

**DECLARATION
OF
PROTECTIVE COVENANTS
OF
TWIN HARBORS**

THIS DECLARATION OF PROTECTIVE COVENANTS OF TWIN HARBORS is made this 22nd day of July, 1996 by **Virginia Land & Forest, Inc.**, hereinafter referred to as "Declarant," and any and all persons, firms or corporations hereinafter acquiring any of the within described property or any of the property hereinafter made subject to this Declaration.

WITNESSETH:

WHEREAS, Declarant owns certain property in Northumberland County, Virginia, known as **Twin Harbors**, portions of which are more particularly described by one or more plats thereof recorded in Plat Book 7, Page 86 in the Office of the Register of Deeds for Northumberland County, to which recorded plat(s) reference is hereby made for more complete description(s): Lot 1 - 87, Twin Harbors, Northumberland County, Virginia.

WHEREAS, Declarant has agreed to establish a general plan of development as herein set out to restrict the use and occupancy of the property made subject to this Declaration for the benefit and preservation of the property values in Twin Harbors, and for the mutual protection, welfare and benefit of the present and the future owners thereof:

NOW, THEREFORE, in accordance with the recitals which by this reference are made a substantive part hereof, Declarant declares that all of the property described on the said recorded plat(s) shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of Twin Harbors subdivision as it now exists and is hereafter expanded and that such easements, restrictions, covenants, and conditions shall burden and run with said real property and be binding on all parties now or hereafter owning said real property and their respective heirs, successors, and assigns, having any right, title, or interest in the properties now or hereafter subjected to this Declaration or any part thereof, and shall inure to the benefit of each owner thereof and burden each owner's real property that is subjected to this Declaration.

ARTICLE I

DEFINITIONS

Section 1 "Committee" shall mean the Architectural Control Committee, established by the Declarant for the purpose of administering architectural control as provided in Article III of this Declaration.

Section 2 "Declarant" shall mean Virginia Land & Forest, Inc. and its successors and assigns if such successors and assigns acquire one or more undeveloped lots from the Declarant for the purpose of development and if the rights and obligations of the Declarant hereunder are expressly assigned to and assumed by such successors and assigns.

Section 3 "Dwelling" shall mean and refer to a single family home located upon a lot.

Section 4 "Lot" shall mean and refer to any improved or unimproved building lot shown upon any recorded subdivision plat of the Property.

Section 5 "Owner" shall mean and refer to any record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of any of the property made subject to this Declaration, but excluding those having such interest merely as security for the performance of an obligation, provided, however, the Declarant shall not be deemed an Owner.

Section 6 "Property" shall mean and refer to that certain property shown on plat(s) recorded in Plat Book 7 in the Office of the Register of Deeds for Northumberland County: Lots 1 - 87, Twin Harbors, Northumberland County, Virginia.

Section 7 "Association" shall mean and refer to Twin Harbors Association, Inc., a non-profit Virginia Corporation, its successors and assigns.

ARTICLE II

GENERAL USE AND RESTRICTIONS

Declarant does hereby covenant and agree with all persons, firms or corporations hereafter acquiring title to any portion of the Property, that the Property is hereby subject to restrictive covenants as to the use hereof.

Section 1 Residential Use Only

The Lots shall be used for residential purposes only, and no commercial use shall be permitted. This restriction shall not be construed to prevent rental of any Dwelling for private residential purposes. Virginia Land & Forest reserves the right to extend a road between lots 8 and 9 for potential subdivision expansion.

Section 2 Size Requirements

No structure, except as defined below, shall be erected, placed, altered, or permitted to remain on any lot other than one detached, single-family Dwelling, not to exceed two and one-half stories in height, and one one-story accessory building not to exceed two-hundred (200) square feet. Additional accessory building(s) of 200 feet or more, may be approved on a lot-by-lot basis by the Architectural Control Committee (see Article III).

The Architectural Control Committee may also permit, on a lot-by-lot basis, the construction of one attached or detached guest quarters, not to exceed 1,000 square feet of heated area, excluding decks and/or porches, subsequent to the construction of the primary dwelling.

