# 070002505

Tax Map #s: 99-3-3; 99-3-3A; 99-A-28 & 99-3-2 Hepared By: Shana Beck-

### SERENE CREEK RUN ASSOCIATION DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made this 1st day of December, 2006, by S&R FARM, LLC, a Virginia Limited Liability Company, to be referred to as "Developer":

#### WITNESSETH:

These covenants, restrictions, easements, and conditions to be set forth shall run with the land and shall be binding upon any and all parties who have, or shall acquire, any right, title, or interest in all or any lot in Serene Creek Run.

# ARTICLE I DEFINITIONS

#### Section 1.1 Definitions

The following words, when used in this Declaration, shall have the following meanings:

"Lot" shall mean and refer to any plot of land numerically and/or alphabetically designated and shown or described on any recorded plat of any portion of Serene Creek Run, with the exception of Common Properties. Any home constructed in Serene Creek Run shall be built only on a lot. The Farm Parcel, so long as the Owner is a Member of the Association, shall constitute a Lot for assessment purposes under this Declaration. No restrictions shall apply to the Farm Parcel.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, including Developer, of any lot in Serene Creek Run.

"Association" shall mean and refer to Serene Creek Association, a non-profit, mon-stock corporation incorporated under the laws of the State of Virginia, its successors and assigns.

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

"Board of Directors" shall mean and refer to the Board of Directors of the Association.

"Common Area" shall mean and refer to any area designated as "Common Area", on any recorded plat of any portion of Serene Creek Run, and/or any property or structure leased by the Association and administered for the common use and enjoyment of the Owners and tenants of Serene Creek Run. Common Area shall include all the improvements and structures such as pools, ponds, club houses, gazebos, docks, fences, fire pits, athletic courts, and playground equipment.

"<u>Parking Areas</u>" shall mean areas designated for parking that it on any Common Area and are designated as Parking Areas.

"Private Road" shall mean and refer to the privately owned roads or driveways on any lot in Serene Creek Run or that may hereafter be added to Serene Creek Run.

"Riding Trail" shall mean and refer to any area designated as "Riding Trail", on any recorded plat of any portion of Serene Creek Run, to be held, as an easement and right of way, and administered for the common use and enjoyment of the Owners and tenants of Serene Creek Run and shall include the Private easements on the Farm Parcel.

"Common Properties" shall mean and refer to any Parking Area, Private Road, Riding Trail or Common Area, to be held, owned in fee or leased, and administered for the common use and enjoyment of the Owners and tenants of Serene Creek Run and shall also include the leasehold interest of the Association in any real property or structure.

"Community Assessment" shall mean and refer to the charges, fees and liens imposed upon Lots for community purposes as provided in this Declaration.

"Architectural Control Board" shall mean and refer to the Board established in Article IX hereof for the purpose of regulating the external design, appearance use of the Lots, Common Properties, and improvements thereon.

"Home" shall mean the residential dwelling on a Lot.

"Farm Parcel" shall mean the farm designated as "Remaining Property of Ralph and Shana Beck and/or S&R Farm, LLC" on the plat of Screne Creek Run recorded herewith.

"Riding Center" shall mean and refer to any area designated as "Riding Center", on any recorded plat of any portion of Serene Creek Run, to which members of the Association shall have certain access and use rights pursuant to a license agreement between the Association and the Developer.

# ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION

Section 2.1 Additions to Existing Property.

Developer, its successors and assigns, shall have the right (but not the obligation), without further consent of the Association or of other Owners, to bring within the plan and operation of this Declaration and the jurisdiction of the Association all or any portion of any additional real property that Developer may add in the future which may be designated as additional phases of Serene Creek Run. Such additions may be made as one tract or as several small tracts at different times. A Supplementary Declaration filed by Developer may contain such complementary conditions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary or desirable to reflect the different character, if any, of the added real property. Such additional lots shall be members of the Association.

# ARTICLE III ASSOCIATION NETWORK

#### Section 3.1 Association.

The Association is a non-profit, non-stock membership corporation which has been incorporated under the laws of the State of Virginia for the purpose of applying, administering and enforcing the covenants, restrictions, conditions, liens and charges contained in this Declaration; for the purpose of owning, maintaining and administering the Common Properties; and for the purpose of providing the maintenance within Serene Creek Run as set forth in this Declaration. The Association shall have all of the powers granted to it herein and all such powers as are granted to such Association and non-stock corporations by law, including but not limited to those granted by the Virginia Property Owners Association Act.

# ARTICLE IV COMMON PROPERTIES

#### Section 4.1 Composition.

The Common Properties consist of all Common Areas, Riding Trails, Parking Areas, and Private Roads, as shown and described on any recorded plat of any portion of Serene Creek Run or as described in this Declaration or any supplement Declaration. At present, the Common Properties consist of the Common Areas, Riding Trails, Parking Areas, and Private Roads as shown and described on the attached subdivision plat.

