

THE GREEN, INC.

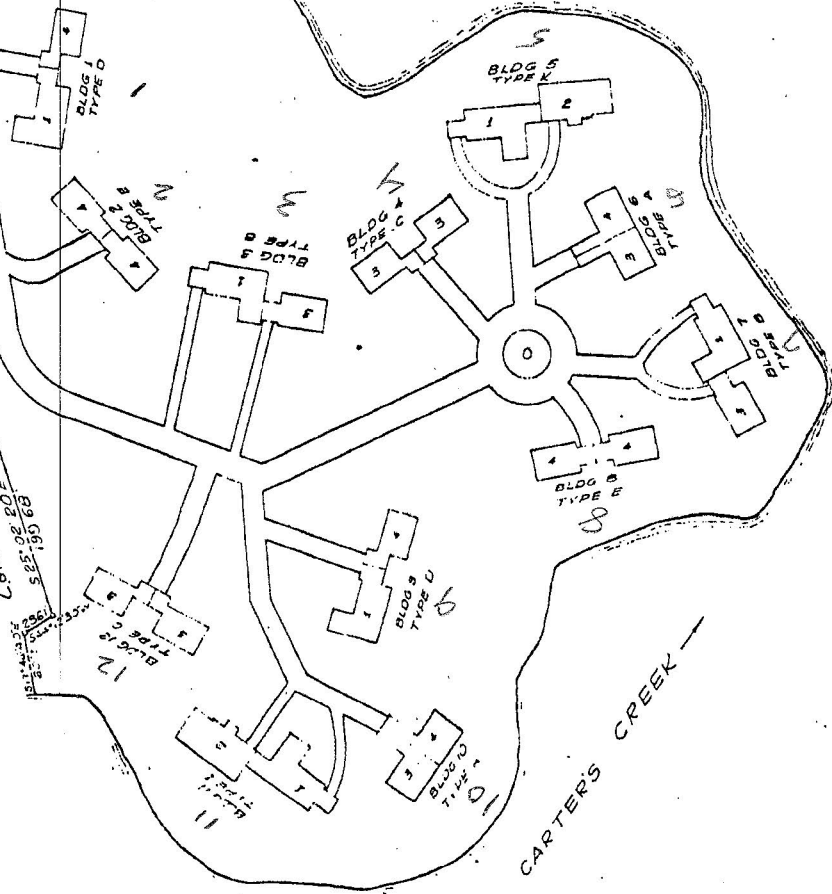
WHITE STONE MAGISTERIAL DISTRICT
LANCASTER COUNTY, VIRGINIA

J. GEORGE HOLLERITH

THE TIDES INY, INC.
S 82° 33' 12" W
1/4 50' S 82° 48' 20" W
1978.53

M. O. POZIS
S 55° E 91' 3.48

S 117° 46' 40" E
517.46 40E
127.22
L. R. LEIGH
S 82° 02' 20" E
525.02 20E
195.68



CARTER'S CREEK

Filed - The Green Inc.
Irvington, Va. 6-15-71

BOOK 164 PAGE 517

MASTER DEED

"THE GREEN" CONDOMINIUM PROJECT

THIS MASTER DEED, Made this 27th day of May, 1971, by "THE GREEN, INC" of Irvington, Virginia, hereinafter called "Developer" and by W. Garland Clarke and M. Ray Johnston, Trustees, of Kilmarnock, Virginia and Chesapeake National Bank, Kilmarnock, Virginia for the purpose of submitting the property hereinafter described on the attached plat to the Horizontal Property Act of the Commonwealth of Virginia (Chapter 4.1, Title 55; Sections 55-79.1 through 55-79.38, Code of Virginia, 1950, as amended), hereinafter referred to as the Act, and in accordance with its provisions.

WITNESSETH:

WHEREAS, Developer is the sole owner in fee simple of the tract of land hereinafter described and of the incorporeal hereditaments appertaining thereto as set forth herein, and intends to improve the same as hereinafter set forth; and

WHEREAS, the said real estate is subject to a certain deed of trust made by the Developer to W. Garland Clarke and M. Ray Johnston, Trustees, to secure a certain note payable to the order of Chesapeake National Bank, Kilmarnock, Virginia, said deed of trust appearing of record in the office of the Clerk of the Circuit Court of Lancaster County, Virginia in Deed Book 163 at Page 11.