Any dwellings located on lots 11-43 and 58-81, shall have a minimum enclosed living area of no less than 1500 square feet exclusive of open porches, basements, decks, garages, carports, and other appurtenances and improvements thereto.

Any dwellings located on lots 1-10, 44-57 and 82-86, shall have a minimum enclosed living area of no less than 1250 square feet exclusive of open porches, basements, decks, garages, carports, and other appurtenances and improvements thereto.

Section 3 Garage

All Dwellings may have an attached or detached garage or an attached carport, which shall be of the same style and exterior finish as the Dwelling. The garage may be built twelve (12) months prior to construction of dwelling for the purpose of storing building materials and tools.

Section 4 **Building Setbacks**

All structures shall be fifty (50) feet or more from the street right of way line. The minimum side yard for structures shall be fifteen (15) feet. The structure shall be set back twenty-five (25) feet from the back line, except for waterfront lots which must observe the requirements of The Chesapeake Bay Act. The Architectural Control Committee may, at its discretion, issue variances for these setbacks on a lot-by-lot basis, but in no case shall they permit a variance which does not comply with Northumberland County or any other applicable standard or requirement. Lots 4, 5, 6 and 7 shall not build within the wetlands as shown on the Twin Harbors subdivision plan.

Section 5 **No Temporary Structures, Camping**

No structure of a temporary character shall be placed upon any lot at any time, provided however, that this prohibition shall not apply to shelters used by the contractor during the construction of the main dwelling house, if permissible under local zoning and land use regulations.

Section 6 **No Further Subdivision**

No Lot shall be further subdivided.

Section 7 **No Noxious Activity**

No noxious or offensive trade or activity shall be carried on upon any Lot, nor shall anything be done thereon which may become an annoyance or nuisance in the neighborhood. Motor vessels and personal watercraft shall obey no wake signs in both the north and south ponds.

Section 8 **Animals**

No animals or poultry of any kind may be kept or maintained on any of said Lots, except ordinary household pets, regularly housed within the dwelling. All outdoor pets shall be kept on a leash, or in an approved kennel. All outdoor pet enclosures shall be erected on the back of the lot out of view from the street. No animals shall be allowed to run loose in Twin Harbors.

Section 9 **Lot Appearance**

Each Lot and all improvements thereon shall be maintained in a neat and attractive manner. No unregistered motor vehicles, junk or debris shall be stored on any Lot. Trash, garbage, or other waste shall not be kept, except in sanitary containers screened from view from all roads.

Section 10 **Common Storage**

Recreational vehicles, boats and utility trailers, when not in use, are to be stored in the Common Storage Area. If space permits, boats may be stored in the back yard of Lots providing they are out of view from all roads and houses.

Section 11 **Satellite Dishes**

No satellite dishes or communicators shall be permitted unless concealed from view of all Lots, roads, and open spaces. The design of such enclosures must be approved by the Architectural Control Committee prior to erection. A satellite dish which is less than 2 feet in diameter may be installed without being enclosed, so long as it does not detract from the appearance of the lot.

Section 12 **Prohibited Structures**

No mobile home, trailer, bus, all metal home, or any derivative of the foregoing shall be kept, maintained, or located on any Lot. Structures built entirely or substantially of exposed concrete block are prohibited. Because of lot configuration or shallow water, lots 11, 12, 68, 69, 70, 71 and 81, will not be allowed private dock permits. However, applications may be considered for docks serving two or more lots.

Section 13 **Signs**

No signs of any description shall be displayed upon any Lot, except by Declarant, and further, except for a single sign per Lot, showing Lot number and Lot Owner. Lot signs identifying Owner and Lot number shall not to exceed 400 square inches.

Section 14 **Home Owners Association**

The Declarant shall be responsible for the creation of a non-profit corporation called the Twin Harbors Homeowners Association, Inc. The Declarant shall be responsible for maintenance of all amenities and roads until they are turned over to the Homeowners Association. The Declarant shall not be obligated to turn over the amenities to the Homeowners Association until the happening of the earliest of the following events; sale of ninety percent (90%) of the lots in the development or three (3) years from the recording of the Declaration of Protective Covenants. The Declarant reserves the right, which it may exercise in its sole discretion, to convey the road system in Twin Harbors to

the Commonwealth of Virginia, Department of Transportation or to the Homeowners Association at any time prior to the time limits set forth above. The recording of a deed conveying amenities and/or the roads shall be conclusive evidence of the acceptance of ownership by the grantee.