#### Section 4.2 Legal Title.

Upon the conveyance of 75% of the Lots in Serene Creek Run, including current Lots and planned Lots, or at such earlier time as in all phases of Serene Creek Run, or at such earlier time as Developer, in its sole discretion, deems appropriate, the Developer shall convey title to such of the Common Properties as it owns in fee simple to the Association. Developer shall have the right, but not the obligation, to convey the Common Properties on a phase by phase basis.

### Section 4.3 Establishment of Private Roads.

Developer does hereby establish and impose for the benefit of all Lots, private access easements along and across the Private Roads for the purpose of entry and exit to and from all Lots and the public highway system of the State of Virginia to the Common Area, expressly reserving the identical rights of entry and exit for the benefit of the Developer and its assigns.

### Section 4.4 Establishment of Parking Areas.

Developer does hereby establish and impose for the benefit of all Lots of Screne Creek Run, private easements upon the Parking Areas, if any, shown on the attached plat for the purpose of parking motor vehicles.

### Section 4.5 <u>Establishment of Riding Trai's</u>.

Developer does hereby establish and grant and convey to the Association for the benefit of all Lots in Serene Creek Run, private easements upon the Riking Trails shown on the attached plat for the purpose of conducting equestrian activities as well as biking, walking, running and other similar activities. The easements on the Farm Parcel shall be in such locations as are established by Developer and its successors in title to the Farm Parcel and shall be maintained by the Association. The conveyance of easements by Developer is made subject to Developer and its successors in title to the Farm Parcel, retaining the right to reasonably relocate at its expense the portions of the Riding Trails on the Farm Parcel to accommodate the use and development in the future of the Farm Parcel by Developer and its successors in title to the Farm Parcel. Only those trails as are specifically designated as being for the use and enjoyment of the Association shall be used by the Members of the Association or boarders of the Serene Creek Run Riding Center, with the exception of not more than six public events per calendar year.

# Section 4.6 Regulation of Equestrian Activities. Common Properties. Traffic and Parking.

The Board of Directors of the Association shall have the power to establish, adopt and enforce restrictions, rules, and regulations with respect to the use of the Common Properties, including but not limited to the establishment of usage rules, speed limits and horsemanship rules, and with respect to the areas of responsibility assigned to the Association in this Declaration and shall further have all powers granted to an Association's Board of Directors in Virginia Code §55-513 or its successor provision.

# Section 4.7 <u>Easement of Enjoyment of Common Properties.</u>

Each Owner, the guests of each Owner, and the tenants of each Owner shall have a right and easement of use and enjoyment of the Common Properties and any facilities situated thereon subject to the following:

- A. No obstruction or storage within the Common Areas is permitted without the express prior written consent of the Association; and
- B. The right of the Association to place reasonable rules, restrictions and regulations upon the use of the Common Areas.

# Section 4.8 Rights of Access of Owner of the Farm Parce.

The Farm Parcel and any Lots further subdivided from it that are annexed to Serene Creek Run by Supplementary Declaration, shall carry as an appurtenance the right for the owner of such parcels to be a member of the Association and such owners shall be the Class C Members of the Association. A Class C Member may resign as the Class C Member but subsequent to such resignation any future owner of such parcel may request to be readmitted as a member of the Association. While a Class C Member is a Member, the Class C Member shall have all of the rights and obligations of a Class A Member.

### Section 4.9 Rights of Access to the Riding Center.

Owners of Lots in Serene Creek Run shall have access to the Riding Center pursuant to a license agreement between Developer and the Association. The license agreement provides, among other things, that it shall be for a term of thirty years and that the license fee paid by the Association from the Assessments it collects pursuant to this Declaration shall be \$25 a month per lot for any member of the Association who owns a horse or utilizes any amenities of the Riding Center.

### ARTICLE V EASEMENTS

#### Section 5.1 <u>Drainage and Utility Easements</u>.

All of owners must grant right of way of easements above all underground utilities, including but not limited to construction, maintenance, inspection, replacing and repairing of electric and telephone lines, wires, cables, conduits, sewers, pipes, water mains, and other suitable equipment and facilities for the conveyance of water, sewer, gas, telephone, electricity, television cable, exterior lighting and other utilities and public conveniences and for storm and surface water drainage, including pipes, ditches, culverts and other suitable facilities for the disposition of storm and surface water drainage. The easements provided for in this section shall include the right to cut any tress, brush and shrubbery, make any grading of soil, and take other similar action reasonably necessary. Developer shall not be held responsible for any lapse or temporary interruption of services. These easements must be granted to Developer, county authorities, or

contractor hired to correct or perform any maintenance, changes, or improvements. Any damage to property resulting from the use of the easements shall be promptly repaired at the expense of the party causing such damage.