WHEREAS, the Developer intends by this Master Deed to submit the said tract of land, appurtenant hereditaments thereto, and all improvements thereon to be made, to the provisions of the Act, as hereinafter set out, and W. Garland Clarke and M. Ray Johnston, Trustees, under the aforesaid deed of trust, and Chesapeake National Bank, beneficiary of the note secured thereby, by their joining herein, approve, ratify, and confirm the actions set forth herein by the Developer.

NOW THEREFORE, the Developer hereby makes the following declarations as to the definitions, divisions, description, restrictions, covenants, limitations, conditions, rights, privileges, obligations, and liabilities which shall apply to, govern, control, and regulate the sale, re-sale, or other dispositions, encumbrance, acquisition,

ownership, use, occupancy and enjoyment of the property and all parts thereof and the freehold estates hereby established, hereby specifying and agreeing that the provisions and contents of this Master Deed shall be and constitute covenants to run with the land and shall be binding on the Developer, its grantees, successors, or assigns and all subsequent owners of all or any part of the said property and their grantees, successors, heirs, devisees, executors, administrators, or assigns, to-wit:

1. DEFINITIONS. As used herein, unless the context otherwise requires, or unless such terms be herein otherwise defined, the terms defined in Section 55-79.2, Code of Virginia, 1950, as amended, shall have the meanings assigned to them in said Sections.

2. BUILDINGS. The apartment buildings to be constructed on the tract of land submitted to the Act by this Master Deed will consist of separate free standing buildings, one, one and a half, and two stories without basements, of brick, frame and brick, and frame construction, each containing two apartments. There will be eventually, according to the intentions of the Developer, twelve (12) separate buildings with two apartments to each building, as shown on the attached plat.

(a) The two apartments in each building will be derived from two of the four basic plans. Plan #1 is one story consisting of living room with fireplace, dining room, two bedrooms (or one bedroom and den), two bathrooms each with tub, entrance foyer, kitchen, utility room and screened porch. This unit contains approximately 1,775 square feet of living area, including utility area, and 260 square feet in screened porch. Plan #2 is one story consisting of living room with fireplace, dining room, two bedrooms, den, two bathrooms each with tub, entrance foyer, kitchen, utility room and screened porch. This unit contains approximately 2,017 square feet of living area, including utility area, and 260 square feet in screened porch. Plan #3 is one and one half story consisting of, on the first story, living room with fireplace, dining room, entrance foyer, half bath (no shower or tub), kitchen, utility room, and screened porch. The second story contains two bedrooms and two bathrooms, each with tub. This unit contains approximately 2,082 square feet of living area, including utility area, and approximately 260 square feet in screened porch. Plan #4 is two stories consisting of, on the first story, living room with fireplace, dining room, entrance foyer, half bath (no shower or tub),

kitchen, utility room and screened porch, and the second story contains three bedrooms and two bathrooms, each with tub. This unit contains approximately 2,153 square feet of living area, including utility area, and approximately 260 square feet in screened porch. Access to each apartment has direct exit to the outside.

(b) Each apartment will be somewhat similar as to interior finish. The buildings may differ in exterior trim, entrances, alignment of windows, roof lines and other features affecting external appearance.

3. BOUNDARIES AND COMPOSITION OF RESIDENTIAL UNITS.

The boundaries of each apartment unit are and shall be the exterior finished surfaces of the perimeter walls except for common wall between apartment units, which shall be the center line of this common wall, the exterior of the roof covering above each apartment unit and the lowest edge of first floor joist and the bottom of the footing under each apartment unit. Each apartment includes both the portions of the respective unit as described and the space so encompassed therein. Individual ownership shall further include the fixtures, equipment and appliances which are designed and intended solely for the benefit of and to serve exclusively the particular apartment unit in or to which the same are located or attached, and which are not designed or intended for the benefit, support, service, use or enjoyment of any other apartment.

4. COMMON ELEMENTS.

(a) The common elements shall consist of all of the land described on the attached plat together with all the improvements to be erected thereon except the individual apartments as defined herein and all easements of way reasonably necessary leading thereto; all incorporeal hereditaments intended and designed for the common and mutual use or benefit of all apartments specifically including the water mains, sewerage lines, and sewerage ejector, subject to the terms and conditions hereinafter more particularly set forth; and including the easements hereinafter set forth over, along and upon the private road leading from the State Highway to the condominium project.