Each lot owner shall become a member of the Twin Harbors Homeowners Association. Said Association shall be responsible for common area maintenance, and operational control of subdivision amenities and roads. Each Lot owner shall be required to pay initial annual dues of \$150 for these costs. The Association may adjust the annual assessments in any calendar year, for the purpose of increasing or decreasing the annual assessment, if the same are inadequate to pay the reasonable maintenance expenses and operating costs of the Association, or if the assessment proves to be more than adequate, provided that any such change in the assessments shall have the assent of a two-third (2/3) majority (written proxy voting of Association members will be allowed) of the voting members of the Association at a duly called meeting.

In addition, any individual(s) that own more than one Lot, shall be required to pay the full association fee for each Lot owned. Each Lot owner, including Declarant, shall have one (1) vote per Lot owned. In addition, the Declarant shall be exempt from payment of any and all association dues and/or assessments for any lots which it owns or has offered for sale. Should any Lot owner not pay the required dues after reasonable written notice from the Declarant or Association, the Declarant or Association has the right to place a lien on said Lot, to be filed in the records of Northumberland County in accordance with the law. Any Lot owner that is delinquent in payment of dues cannot vote on any issues before the Homeowner's Association.

Section 15 Special Assessments

The Association may levy yearly special assessments in any calendar year for the purpose of supplementing the annual assessment if the same are inadequate to pay the reasonable maintenance expenses and operating costs of the Association or any special project approved by the members of the Association. Provided that any such special assessments shall have the assent of a two-third (2/3) majority (written proxy voting of Association members will be allowed) of the voting member of the Association at a duly called meeting.

Section 16 Liens for Unpaid Assessments

In the event that the Owner of any Lot fails and refuses, after demand by the Association, to pay any annual or special assessment, then the Association shall have a lien against said Lot and may enforce collection of said assessment, together with reasonable attorneys fees, by any and all remedies afforded by law or in equity, including, without limitation, the filing of a notice of lien and perfecting the same as by law provided, to the end that such unpaid assessment together with the costs and expenses of collection, including without limitation, reasonable attorneys fees, shall be a charge and lien against the said Lot.

To secure the payment of the annual and special assessments as are levied by the Association, together with the costs of collection, including attorneys fees, all such charges shall be a continuing lien upon the Lot against which the assessments are made. Such charges shall also be the personal obligation of the person(s) who were the owner or owners of such Lot at the time the assessment came due. The personal obligation shall remain a lien upon the Lot upon transfer of title but shall not become the personal obligation of the purchasers thereof unless expressly assumed by them.

Neither the assessments nor the costs of collection shall be a lien upon any Common Property nor shall the lien upon any Lot for such charges be senior to any first lien mortgage of first lien deed of trust regardless of the fact the lien arose prior to the date and time of recording of any such first lien mortgage or deed of trust. Neither shall any first mortgagee nor the beneficiary of any such first lien deed of trust nor any federal or state agencies or instrumentality's (including, without limitation, the Veterans Administration and the Federal Housing Administration) that acquire title to any such Lot whether as a result of foreclosure of said Lot or the conveyance to the holder of such indenture in lieu of foreclosure or as the result of any such agency or instrumentality becoming the owner of such Lot as a result of having insured or guaranteed the loan secured by the mortgage or deed of trust that was subject to foreclosure or a deed in lieu thereof.

Section 17 Easements

Reserved in Virginia Land and Forest Corporation are easements for the purpose of installation of utility lines, including but not limited to sewer lines, electric lines and telephone lines. Said easements are to be fifteen feet (15') in width along all roadways and twenty feet (20') in width along all lot side lines and lot rear lines. These reserved easements may be conveyed unto the proper utility companies and/or governmental authorities by Virginia Land and Forest Corporation as required by said utility companies or governmental authorities.