# ARTICLE VI MAINTENANCE OF SERENE CREEK RUN

# Section 6.1 <u>Maintenance of Roads, Parking Areas, Sidewalks, Riding Trail, and</u> Utilities.

- A. <u>Private Roads</u>. Private Roads require private maintenance by the Association which maintenance shall include, but not be limited to, pot-hole repair, repaving, marking, and snow and ice removal. All of the remaining construction, repair, maintenance, upkeep, improvement, enhancement and replacement of Private Roads shall be borne by and be the responsibility of the Association.
- B. <u>Riding Trails</u>. Riding Trails are located on easements on Lots or on the Farm Parcell. The repair, maintenance, upkeep, improvement, enhancement, snow removal and replacement of such Riding Trails shall be borne by and be the responsibility of the Association.
- C. <u>Common Areas</u>. Common Areas are any shown and designated as such on the Plat, and may also include leasehold interests in structures and property. The repair, maintenance, upkeep, improvement, future addition to structures, construction, enhancement, snow removal and replacement of such common areas shall be borne by and be the responsibility of the Association.
- D. <u>Utilities</u>. Each Home shall be served by Bedford County public water. Water charges shall be paid by the Owner of a Home for such Home. All other utilities shall be paid by each Home Owner for such Owner's Home. The Association shall be responsible for all utility charges for the Common Properties.

#### Section 6.2 Maintenance of Grounds, Pool, and Pond.

The Association shall be responsible for the maintenance of the pool, the pond, all structures, improvements, grass, and the maintenance of, and in its discretion, the replacement of, all shrubbery, and other plantings, which are either natural, or were planted by Developer, within Common Properties and the costs of such maintenance shall be an expense of the Association.

#### Section 6.3 <u>Maintenance of Water Lines.</u>

Developer will construct and install water lines for Serene Creek Run in accordance with all relevant regulatory standards and requirements which shall be tied into the water system of the County of Bedford. Following construction and installation, the repair, maintenance, upkeep, improvements, enhancements and replacements of water

lines that are not a part of the County of Bedford's system, shall be borne by and be the responsibility of the Home Owner served by each such line and if a line serves more than one Home, such repair, maintenance, upkeep, improvements, enhancements, and replacement shall be borne equally by the Home Owners serviced by such line. The Common Areas will be served by an existing well and any repairs, improvements or replacements to such well will be the responsibility and expense of the Home Owners Association.

# ARTICLE VII ASSOCIATION

#### Section 7.1 Membership

Every Owner of a Lot shall be a Member of the Association. In addition, Developer shall be a Class B Member of the Association as set forth in this Declaration and in the Articles of incorporation and By-Laws of the Association so long as Developer owns any Lot. The Owner of the Farm Parcel, or lots subdivided there from, may be Class C Members of the Association. The Association may have other classes of Members as described in Supplementary Declarations recorded hereafter. The Association shall not discriminate on the basis of race, creed or sex in its membership.

### Section 7.2 <u>Voting Rights</u>.

The total number of Lots planned to be created in Phase 1 of Screne Creek Run is 46. With reference to this total potential number of Lots within Screne Creek Run, initially Association shall have three (3) classes of voting membership.

Class A. Class A Members shall be all Owners of Lots with the exception of the Class B Member and the Class C Member. Class A Members shall be entitled to one (1) vote for each Lot owned by said Class A Member. In the event that more than one person or entity holds such interest in any Lot, all such persons or entities shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall by the Developer. The Class B Member shall be entitled to four (4) votes for each of the 46 potential and/or actual Lots which Developer has not transferred to a Class A Member. Developer's Class B membership shall terminate on the date on which Developer has transferred to Class A Members a total of seventy-five percent (75%) of the Lots in all Phases of Serene Creek Run.

Class C. The Class C Member shall be the owner of the Farm Parcel and the Farm Parcel shall carry as an appurtenance to it the right for the owner of the Farm Parcel to be a member of the Association. The Class C Member may resign as the Class C Member but subsequent to such resignation that Member or any future owner of the Farm Parcel may request to be readmitted as the Class C Member of the Association

and such owner shall upon such request made in writing to the Association by automatically readmitted as a member of the Association. While the Class C Member is a Member, the Class C Member shall have all of the rights and obligations of a Class A Member.

Class D. Class D Members shall be all Owners of Tracts A-K who do not opt out of the Serene Creek Run Association. In the event that more than one person or entity holds such interest in any such Tract, all such persons or entities shall be Members. The Class D Member may resign as the Class D Member but subsequent to such resignation that Member or any future owner of that Tract may request to be readmitted or admitted as the Class D Member of the Association and such owner shall upon such request made in writing to the Association by automatically readmitted or admitted as a member of the Association. While the Class D Member is a Member, the Class D Member shall have all of the rights and obligations of a Class A Member.

The Association may have other classes of Members added to it by the Developer if the same are established in a Supplementary Declaration recorded hereafter.

#### Section 7.3 Board of Directors.

The Board of Directors of the Association shall be elected by the Members as set forth in the By- Laws of the Association.