(b) Each owner of an apartment shall be entitled to a one/twenty-fourth (1/24th) ownership in the common elements; and, as to the common elements, the ownership of each apartment shall have one vote, there being a total of twenty-four (24) votes.

5. USE OF COMMON ELEMENTS. Each apartment owner shall have the right to use and enjoy the common elements in common with all other apartment owners for the purpose for which they are intended and as may be required for the purpose of access and ingress to, and use and occupancy and enjoyment of the respective apartment unit owned by such co-owners, without hindering or encroaching upon the lawful rights of co-owners. Such rights to use the common elements shall extend to each apartment owner, the members of the immediate family of each apartment owner, the lawful occupant of each apartment and the guests and visitors of each apartment owner and/or authorized occupant of each apartment. Such right to use the common elements shall be subject to and governed by the provisions of the Act, of this Master Deed, and the By-Laws hereinafter mentioned, rules, regulations and resolutions lawfully made or adopted by the Council of Co-owners or by its governing board pursuant to the authority of the By-Laws. Each apartment owner shall be deemed to have an easement in the interest of all other apartment owners in the common elements for the installation, maintenance and repair of all individually owned fixtures, appliances and equipment which are affixed to, supported by, or located in any space or structure constituting part of the common elements. Each apartment owner shall be further deemed to have an easement in common with all other apartment owners in, upon, across, over, through and with respect to the common elements to the extent of such right to use such common elements.

6. UTILITY EASEMENTS. A valid easement is hereby granted and shall exist in each apartment and in each portion of the common elements for the benefit of each apartment owner, and each utility company, and the council of co-owners for the installation, maintenance, repair, removal, or replacement of any and all utility lines, pipes, wires, conduits, sewerage lines, facilities, and equipment, serving the apartment building or buildings as a whole or any individual apartment, and the ownership of the apartments and the interest in the common elements shall be subject to such easements

7. COUNCIL OF CO-OWNERS. Each owner of an apartment shall automatically be a member of the council of co-owners which shall be the governing and administrative body for all apartment owners for the protection, preservation, upkeep, maintenance, repair and replacement of the common elements and the government,

operation and administration of the entire property as a whole, and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership shall automatically cease. Upon any transfer of ownership of any apartment, regardless of how accomplished, the new apartment owner acquiring or succeeding to such ownership interest shall likewise automatically succeed to such membership in the council of co-owners.

The aggregate number of votes for all members of the council of co-owners shall equal the number of apartment buildings multiplied by two, the owner or owners of each apartment being entitled to one vote. If any person, including the Developer shall own more than one apartment, his representation for voting purposes shall be determined by his aggregate interest, so that he may exercise the voting rights allocated to each apartment owned by him. In the event an apartment unit shall be jointly owned by more than one person, then the vote allocated to such apartment unit shall be divided between and may be proportionately and independently exercised by each joint owner in proportion to their respective ownership interests. The Developer may exercise the voting rights with respect to unbuilt and/or unsold apartments while owned by the Developer.

8. GOVERNING BOARD. The council of co-owners may, if it so desires, elect a governing board to consist of not less than 3 members, who shall serve in such office, without pay or compensation, for such term as specified in the By-Laws of this condominium project. Such governing board shall have such power, duties, functions, authority, and responsibility, not in conflict with the Act or this Master Deed, as shall be specified in the By-Laws.

9. BY-LAWS. This condominium project so long as it shall remain subject to the Act, shall be in accordance with the By-Laws which shall have been initially adopted by the Developer as sole owner of the property, and which are attached hereto as an Exhibit and made a part hereof. These By-Laws may be amended from time to time by the council of co-owners in accordance with the provisions thereof. Any and all such amendments to the By-Laws shall be duly certified to by the presiding officer or other person designated by the council of co-owners, and a copy thereof shall be furnished to each co-owner. The By-Laws may not be amended to conflict with any provision of this

Master Deed except in the manner hereinafter provided for amending this Master Deed.

10. TEMPORARY ADMINISTRATION BY THE DEVELOPERS.

For the convenience of each purchaser of an apartment, the Developer shall exclusively have, exercise, and perform all of the rights, powers, authority, functions and duties herein or in the aforesaid By-Laws given to the council of co-owners, until such time as the Developer has sold and conveyed at least 10 apartments, or sooner at the election of the Developer, but within two and one-half (2½) years from the date hereof in any event. This service by the Developer shall be rendered without compensation and free of any costs or charge to the purchasers and owners of apartments. At the expiration of the term of management by the Developer, the Developer shall give notice of such to the owners of each apartment. Such notice shall also specify the date, time and place for a meeting of the apartment owners for the purpose of organizing the council of co-owners and taking such further steps as may be proper by such council.