Section 18 Ingress and Egress

The Declarant shall construct all right of ways and roads used for ingress and egress according to state specifications as described on the above-mentioned plat. The private roads will be built and maintained by Virginia Land & Forest until they are adopted into the state road system, or for three (3) years after final Plat recordation. After this three (3) year period and in the event that the roads have not been adopted by the State road system, road maintenance will become the responsibility of the Association. Common area driveways will be maintained by the Association.

Each property owner shall be responsible for repair of any damage to roads in the Subdivision, resulting from the willful or negligent acts of himself or his agents, servants, lessees or employees. Each property owner agrees to perform any such repairs at his or

her own expense within a reasonable time, but not in excess of thirty (30) days after written notice of such damages have been sent to the property owner from Declarant or the Association.

Virginia Land & Forest shall permit the crossing of all subdivision roadways as may be necessary to install and maintain conveyance lines for sewer lines which are shown on the recorded plat. This permit shall be perpetual, without interruption, for as long as Virginia Land & Forest Corporation is the owner of record of said roadway. In the event ownership of the roads is transferred to the Property Owners Association prior to the adoption of said roads by the Virginia Department of Highways, this permit shall convey with ownership to the Property Owners Association and cannot be withdrawn.

Any such crossings shall be installed in compliance with Virginia Department of Transportation specifications, and the bonding requirements shall be met in full by the Twin Harbors Property Owners Association upon demand and as a condition of said roads being adopted into the Virginia State road system.

Section 19 Fences

Except for enclosing the perimeters of swimming pools, tennis courts and/or pet enclosures, no chain link fences will be permitted for use on any Lot. All perimeter fencing shall be wood pickets, split rail, stone, brick or wrought iron or other similar approved materials. Perimeter fences shall not exceed five (5) feet in height. All buildings, additions, fences, and other structures must be approved, in writing, by the Architectural Control Committee prior to start of construction.

Section 20 Hunting

Twin Harbors is a nature preserve and no hunting or trapping of animals shall be permitted. Furthermore, the discharge of firearms on any of the properties of Twin Harbors shall not be permitted.

Section 21 Lot Clearing

In order to maintain the natural and scenic resources, to promote the conservation of soils, wetlands, woodlands, beaches, tidal marshes, wild life, game and migratory birds, to enhance open areas and open spaces, to afford and enhance recreational opportunities and preserve historical sites, the Declarant, its heirs and assigns preserves the sole right to restrict the clearing, grading, tree removal, or construction activity which may take place on any Lot. Before beginning any activity as mentioned in this Section, the Lot owner shall acquire written consent from the Architectural Control Committee.

Section 22 Limitation

Nothing herein contained shall be construed as imposing any covenants and restrictions on any property of the Declarant other than the Property that is subjected to these Covenants.

ARTICLE III

ARCHITECTURAL CONTROL COMMITTEE

In order to control, consistent with this Declaration, the design and location of improvements to be constructed, erected, placed, or installed (the "Improvements") upon the Lots in the subdivision, the Declarant hereby creates an Architectural Control Committee for the purpose of reviewing, approving, suggesting changes to, and rejecting plans and specifications for such Improvements.

Section 1 The Committee shall be controlled by the Declarant until a certificate of occupancy is issued for the residences on all the Lots in Twin Harbors subdivision (all phases), provided Declarant, by written notice to the Lot Owners, may elect to relinquish control of the Committee to the Lot Owners at an earlier date, and in either case the control of the committee shall then automatically dissolve and pass to the Lot Owners. During the period of control by the Declarant, the Committee shall be composed of such members, not to exceed three, as Declarant designates. The Committee shall be composed of three members upon the Lot Owners taking control who shall be elected by a majority vote of the members of the Lot Owners at a meeting of the Lot Owners called for this purpose.

Section 2 (a) No building, fence, wall, outbuilding, driveway or any other structure may be commenced, erected, placed, maintained or altered on any Lot or combination of contiguous Lots, until; (1) the Complete Construction Plans (the "Plans") are approved, in writing, by the Committee or its designated agents; (2) County and/or state permits are issued to prove compliance with all state and local building codes, zoning requirements, health department requirements and all other applicable law and ordinances; (3) compliance with the minimum standards set out in the attached Twin Harbors Architectural Guidelines, which are by reference made a part of these Protective Covenants.