### Section 7.4 Powers and Duties of Board of Directors.

The Board of Directors shall have all of the powers and cluties necessary for the administration of the affairs of the Association.

#### Section 7.5 Powers and Duties of the Association.

The powers and duties of the Association shall be those set forth in this Declaration and the Articles of Incorporation and By-Laws of the Association, as the same may be amended from time to time.

# ARTICLE VIII ASSESSMENT

#### Section 8.1 Type of Assessments.

Within Serene Creek Run, two types of assessments are permitted as follows: Annual Community Assessments and Special Community Assessments made by the Association upon Lots for community purposes, for the purpose of providing the maintenance, repairs, replacements, addition of future amenities, and any other lawful purpose required of the Association by this Declaration of permitted by the Virginia Property Owners Association Act.

### Section 8.2 Community Assessments:

Association: (1) all annual Community Assessment Lieu: All lot owners, Association: (1) all annual Community Assessments, fiese and charges, and (2) all annual Community Assessments, fiese and charges, and (2) all extraordinary maintenance, and/or other extraordinary items, such special Community Assessments for capital improvements, major repair, and/or Assessments to be fixed, established and collected from time to time as hereinafter provided. The annual Community Assessments and special Community Assessments, attorney's fee, shall be a charge upon the land and shall be a continuing lien upon the Lot against which each such Community Assessment is made as hereinafter provided. No asuch annual Community Assessment is made as hereinafter provided. No member of the Home Owners Association may waive or otherwise avoid liability for mon-use of the Community Assessments and/or special Community Assessments by the Community Assessments and/or special Community Assessments by the non-use of the Community Assessments and/or special Community Assessments by the Common Properties.

B. <u>Purpose of Community Assessments</u>. The Community Assessments levied by the Association shall be used to promote the enjoyment, health, safiety and welfare of the owners in Serene Creek Run and in particular for the repair, maintenance, upkeep, improvement, enhancement and replacement of the Common Properties, which include the Private Roads, Parking Areas, Common Areas, and Riding Trails, walkways, surface and storm water drainage facilities, identification signs, exterior lighting systems, irrigation systems, in Serene Creek Run and for such other maintenance, repairs, and replacements required of the Association as provided in this Declaration.

C. Basis and Assessments shall be made on the basis of a calendar year beginning samual Community Assessments shall be made on the basis of a calendar year beginning Jamuary 1<sup>st</sup> and ending December 31<sup>st</sup>. Until December 31, 2006, the maximum annual Community Assessment on each Lot which has been conveyed in fee simple by thereafter, the maximum annual Community Assessment may be increased by up to Fifteen percent (15%) per year of the prior year's annual Community Assessment for such Lots effective Jamuary 1<sup>st</sup> of each year by the Board of Directors. The Board of Directors may fix such annual increase after due consideration of current and anticipated maintenance costs, appropriate depletion allowances, reserve funds, and other needs of maintenance costs, appropriate depletion allowances, reserve funds, and other needs of the Association.

D. Special Community Assessment. In addition to the annual Community Assessment authorized above, the Association may levy in any assessment year, a special Community Assessment applicable to that fiscal year only for the purpose of defraying, in whole or in part, the costs of any major and/or extraordinary, replacement, maintenance or repair of the Common Properties, listed in Article IV of this replacement, maintenance or repair of the Common Properties, listed in Article IV of this pertanent, maintenance or repair of the Common Properties, listed in Article IV of this replacement, maintenance or repair of the Common Properties, listed in Article IV of this replacement, maintenance or repair of the Association duly called for this purpose.

G. Reserves. The Association shall set aside a minimum of 10% of its collected Annual Community Assessments as a replacement fund for capital items which funds may be disbursed by the Board of Directors of the Association in its discretion for such purpose.

# Section 8.3 <u>Date of Commencement of Annual Community Assessments.</u>

Developer shall not be obligated to pay Community Assessments for Lots owned by it. Community Assessments shall not begin for any Lot until a Certificate of Occupancy is issued for a Home on such Lot or the date that is one year from date of closing, whichever occurs first. Unless otherwise established by the Board of Directors, such annual assessments shall be due in advance in twelve (12) equal monthly installments on the first day of each month, and such assessments shall be prorated where sale is made or a commercial structure is completed between the due dates.

# Section 8.4 Personal Obligation of Community Assessments.

Community Assessments, together with interest as hereinafter provided, costs of collection, and reasonable attorney's fee, shall also be the personal obligation of the person who was the Owner of such Lot at the time when such Community Assessments first became due and payable. In the case of co-ownership of a Lot, all such co-owners shall be jointly and severally liable for the entire amount of such assessments. All Owners of Lots by acceptance of an instrument of conveyance waive all rights to any homestead exemption with respect to their personal obligation for the payment of such assessments. The personal obligation for all unpaid delinquent Community Assessments shall not pass to an Owner's or Developer's successor in title, unless expressly assumed by such successor in writing.