11. COMMON EXPENSES - ASSESSMENTS. The owner or owners of each apartment shall be bound and obligated and agree to pay, as assessments therefor are made, their pro-rata share and part of the expenses of administration and of maintenance, repair, upkeep, protection, replacement and operation of the common elements, and of any other expenses lawfully agreed to by the council of co-owners or authorized by this Master Deed and the aforesaid By-Laws all of which expenses herein mentioned are in this Master Deed referred to as "Common Expenses". The pro-rata share of the common expenses as to the entire condominium project which shall be assessed against each apartment owner and which each apartment owner agrees to pay shall be in the same ration and proportion to his percentage of ownership of the common elements as set out herein. Assessments for common expenses and payment therefor shall be made as determined and provided for in the By-Laws as the same may be amended from time to time, and may include a reasonable sum to create reserves for contingencies of operation. The obligation of payments of the apartment owners shall be as set forth in the Act.

12. LIENS TO SECURE ASSESSMENTS. The assessments for common expenses shall be made against the owner or owners of each apartment and the apartment itself, and in the event that such apartment owner or owners shall fail or refuse to pay the pro-rata share of the common expenses assessed against them, or any part thereof, when

the same shall become due and payable as specified in the assessment, then the whole amount of such assessment remaining unpaid shall constitute a valid lien on such apartment for the benefit of all other apartment owners. All sums assessed by the council of co-owners but unpaid, for the share of the common expenses chargeable to any apartment shall constitute a lien on the apartment prior to all other liens except tax liens on the apartment in favor of any assessing unit, and all sums unpaid on any pre-existing valid first mortgage or deed of trust. The lien may be foreclosed by suit by the presiding officer of the council of co-owners, or by the governing board, or by any co-owner acting on behalf of the apartment owners, in like manner as the foreclosure or enforcement of the lien of a judgment. The president of the council of co-owners or any co-owner designated by the co-owners, acting on behalf of all co-owners, shall have the power to bid in the apartment at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit or action to recover a money judgment for unpaid common expenses shall be maintainable by the aforesaid person or persons on behalf of all apartment owners without foreclosing or waiving the lien securing the same.

Any owner of an apartment desiring to sell the same, or to subject the same to the lien of a deed of trust, may apply to the president of the council of co-owners for a certificate setting forth whether or not his apartment is subject to any lien herein created for any assessment for common expenses, and the amount of any such assessments secured by such lien, to be executed by the president of the council of co-owners and duly acknowledged as deeds are acknowledged, which certificate shall promptly be furnished to him upon payment by him into the general fund of the council of co-owners of the sum of \$1.00. Any purchaser of an apartment in reliance upon such certificate, and any holder of any evidence of indebtedness secured by a deed of trust taken in reliance on such certificate, and any purchaser at any foreclosure sale of any such deed of trust, shall take and hold any such apartment free and clear of any assessment liens arising under this section prior to the date of such certificate and not therein set forth.

Where any person obtains title to an apartment as the result of foreclosure of mortgage or deed of trust, the acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the council of co-owners

chargeable to the apartment which became due after the creation of the lien foreclosed and prior to the acquisition of title to the apartment by the acquirer; the unpaid share of such common expenses or assessments shall be deemed to be common expenses collectible from all of the co-owners including the acquirer, his successors and assigns.

13. UTILITIES. Each apartment owner shall pay for his own utilities which are separately metered or billed to each owner by the respective furnisher thereof. Utilities which are not separately billed or metered shall be treated as part of the common expenses and each owner shall pay his pro-rata part thereof. Provisions of this section shall be subject, insofar as the supply of water and sewerage disposal are concerned, to the provisions Section 27 and 28, below.