(b) The Plans shall include the name of the building, complete construction plans, the plot plan, building-area calculations and material specifications, to indicate exterior color and finish.

Section 3 The Committee or its designated agents shall have thirty (30) days after physical receipt of the Plans to accept or reject the same in whole or in part. If no response by the Committee has been made in writing within said 30 days, the Plans shall be deemed to be approved as submitted. After the Plans are approved and after the Committee gives written permission for construction to begin, the actual construction shall be commenced and completed in accordance with approved Plans, together with the requirements of the Declaration.

Section 4 The actual construction shall be the responsibility of the Owner of the Lot and his builder. Any permission granted for construction under this covenant shall not constitute or be construed as an approval, warranty, or guaranty, express or implied, by the Declarant or the Committee or its designated agent of the structural stability, compliance with any applicable law, ordinance or regulation related to design and/or construction; or quality of any building or other improvement or of the contractor who constructs such buildings or other improvements.

Section 5 All exterior construction of Dwellings must be completed within six months after beginning initial construction.

Section 6 The Committee shall have the right to charge a reasonable fee for receiving and reviewing each application. The Committee reserves the right to establish such fee as may be needed to cover its actual costs of review and administration.

ARTICLE IV

CAPTIONS, ENFORCEMENT, AND INVALIDATION

Section 1 Whenever the context and construction so require, all words used in the singular number herein shall be deemed to have been used in the plural, and vice versa, and the masculine gender shall include the female and neuter, and neuter shall include the masculine and feminine.

Section 2 The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Declaration nor the intent of any provisions hereof.

Section 3 Enforcement 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 to recover damages. In the event it is necessary to enforce this Declaration by appropriate legal or equitable proceedings, the party or parties violating or attempting to violate the same, shall be liable for the cost of such proceedings including reasonable attorney's fee. The Declarant or any Lot owner may institute enforcement proceedings, but is not required to do so. Invalidation of any one of more of these covenants by judgment or court shall not adversely affect the balance of this Declaration, which shall remain in full force and effect.

Section 4 No automobiles or other motor vehicles shall be parked in the right-of-ways or roads of the Subdivision, and no street parking is permitted by Lot Owners. Visitors, guests, delivery vehicles or other legitimately using said roads and streets are excepted and are permitted to temporarily park along said streets as may be prescribed by law. Automobile parking will be allowed in a designated area between lots 28 and 29 and 39 and 40 for use of the common areas.

Section 5 In the event of any conflict between the provisions of this document and the Plat drawings and/or specifications, the constraints reflected in the Plat shall govern. Any conflict existing within the provisions of this instrument itself shall result in application of the most restrictive provision herein. Any structures and/or improvements located upon any Lot and pre-existing the recordation of this instrument are exempt from any restrictions in this instrument which would otherwise result in a violation thereof. However, alteration or replacement of any part of said structures and/or the addition of improvements, aside from routine maintenance, requires compliance with these provisions in their entirety.

Section 6 Declarant reserves the right to amend, delete, or add to these covenants and restrictions as it deems necessary and to add additional parcels of land to the Twin Harbors Subdivision and to be governed by these Protective Covenants and any amendments thereof.

Declarant reserves the right to add additional Lots subdivided from adjacent land to Twin Harbors, and the owners thereof shall have the same use, enjoyment, and responsibility for maintenance of all roads, common areas, etc.

The execution of the Covenants adding additional properties to the Declaration and expanding the Subdivision may be made by the Declarant acting alone. All other amendments to this Declaration shall require an affirmative vote of at least two-thirds (2/3) of the Lot Owners of Twin Harbors as defined in Article I, Section 5 herein, unless otherwise provided by this document.

ARTICLE V

THIS DECLARATION RUNS WITH THE LAND

These covenants are to run with the land and shall benefit and be binding upon all parties and persons (and their respective heirs, representatives, successors, and assigns) claiming title to any part of the Property herein described for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive period of ten (10) years, unless an instrument signed by a fifty-one (51%) majority of the then owners of the Lots has been recorded agreeing to change the said Covenants in whole or in part.