# Section 8.5 Interest On and Costs of Collection of Assessments; Right to Accelerate.

The lien for Community Assessment shall also secure all interest and costs of collection, including a reasonable attorney's fee, whether suit is brought or not, which may be incurred by the Association in enforcing said lien. Any Community Assessment which is not paid when due shall bear interest from the date when due until paid at the rate of twelve percent (12%) per month. In the event that any Owner is more than forty-five (45) days delinquent in the payment of any Community Assessment, the Association shall have the right and power to accelerate the balance of the year's Community Assessments and to consolidate said balance with any delinquent amount.

# Section 8.6 Lien for the Payment of Assessments and Subordination of Lien to First and Second Lien Deeds of Trust.

There shall be a continuing lien upon each of the individual Lot subject thereto in order to secure payment of any of the Community Assessments provided in this Declaration, but such lien shall be at all times subject and subordinate to any first or

second mortgages or deeds of trust placed on the Lot at any time. However, at such time as the Association places to record, in the Clerk's Office for the County of Bedford, Virginia, a notice of delinquency as to any particular Lot on a form prescribed by the Board or Directors, then, from the time of recordation of said notice the lien of such delinquent Community Assessments in the amount stated in such notice shall be a lien prior to any subsequently recorded first of second mortgages or deeds of trust in the same manner as the lien of a docketed judgment in the State of Virginia. The lien of Community Assessments provided for herein, whether or not notice has been placed on record as above foreclosure of mortgages, vendor's liens, and liens of a similar nature. A statement form the Association showing the balance due on any Community Assessment shall be prima facie proof of the current Community Assessment balance and delinquency, if any, due on a particular Lot.

# ARTICLE IX ARCHITECTURAL CONTROL

### Section 9.1 Purpose.

An Architectural Control Board shall regulate to the external design, appearance, use, location, and maintenance of improvements as well as clearing and landscaping on any Lot or the contractors and subcontractors, in such a manner so as to preserve and enhance values, to maintain a harmonious relationship among structures and the natural vegetation and topography, and to preserve the general character and architectural compatibility of Serene Creek Run as constructed by Developer.

#### Section 9.2 Condition.

No improvements, alterations, repairs, change of paint of stain colors, excavations, changes of grade, clearing or removal of trees with a trunk diameter of 4 inches or greater at 3 feet above ground level, major landscaping or other work, which in any way alters such property from its natural or improved state on the date such property was first conveyed in fee simple by Developer to an Owner or the Association, shall be made or done without the prior approval of the Architectural Control Board except as otherwise expressly provided herein. No buildings, fences, walls, residences or other structures or improvements to a structure erected or constructed on any portion of Serene Creek Run shall be commenced, other than by Developer, without the prior written approval of the Architectural Control Board or of the Association for any improvements, construction, grading or landscaping performed by Developer, its contractors and subcontractors in Serene Creek Run.

#### Section 9.3 <u>Procedures</u>.

Any Owner who desires to construct any improvement on or make alteration to the exterior appearance of its Lot, or the improvements thereon, and the Association itself, if it desires to construct any improvements on or make any alteration to any Lot or the Common Properties, shall submit the plans and specifications therefore

showing the nature, kind, shape, height, color, materials and location of the same to the Architectural Control Board. In discharging its functions and duties, the Architectural Control Board shall endeavor to maintain and preserve the general character and architectural compatibility of Serene Creek Run as constructed by Developer. In the event the Architectural Control Board fails to approve, modify or disapprove in writing a request for approval required herein within sixty (60) days after plans, specifications, or other appropriate material have been submitted in writing to it, in accordance with its adopted procedures, the approval will be deemed disapproved.

# Section 9.4 Composition of Architectural Control Board.

For so long as the Developer owns and Lot in any Phase of Serene Creek Run, the Architectural Control Board shall consist of not less than one (1) nor more than (3) persons appointed by Developer. Such person or persons must be Members of the Association. At such time as the Developer has conveyed 75% of the Lots in Serene Creek Run to third parties thereby terminating its Class B Membership in the Association, the control of the Architectural Control Board shall be transferred to the Association which shall establish an Architectural Control Board pursuant to the provisions of its By-Laws.

# ARTICLE X GENERAL USE RESTRICTIONS

#### Section 10.1 Use.

All Lots shall be used for residential and agricultural purposes only. Any number of Lots may be out together to form one Lot.

#### Section 10.2 Construction.

No residential structure having less than 2100 square feet of finished or heated space for a one-story dwelling shall be constructed on any numbered Lot in this subdivision. No multi-level dwelling having less than 2800 square feet in the aggregate on two main levels of finished or heated space shall be constructed on any numbered Lot in this subdivision. The required square footage shall be exclusive of unfinished basements, walks, drive, porches, and carports or garages, unless approved by the Architectural Control Board. No property owner or contractor shall cease construction prior to completion of any dwelling or allow the construction time to be excessively greater than the average or usual construction time for similar dwellings built by reputable contractors in the local area. The construction period in no event shall exceed 18 months from groundbreaking. No dwelling or part of any dwelling may be occupied for living purposes, temporary or permanent, until construction is completed and a certificate of occupancy is issued by Bedford County officials.