14. EASEMENTS AND ENCROACHMENTS. If any portion of the common elements shall actually encroach upon any apartment, if any apartment shall actually encroach upon any portion of the common elements, as the common elements actually and physically exist, or as shown by the respective survey plats and plans attached hereto, then there shall be deemed to be mutual valid easements for the encroachment and for the maintenance of same, so long as it stands. In the event the apartment building is totally or partially destroyed and then rebuilt, the owners of the apartment agree that all encroachments of or upon the common elements due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

15. ALTERATIONS, ADDITIONS AND IMPROVEMENTS. No alterations of any common element, or any additions or improvements thereto, shall be made by any apartment owner without the prior written approval of the council of co-owners. No apartment owner shall make any structural modification or substantial alterations in his apartment unit or the installation located therein except in the manner and pursuant to the provisions of the By-Laws.

16. MAINTENANCE, REPAIRS AND REPLACEMENT. Each apartment owner shall furnish, and be responsible for, at his own expense, all of the maintenance, repairs and replacements to his own apartment, both on the exterior and interior. Specifically, but without limitation, each apartment owner shall repair and/or replace his own individual furnace unit, his own cooking range, oven, refrigerator, kitchen appliances, interior

bathroom and kitchen fixtures, plumbing, equipment and appliances, individual lighting and electrical fixtures, all glass and/or plate glass which may be part of any window or wall of such apartment, all screening and all other elements, all interior and exterior decoration or painting, and contents of the apartment which are individually and privately owned. Maintenance, repairs and replacement of the common elements shall be furnished by the council of co-owners as part of the common expenses.

To the extent that equipment, facilities and fixtures within any apartment shall be connected to similar equipment, facilities and fixtures serving or affecting other apartments or the common elements, then reciprocal easements for the maintenance of same shall exist, and the use thereof by the individual apartment owners shall be subject to such rules and regulations as the council of co-owners shall adopt in respect thereto. All workmen and other persons authorized by the council of co-owners shall be entitled to reasonable access to the individual apartment units as may be required in connection with the maintenance, repairs or replacement of or to the common elements or any equipment, facilities or fixtures affecting or serving other apartments or the common elements.

17. DECORATING.

(a) Each apartment owner shall furnish and be responsible for, at his own cost and expense, all of the decorating, repair and replacement as to his own apartment from time to time, both interior and exterior, including painting, wall papering, washing, cleaning, panelling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior and exterior decorating. Each apartment owner shall own the area that constitute the boundaries of his apartment and shall be responsible therefor and maintain the same in good condition at his own expense as may be required from time to time. Decorating of the exterior of each apartment shall be approved by the council of co-owners.

18. LEGAL DESCRIPTION. The legal description of each apartment shall consist of the numbers and letter which shall identify such apartment as set forth in this Master Deed, and the identification by name of this condominium project, and shall conform in all respects to the requirements of the Act pertaining to the contents of deeds to apartments.

19. RESTRICTIONS, COVENANTS AND CONDITIONS. The following restrictions, covenants and conditions are placed upon each of the apartments affected hereby as a general plan or scheme of restrictions, for the benefit of each apartment, and shall constitute covenants running with the land, to-wit:

(1) All of the apartments in this condominium project shall be known and described as residential apartments and shall be used for residential purposes only so long as the property subjected hereby to the Act shall remain subject to such Act.

(2) Each residential apartment shall be used and occupied as a private, single-family dwelling unit only. No residential apartment shall be altered, remodeled, subdivided or converted into more than one single-family dwelling unit.

(3) No residential apartment shall be used or occupied for any professional office, business or commercial purpose, or any other non-residential purpose.

(4) No signs or posters of any kind shall be placed on any part of the common elements except as authorized by the council of co-owners, except that Developer may maintain a sign on the property to advertise or attract attention to the Project for so long as the Developer owns any apartment which is for sale.

20. PRESERVATION OF COMMUNITY INTERESTS. In order to maintain a community of congenial and financially responsible residents, and thus protect the value of the apartments, the transfer of an apartment by any owner other than the Developer shall be subject to the following provisions so long as the condominium exists and the buildings in which apartments are located in useful condition exist upon the land, which provisions each apartment owner covenants to observe:

A. Transfers subject to approval:

(1) Sale. No apartment owner may dispose of an apartment or any interest therein by sale without approval of the council of co-owners except to a resident apartment owner or the Developer.

(2) Lease. No unit owner may lease a unit or any part thereof for more than a term of 30 days without the approval of the council of co-owners except to a apartment unit owner or the Developer.

(3) Gift. If any apartment owner shall acquire his title by gift, the

continuance of his ownership of his apartment shall be subject to the approval of the council of co-owners.