NOW, THEREFORE, in accordance with the recitals which by this reference are made a substantive part hereof, Declarant declares that all of the property described on said recorded plats and all of the property described on said recorded Declaration by recorded supplements hereto referencing subsequently recorded plats, shall be held, sold, and conveyed subject to these easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of Twin Harbors as it now exists and is hereafter expanded and that such easements, restrictions, covenants, and

conditions shall burden and run with said real property and be binding on all parties now or hereafter owning said real property and their respective heirs, successors, and assigns, having any right title or interest in the properties now or hereafter subject to this Declaration or any part thereof, and shall inure to the benefit of each owner thereof and burden each owner's real property that is subjected to this Declaration.

IN WITNESS WHEREOF, the undersigned has executed the within indenture, and impressed thereon its corporate seal, with authority duly given by its Board of Directors, the date first set for above.

Virginia Land & Forest, Inc.

Patrick F. Rondeau
Patrick F. Rondeau, President

Daniel C. Koscher
Daniel C. Koscher, Assistant Secretary

STATE OF FLORIDA

CITY/COUNTY OF PALM BEACH, to wit:

The foregoing instrument was acknowledged before me this 19 day of JULY, 1996, by PATRICK E. RONDEAU, President and duly authorized officer of Virginia Land and Forest Corporation.

My commission expires:

Jeffrey C. Lorend
Notary Public

(SEAL)



Notary Public, State of Florida
JEFFREY C. LOREND
My Comm. Exp. Nov. 11, 1997
Comm. No. CC 329606

STATE OF FloridaCITY/COUNTY OF Palm Beach, to wit:

The foregoing instrument was acknowledged before me this 19 day of July, 1996, by Daniel C. Koscher, President and duly authorized officer of Virginia Land and Forest Corporation. Asst. Secretary

My commission expires:

Jeffrey C. Lorenz
Notary Public

(SEAL)

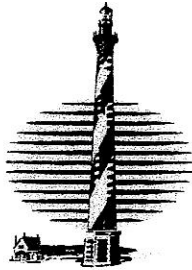


Notary Public, State of Florida
JEFFREY C. LORENZ
My Comm. Exp. Nov. 11, 1997
Comm. No. CC 329606

VIRGINIA:

In the Clerk's Office of the Circuit Court of Northumberland County July 23, 1996, the foregoing instrument was this day presented and with certificate annexed, admitted to record at 11:07 A.M. after payment of \$ —0— State Tax \$ —0— Local Tax and \$ —0— imposed by Section 58-54.1.

Teste: Emily D. Thomas, Deputy Clerk



BYLAWS OF THE TWIN HARBORS HOMEOWNERS ASSOCIATION

ARTICLE I: IDENTITY.

These bylaws shall apply to the property comprising Twin Harbors in the Heathsville Magisterial District, Northumberland County, Virginia.

Section 1. Provisions of the Declaration of Protective Covenants of Twin Harbors (The "Declaration") and the Articles of Incorporation of the Twin Harbors Homeowners Association ("The Articles of Incorporation") are to control. The provisions of these bylaws are applicable to Twin Harbors, (the "Development") and the terms and provisions hereof are expressly subject to those terms, provisions, conditions, restrictions and authorizations contained in the Articles of Incorporation and the Declaration which have been recorded in the Clerk's Office of the Circuit court of Northumberland County, Virginia, with the provisions of the Articles of Incorporation and Declaration controlling wherever the same may be in conflict herewith.

Section 2. Office. The office of the Association shall be c/o Leslie W. Kilduff, Jr., whose address is Burke & Kilduff, PC, 48 Main Street Kilmarnock, VA, 22482, (804) 453-0851, or such other place as the Board of Directors shall designate from time to time.