# Section 10.3 Number of Dwellings.

Only one single family dwelling per Lot shall be permitted. Its height shall not exceed 2½ stories at the elevation facing the street.

# Section 10.4 Permanent Construction.

All detached buildings shall be of permanent type construction.

# Section 10.5 Exterior.

The exterior walls (above grade level) of any residence or dwelling constructed on any Lot shall be faced with brick, stone, dryvit, stucco, hardiplank, or wood and shall not be bare concrete, cinder block, concrete block, or masonry; any use of vinyl must be approved by the Architectural Control Board.

#### Section 10.6 Nuisance, Signs and Storage.

No noxious or offensive activity shall be carried on within Serene Creek, nor shall anything be done which shall constitute a nuisance to the other property owners. No signs (except For Sale sign six feet square or less) or billboards shall be erected on any Lot unless approved in advance by the Architectural Control Board. No building materia's (except during the time of construction), unlicensed or inoperable vehicles or inventories may be stored outside at any time. Storage of firewood and trash containers shall be restricted to the rear yard and well screened as not to cause and eyesore to adjoining Lot Owners. Propane tanks shall be aesthetically well-screened and located on the side or rear of the dwelling.

# Section 10.7 <u>Driving Surfaces</u>.

The driveway and parking area on Lots must be surfaced with surface-treatment gravel, asphalt, concrete, or other similar surface at least 50 feet from the edge of the paved public road.

#### Section 10.8 Vehicle and Trailer Storage.

Parking of all trailers commercial and recreational vehicles and related equipment, including but not limited to horse trailers, motor homes, boats and boat trailers, other than on a temporary and non-recurring basis shall be in garages or in areas hidden from view of the street on which said Lot fronts.

#### Section 10.9 Mobile and Modular Prohibition.

No house trailer, mobile home, double-wide manufactured modular or similar home shall be permitted at any time on any Lot.

### Section 10.10 Landscaping.

Each Lot Owner shall install and maintain suitable and appropriate landscaping, including decorative shrubs, flowers, and/or trees, along the front façade of the dwelling constructed on any Lot within six months of the issuance of a certificate of occupancy for such dwelling. Each Lot Owner shall keep his property free from tall grass, undergrowth, dead trees, trash and rubbish and shall properly maintain his property. Each Lot Owner shall be responsible for seeding, mowing, and maintaining that portion of land between each Lot line and the pavement of the street.

#### Section 10.11 Underground Utilities.

All utility lines between the dwelling and the main line shall be installed and maintained underground.

#### Section 10.12 Horses, Barns and Other Animals.

Horses are permitted on Lots in accordance with the Conditions of the Special Use Permit issued by Bedford County. Barns and stables are permitted on Lots in accordance with this Declaration, including but not limited to review by the Architectural Control Board. No horse shall be pastured or kept on any Lot until a Home is built on such Lot and a certificate of occupancy is issued for such Home. No animals may be kept on any Lot in such numbers or in such manner as to create a nuisance to the Owners of other Lots in Serene Creek or in such numbers as to overburden the pasture on any Lot so that the vegetative ground cover is substantially removed. No stable, barn or other such shelter shall be built within 50 feet of any property line. No commercial type animal breeding facilities (for example, a multiple dog kennel producing puppies for sale). Other than horses as provided in these restrictions and generally recognized house or yard pets, no other animals, including, but not limited to goats, swine, sheep, cattle, poultry, and any other barnyard or zoo-type animals, shall be kept or maintained on any Lot.

#### Section 10.13 Setbacks.

All setbacks shall be those imposed by the County of Bedford in its zoning and subdivision ordinance and by any special use permits granted by said County affecting Serene Creek Run.

# Section 10.14 <u>Developer Modifications</u>.

Notwithstanding any other provisions herein to the contrary, the Developer, its successors or assigns, reserves for itself, its successors and assigns, the right to close, relocate streets and open new streets from this subdivision to property outside the subdivision, including the right to convert lots to streets, to change and modify the subdivision plan by changing the size and shape of any Lot shown thereon including any further subdivision of a lot, building setback, yard, or dwelling area

requirement except no front setback may be reduced to less than such setback as is permitted by Bedford County. Developer reserves for itself and its successors an assigns, the right to annex additional land and make said land a part of Serene Creek Run.

### Section 10.15 Architectural Control.

No building or other improvement (dwelling, outbuilding, barn, stable, garage, pool, fence, etc.) shall be erected, a tered, or placed on any Lot unless building plans, specifications, and site plans showing the location and style of such improvements have been submitted in advance, in writing, to and approved by the Architectural Control Board, or its successor, as set forth in the Declaration.

