § 13.1-814B, Code of Virginia, the provisions set forth in §§ 13.1-851, 13.1-852, 13.1-855, 13.1-856, 13.1-857, 13.1-858 and 13.1-862, Code of Virginia, need not be set forth in these articles of incorporation and shall be effective as set forth in the bylaws except to the extent set forth in these articles of incorporation.

3. The purposes of the corporation are:

A. To administer and enforce the covenants, conditions and restrictions imposed upon a "Development" located in the City of Lynchburg, Virginia, known as "Wellington at Wyndhurst" by T&A Development Company, a Virginia corporation, its successors and/or assigns, (the "Developer") or the corporation by any plat or declaration recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia. The total extent of the Development is limited to those portions of real estate known as Block "J" Wyndhurst (the "Development Limit") as shown on a plat thereof recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, at Plat Cabinet 6, slide 335, and conveyed to T & A Development Company by J. E. Jamerson & Sons, Inc., by deed dated May 21, 2001, recorded in said Clerk's Office as Instrument No. 010003997, that may be added to or included in the Development by the Developer by plat or declaration recorded in said Clerk's Office from time to time. No more than 57 lots may be created or subdivided within the total Development Limit.

B. To own, control and maintain portions of the Development set aside and designated by the Developer and conveyed to the corporation as "Common Area" and including but not limited to open space, private streets, parking areas or alleys and sidewalks and structures and improvements thereon.

C. To maintain the exterior and roofs of townhouse units and party walls between townhouse units and portions of lots not occupied by townhouse units to the extent and in the manner provided by the Developer by any deed, plat, declaration or other instrument

recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia, or by the corporation by or in accordance with its ByLaws.

D. To assess and collect assessments from Class A members to fund the activities, duties and purposes of the corporation, which assessments shall constitute liens upon the property of Class A members.

E. To promulgate and enforce rules and regulations for the use and occupancy of the Common Areas and the Development as the corporation may determine, subject to any applicable recorded plat or declaration.

F. To participate and assist in the administration and compliance of the Development as part of a Traditional Neighborhood Development, known as Wyndhurst Traditional Neighborhood Development which will contain residential, office, retail, civic and related uses as defined and established pursuant to Sections 35.1-43.5 through 35.1-43.13 of the Lynchburg City Code and a resolution of the Council of the City of Lynchburg, Virginia, adopted July 14, 1998, approving a Conditional Use Permit ("CUP") for the Developer to construct a Traditional Neighborhood Development ("TND"), subject to conditions set forth in said resolution, all of which are and shall remain binding upon the Development and the Developer, the corporation and their respective successors in title, assignees, subsidiaries and affiliates.

G. To conduct such other activities and perform such other services and duties as the Board of Directors or the members shall determine and direct.

3. The corporation is to have members. The corporation may not discriminate by race, creed or sex with regard to membership, or any rights, duties or obligations of members. Every person or entity who is a record owner of any lot is entitled to membership and voting rights in the corporation. Membership is appurtenant to and inseparable from ownership of the lot. The corporation is to have the following classes of members:

Class A. Class A members shall be all owners of subdivided lots in the Development except the Class B member.

Class B. The Class B member shall be the Developer, or any successor or assignee to whom the Developer assigns any or all of its rights as Developer.

The Class B membership shall cease upon the earliest of the date that the Developer has deeded forty-two lots in the Development to homeowners or December 31, 2011. If a building on a Lot owned by Developer has been occupied and used as a residence by a tenant of Developer, Developer shall have Class A membership rights and obligations for such Lot whether or not the Class B membership has ceased.

Pursuant to § 13.1-837, Code of Virginia, all other rights of the members of each class and voting rights of members will be as set forth in the corporation's bylaws.

4. The directors constituting the initial board of directors shall be elected by the incorporator pursuant to § 13.1-822.A.2, Code of Virginia, and shall hold office until the first annual election of directors. The number and terms of directors shall be fixed by the bylaws. Thereafter, directors of the corporation shall be elected by the members in accordance with the corporation's bylaws as provided by §§ 13.1-814.1B and 13.1-819A.4, Code of Virginia.

5. Annexation of additional property located outside the Development Limit to the Development, mergers and consolidations, mortgaging of Common Area, dissolution of the corporation and amendment of the articles of incorporation require prior approval of the Department of Housing and Urban Development of the United States of America or its duly designated agency as long as there is a Class B membership.

6. Amendment of the articles of incorporation must be approved by the consent in writing of all members or the affirmative vote of more than

7. The corporation may be dissolved with the written consent of seventy-five percent (75%) of the Class A members and the consent of the Class B member, if any. Prior to the dissolution of the corporation, other than incident to a merger or consolidation, the assets of the Corporation shall be offered for dedication to the City of Lynchburg. In the event that such dedication is refused acceptance, upon dissolution such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to similar purposes.

Article II

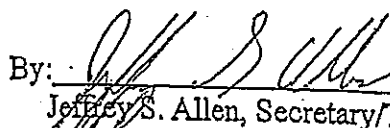
These articles of amendment shall be effective upon issuance of a certificate by the State Corporation Commission of Virginia

Article III

The foregoing articles of amendment was adopted by unanimous consent of all of the members effective July 29, 2002.

The undersigned Secretary/Treasurer of the corporation declares that the facts herein stated are true as of July 29, 2002.

Wellington Property Owners Association

By: 
Jeffrey S. Allen, Secretary/Treasurer

WELLINGTON PROPERTY OWNERS ASSOCIATION
CONSENT IN LIEU OF MEETING

Effective July 29, 2002, the undersigned, being all the directors of Wellington Property Owners Association (the "Association"), all of the Class A members of the Association and the president of T & A Development Company, Class B member of the Association (the Declarant), hereby waive notice of meeting and consent to and adopt the following in lieu of meeting of the Association:

The Articles of Incorporation of the Association are amended and restated in its entirety as set forth in Articles of Amendment attached to and made a part of this consent and the president of the Association is authorized to sign the Articles of Amendment and file the same with the Clerk of the State Corporation Commission of Virginia.

This consent shall be effective upon signing by all the directors of the Association, all Class A members and the Class B member.

Date signed: July 30, 2002

F. Dale Tyree
F. Dale Tyree, Director

Date signed: July 29, 2002

Jeffrey S. Allen
Jeffrey S. Allen, Director

Date signed: Aug 15, 2002

Tracey R. Campbell
Tracey R. Campbell, Class A member

Date signed: Aug 15, 2002

Stanley E. Chiang
Stanley E. Chiang, Class A member

T & A Development Company,
Class B member

Date signed: July 29, 2002

By Jeffrey S. Allen
Its Secretary/Treasurer