Section 3. Definitions.

a. "Association" shall mean and refer to the Twin Harbors Homeowners Association, its successors and assigns.

b. "The Properties" shall mean and refer to that certain real property described in the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

c. "Common Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of The Properties and intended to be devoted to the common use and enjoyment of the owners of The Properties

d. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of The Properties with the exception of Common Properties as heretofore defined.

e. "Owner" Shall mean and refer to the recorded owner, whether one or more persons or entities, of the fee simple title to any lot situated upon The Properties but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

f. "Member" Shall mean and refer to those persons entitled to memberships as provided in the Declaration.

g. "The Board" Shall mean and refer to the Board of Directors.

h. "Written Approval" Shall mean written or electronic approval.

i. "Written Notice" Shall mean written or electronic notice.

Section 4. Powers of the Association. The Association shall have, in addition to those powers listed in the Articles of Incorporation, all of the powers reasonably necessary to implement and effectuate the rules and objectives set forth in the Declaration, these Bylaws and all other documents pertaining to the Development.

ARTICLE II. MEETING OF THE MEMBERS.

Section 1. Annual Meeting. Each regular annual meeting of the members shall be held on the same day of the same month of each year. If the day for the annual meeting of the members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special Meetings of the members may be called by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid at least 15 days before such meeting to each member entitled to vote thereat, addressed to the members address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of the members of 30 members entitled to vote or of proxies entitled to vote shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, shall without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 5. Proxies. At all meeting of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

Section 6. Order of Business. The order of business at all meetings of the Association shall be as follows:

- (a.) Roll call and certifying of proxies.
- (b.) Proof of notice of meeting.
- (c.) Reading of minutes of previous meeting.
- (d.) Report of Board of Directors and Officers.
- (e.) Reports of Committees, if any.
- (f.) Election or appointment of inspectors of election (when so required).
- (g.) Election of Directors.
- (h.) Unfinished Business.
- (I.) New Business.
- (j.) Adjournment.

Section 7. Voting. Each Lot Owner shall have one vote. Where the Ownership of a lot is in more than one person or Corporation or other entity, the vote applicable to that Lot shall be cast by the one person named in a certificate signed by all of the Owners of the lot and filed with the Secretary of the Association, and such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose. No Lot owner may vote at any meeting of the Association if the annual dues for the lot has not been paid at the time of the meeting, nor may any member vote or be elected to serve as an Officer of the Association if the Association has perfected a lien against this lot and the amount necessary to release such lien has not been paid at the time of such meeting or election.

Section 8. Conduct of Meetings. The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted and all transactions occurring at the meeting. The current edition of Robert's Rules of Order shall govern the conduct of all meetings

of The Association. All votes shall be tallied by inspectors appointed by the President or other Officer presiding over the meeting.

ARTICLE III. BOARD OF DIRECTORS, SELECTION, TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of a minimum of seven (7) Directors who need not be members of the Association.

Section. 2. Term of Office. Directors shall serve a three year term, and at each annual meeting the members shall elect those Directors whose terms are expiring for a term of three years. If more Directors are elected, Directors terms are to be uniformly staggered so that after three years, all Directors shall be serving three year terms.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be elected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE IV. NOMINATION AND ELECTION OF DIRECTORS.

Section 1. Nomination. Nomination(s) for the Board of Directors and the Architectural Control Committee shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE V. MEETINGS OF DIRECTORS.

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held semi-annually without notice, at such place and hour as may be fixed by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days written notice to each Director.

Section 3. Quorum. A majority of the number of Directors constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Waiver of Notice. Any member may at any time in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time, place and purpose of such meeting, unless such member attends for the specific purpose of challenging such notice. If all members are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 5. Conduct of Meetings. The President who shall be a Director shall preside over all meetings of the Board of Directors and the Secretary who may, but does not have to be a Director, shall keep a minute book by the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration of Covenants, Conditions and Restrictions.

ARTICLE VI. LIABILITY OF BOARD OF DIRECTORS, OFFICERS, LOT OWNERS AND ASSOCIATION.