#### Section 10.16 Fences.

Any fence constructed shall be of wood or vinyl type construction and shall be subject to prior approval of the Architectural Control Board, or its successor. No bare wire fencing shall be permitted other than addition of a single hot wire for containment of horses.

#### Section 10.17 Applicability.

These restrictions shall only apply to the numbered Lots in Screne Creek and the Common Properties and shall not apply to the Farm Parcel or any other property annexed to Screne Creek Run by Developer. These restrictions shall not apply by implication or otherwise to any property owned by Developer other than the property shown on the attached plat and recorded herewith and shall not apply to the Farm Parcel. Restrictions imposed by Developer on real property annexed to Screne Creek Run by Developer may be different from those set forth herein.

#### Section 10.18 Construction.

Each Owner is responsible for all construction debris during the construction period. Debris should be placed in a temporary dumpster or removed from site and the building site kept in a reasonably neat manner as not to cause an eyesore for the neighbors and the overall appearance of Serene Creek. At the time of construction, the builder and the Lot Owner will be liable and responsible, jointly and severally, for carrying out the appropriate approved erosion and sediment control measures (i.e. gravel construction entrances, driveway pipes, seeding, silt fence barriers, etc.) and insuring that they are properly installed and functioning as planned.

# Section 10.19 Structural Enforcement.

Any building, structure, or fence that is erected by a Lot Owner and not approved by the Architectural Control Board, can be removed by Developer and/or the Home Owners Association at the Lot Owner's expense.

# ARTICLE XI DEVELOPER'S RIGHTS

#### Section 11.1 Developer's Rights.

Developer shall have the following rights, so long as Developer owns any Lot in Serene Creek Run.

- A. The right to re-subdivide, re-plat, vacate or withdraw any area of any platted area, with the exception of the Common Areas, from the real property subject to this Declaration, in accordance with the laws of the state of Virginia, and to amend or revise Lot lines and setbacks:
- B. The right to approve or disapprove any amendment to this Declaration and any amendments to any corporate documents related to the Association; and
- C. The right to conduct the development, construction, marketing and sale of all property in Serene Creek Run owned by Developer, including the erection of signs and the use of Common Properties for promotional purposes.
- D. The right to assign all of its rights under this Declaration to a successor.
  - E. The right to annex additional property to Serene Creek Run.

# ARTICLE XII GENERAL PROVISIONS

#### Section 12.1 Managing Agent.

The Association may employ and pay a managing agent, who may be an affiliate of Developer, to manage the affairs of the Association and provide maintenance. Such managing agent shall be employed and compensated for its services and costs pursuant to a written contract.

#### Section 12.2 Enforcement and Attorney's Fees.

Enforcement of the provisions for this Declaration shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or recover damages. Such action may be brought by Developer, or its successors or assigns as Developer, the Association, or the Owner of

any Lot. Subject to the condition it the next sentence of this paragraph, any Owner of the Lots restricted hereby shall have the right and standing to bring suit to enforce the provisions hereof. However, so long as Developer owns any Lot restricted hereby, prior to any other Owner bringing such action, such Owner shall make written demand for enforcement upon Developer and shall only proceed with such action if Developer fail to do so within 60 days after such owner has made demand. So long as Developer owns any Lot restricted hereby, Developer shall have the right and standing to bring suit to enforce the provisions hereof. In the event the Association, an Owner, or the Developer is forced to bring and action to enforce any provision of this Declaration and prevails, the Owner against whom the action is brought shall be liable for the costs and attorney's fees for such action.

#### Section 12.3 Severability.

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

#### Section 12.4 Amendments.

This Declaration may be amended in whole or in part by recorded instrument bearing the signature of the Owners of record, including joint tenants and tenants in common, of seventy-five percent (75%) of all Lots then subject to this Declaration; provided, however, that any such amendment shall be subject to the approval or disapproval by Developer as set forth in Section 11.1 hereof.

#### Section 12.5 Duration.

The covenants and restrictions of this Declaration shall run with and bind the land for a term of sixty (60) years from the date and thereafter shall automatically renew for successive periods of ten (ten) years each unless modified, amended or rescinded as provided in Section 12.4

#### Section 12.6 Agreement of Owners.

Acceptance of a deed for a Lot by an Owner shall constitute such Owner's agreement to be bound by the terms of this Declaration.

IN WITNESS WHEREOF, Developer has caused this Declaration to be executed on its behalf by its Manager.

It's Manage

December 1, 2006

# Serene Creek Run Riding Center Lease Agreement

This is a legally-binding lease agreement between Screne Creek Run Home Owners Association (SCRHOA) and Screne Creek Run Riding Center (SCRRC) owned by S&R Farm, LLC.

With this lease agreement,

- 1. SCRHOA shall have certain rights to use SCRRC for a term of thirty (30) years with a consecutive ten (10) year option to renew lease.
- 2. According to this lease, any member of the HOA who owns a horse or utilizes any amenities of the SCRRC shall pay \$25 a month per lot.
- 3. All boarders of SCRRC have access to any trails throughout all common areas and riding easements in Serene Creek Run and remaining property owned by S&R Farm, LLC.
- 4. Home owners in SCRHOA shall have the right to use the indoor riding arena, the outdoor riding arena and all trails throughout Serene Creek Run and any remaining land owner, by S&R Farm, LLC.