Section 1. The officers and members of the Board of Directors of the Association shall not be liable to the Association for any mistake of judgment caused by

negligence or otherwise, except for their own individual willful, misconduct or bad faith. The Association shall indemnify and hold harmless each member of the Association (including Officers and Board of Directors members that are not lot owners) from and against all contractual liability to others arising out of contracts made by the Officers or the Board of Directors on behalf of the Association unless such contract shall have been made in bad faith or contrary to the provisions of the provisions of the Declaration, Articles of Incorporation, or bylaws in which case those persons dealing in bad faith or dealing knowingly in a contrary manner to the aforesaid provisions shall not be indemnified. Other than has previously been stated in this section, Officers and Members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association and shall be considered as only acting as agents for the Association. The liability, if any, of any Lot Owner arising out of any contract made by the Officers or Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors or Officers, or for damages as a result of injuries arising in connection with the Common Properties solely by virtue of his ownership of an interest therein for liabilities incurred by the Association, shall be limited to the total liability multiplied by his interest. Every agreement made by the Officers, the Board of Directors or the Managing Agent on behalf of the Association shall, if obtainable, provide that the officers, the Board of Directors or the Managing Agent, as the case may be, are acting only as agents of the Association and shall have no personal liability thereunder (except as Lot Owner), and that each Lot Owner's liability thereunder shall be limited to the total liability thereunder multiplied by his interest.

Section 2. Each Officer of the Association shall exercise his powers and duties in good faith and with a view to the interests of the Lot Owners. No contract or other transaction between the Association and any of its members, or between the Association and any Corporation, firm or Association in which any of the members of the Association are members or officers or are pecuniarily or otherwise interested, is either void or voidable because any such member is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

a. The fact of the common membership of interest is disclosed or known to the majority of the Board of Directors or noted in the minutes, and the Board of Directors authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

b. The fact of the common membership of interest is disclosed or known to at least a majority of the Lot Owners , and the Lot Owners approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

c. The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

d. Any common or interested members may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorized, approved, or ratifies any contract or transaction, and may vote thereat to authorize or disallow any contract or transaction with like force and effect as if such member were not such member or officer of the Association or not so interested.

ARTICLE VII. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

Section 1. Powers. The Board of Directors shall have the power to:

a. Adopt and publish rules and regulations governing the use of the Common Properties and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.

b. Establish the amount of the annual dues. The Board has the power to Increase the initial amount of \$150.00 per year established by Article II, Section 14, of The Declaration by an amount necessary to cover the cost of operations of the Association.

c. Suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed sixty (60) days for infraction of published rules and regulations.

d. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these bylaws, the Articles of Incorporation or the Declaration.

e. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three consecutive regular meetings of the Board of Directors; and

f. Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- a. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- b. Cause the Common properties to be maintained.

ARTICLE VIII. OFFICERS AND THEIR DUTIES.

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors,
A Secretary, and a Treasurer, and such other Officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year unless he shall sooner resign, or be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or to the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed so such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The office of the Secretary and the Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other officers except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

a. PRESIDENT. The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments, shall co-sign all promissory notes and shall co-sign all checks in excess of \$500.00.

b. VICE-PRESIDENT. The Vice-President shall act in the place and stand of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

c. SECRETARY. The Secretary shall record the votes and keep the minutes of all proceedings Board and of the members; keep the Corporate seal of the Association and affix it to all papers requiring such seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

d. TREASURER. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep property books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy to each of the members.

ARTICLE IX. COMMITTEES.

The Association shall elect an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X. BOOKS AND RECORDS.

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable costs.

ARTICLE XI. ASSESSMENTS.

As more fully provided in the Declaration and in Article VII, Section 1. b above, each member is obligated to pay to the Association the annual dues and special assessments which are secured by a continuing lien upon the property against which the assessment is made, any assessments which are not paid when due shall be delinquent. Any assessment not paid within thirty (30) days after the date of the assessment shall bear interest from the date of delinquency at the maximum rate allowed by laws of the State of Virginia, and the Association may bring any action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Common Properties or abandonment of his lot.

ARTICLE XII. CORPORATE SEAL.

The Association shall have a seal in circular form having within its circumference the words:

TWIN HARBORS HOMEOWNERS ASSOCIATION

ARTICLE XIII. AMENDMENT.

These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of quorum of members present in person or by proxy, except that the Federal Housing Authority or the Veteran's Administration shall have the right to veto amendments.

ARTICLE XIV. MISCELLANEOUS.

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year.