Members of SCRHOA shall have the following responsibilities pertaining to this lease:

- 1. No more than two (2) guests per day will be allowed with a member and the member must accompany guests on all rides.
  - 2. Members must obey all rules and regulations of SCRRC.
- 3. All members are responsible for having all guests sign a Waiver for Release of Liability before engaging in any activity on Serene Creek Run property, remaining land of S&R Farm, LLC, and any property of SCRRC. If waivers are not signed by guests of members, then said member accepts and assumes all responsibility for injuries and/or death to guests or guests' property.
- 4. All guests and members must park any horse trailers in approved trailer parking at SCRRC.

This lease agreement is effective as of December 1st, 2006 through December 1st, 2036.

CO:MMIONWEALTH OF VIRGINIA

(To-Wit:

CITY/COUNTY OF BEDFORD

I, Line J. Reyoldo, a Notary Public for the Commonwealth of Virginia at Large do hereby certify that Shana Beck, Manager of and on behalf of S&R Farm, LLC, whose name is signed to the foregoing instrument, bearing date the 1st day of December, 2006, has acknowledged the same before me.

Given under my hand this 1st day of December, 2006.

My commission expires:

Luc V. Kunold Notary Public



INSTRUMENT #070002505
RECORDED IN THE CLERK'S OFFICE OF
BEDFORD COUNTY ON
FEBRUARY 16, 2007 AT 12:38PM
CATHY C. HOGAN, CLERK

RECORDED BY: 5WO

RETURNED

NALED

S. BECK-35.00

07,0015898

Tax Map #'s 99-3-3: 99-3-3a: 99-a-28: 99-3-2 Prepared By: Shana Beck, S&R Farm, LLC September 21, 2007



This is a legally-binding lease agreement between Serene Creek Run Home Owners Association (SCRHOA) and Serene Creek Run Riding Center (SCRRC) owned by S&R Farm, LLC.

With this lease agreement,

- 1. SCRHOA shall have certain rights to use SCRRC for a term of thirty (30) years with a consecutive ten (10) year option to renew lease.
- 2. The owner of SCRRC and any boarders of SCRRC have access to any trails throughout all common areas and riding easements in Serene Creek Run and remaining property owned by S&R Farm, LLC.
- 3. Home owners in SCRHOA shall have the right to use the indoor riding arena, the outdoor riding arena and all trails throughout Serene Creek Run and any remaining land owned by S&R Farm, LLC. These amenities are available at no cost to the home owners.
- 4. SCRHOA is responsible for maintaining any trails throughout Serene Creek Run and any additional land of S&R Farm, LLC.
- 5. Any owner of SCRRC shall be allowed to hold two (2) public events per year on SCRHOA property.
- 6. Any additional events must be submitted to SCRHOA in writing for approval thirty (30) days prior to event.

Members of SCRHOA shall have the following responsibilities pertaining to this lease:

- 1. No more than two (2) guests per day will be allowed with a member and the member must accompany guests on all rides.
  - Members must obey all rules and regulations of SCRRC.
- 3. All members are responsible for having all guests sign a Waiver for Release of Liability before engaging in any activity on Serene Creek Run property, remaining land of S&R Farm, LLC, and any property of SCRRC. If waivers are not

signed by guests of members, then said member accepts and assumes all responsibility for injuries and/or death to guests or guests' property.

This lease agreement is effective as of December 1<sup>st</sup>, 2006 through December 1<sup>st</sup>, 2036. This lease agreement shall remain in force for any present or future owners of SCRRC.

#### SCRHOA members:

Ralph Beck
Shana Beck
Alum Bul
Ann-Patrick Smith
Rich Busyvell
Her U (SW)

SCRRC owners:

Ralph Beck

Shana Bedk/

, a Notary Public for the Commonwealth of Virginia at Large do hereby certify that the above people, whose names are signed to the foregoing instrument, bearing date the 17<sup>th</sup> day of August, 2007, have acknowledged the same before me.

Given under my hand this 12th day of Sept., 2007.

OFFICIAL SEAN y commission expires: 2 2 208 350138.

NOTHIN PRICOMMONICATION VISSAL

JODIE T ODENBACH
CITY OF LYNCHBURG
My Commission Expires
February 29, 2008

February 29, 2008

Rolph Boek Shand Bock an Patrick Smith, Rich Buswell a

MAILED

MAILED

Mana Beck

426.00

INSTRUMENT #070015898
RECORDED IN THE CLERK'S OFFICE OF
BEDFORD COUNTY ON
OCTOBER 19, 2007 AT 10:16AM
CATHY C. HOGAN, CLERK

RECORDED BY: BJK