(4) Devise or Inheritance. If any apartment owner shall acquire his title by devise or inheritance, the continuance of his ownership of his apartment shall be subject to the approval of the council of co-owners.

(5) Other Transfers. If any apartment owner shall acquire his title in any manner not heretofore considered in the foregoing subsections, the continuance of his ownership of his apartment shall be subject to the approval of the council of co-owners.

B. Approval by Council of Co-owners. The approval of the council of co-owners which is required for the transfer or ownership of apartments shall be obtained in the following manner:

I. Notice to Council of Co-owners.

(a) Sale. Apartment owner intending to make a bona fide sale of his apartment or of any interest therein shall promptly give to the council of co-owners written notice of such intention, together with the name and address of the intended purchaser, the purchase price and such other information concerning the intended purchaser and transaction as the council of co-owners may reasonably require. Such notice, at the apartment owner's option, may include a demand by the apartment owner that the council of co-owners either purchase or furnish a purchaser of the apartment if the proposed purchaser is not approved; and if such demand is made, the notice shall be accompanied by a copy of the contract to sell.

(b) Lease. Apartment owner intending to make a bona fide lease of his apartment or any interest therein for more than a term of 30 days, shall promptly give to the council of co-owners written notice of such intention, together with the name and address of the intended lessee, such other information concerning the intended lessee as the council of co-owners may reasonably require, and a copy of the proposed lease or contract therefor.

(c) Gift, Devise, Inheritance and Other Transfers. An apartment owner who has obtained his title by gift, devise, or inheritance, or in any other manner not heretofore mentioned, shall give the council of co-owners written notice of such acquisition of title, together with such information concerning the apartment owner as the council of

co-owners may reasonably require, and a certified copy of the Instrument whereby such apartment owner acquired title.

(d) Failure to Give Notice. If written notice to the council of co-owners as herein required is not duly given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of an apartment, the council of co-owners, at its election and without notice may approve or disapprove the transaction or ownership. If the council of co-owners disapproves the transaction or ownership, the council of co-owners shall proceed as if it had received the required notice on the date of such disapproval.

C. The Certificate of Approval.

1. Sale. If the proposed transaction is a sale, then within 21 days after receipt of written notice thereof and after information as hereinbefore provided, the council of co-owners shall either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the president of the council of co-owners in recordable form which may be recorded at the expense of the purchaser.

2. Lease. If the proposed transaction is a lease for a term of more than 30 days then within 10 days after receipt of such written notice and after information as hereinbefore provided the council of co-owners shall either approve or disapprove the proposed transaction. If approved, such approval shall be stated in a certificate executed by the president of the council of co-owners in recordable form which may be recorded by the lessee.

3. Gift, Devise, Inheritance, or Other Transfers. If the apartment owner giving notice as hereinbefore provided in this Section has acquired his title by gift, devise or inheritance or in any other manner, then within 21 days after receipt of such notice and information the council of co-owners shall either approve or disapprove the continuance of the apartment owner's ownership of his apartment. If approved, such approval shall be stated in a certificate executed by the president of the council of co-owners in recordable form which may be recorded at the expense of the apartment owner.

4. Approval of Corporate Owner or Purchaser. Inasmuch as the property may be used only for residential purposes and a corporation cannot occupy an apartment for such

use, if the apartment owner or purchaser of an apartment is a corporation, the approval of such ownership shall be conditioned upon such owner obtaining the approval of the council of co-owners as to all occupants of the apartment.

D. Disapproval by council of co-owners. If the council of co-owners shall disapprove a transfer or ownership of an apartment, the matter shall be disposed in the following manner.

1. Sale. If the proposed transaction is a sale and if the notice of sale given by the apartment owner to the council of co-owners shall so require, then within 21 days after receipt of such notice and other information required by the council of co-owners, the council shall deliver or mail by registered mail to the apartment owner an agreement executed either by the council or by a purchaser approved by the council of co-owners to purchase such apartment and to whom the apartment owner must sell the same, upon the following terms:

(a) At the option of the purchaser, to be stated in the agreement, the purchase price shall be either that stated in the disapproved contract to sell or the fair market value as determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the apartment; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(b) The purchase price shall be paid in cash.

(c) The sale shall be closed within 30 days after the delivery or mailing of said agreement to purchase, or within 10 days after the determination of the sale price if such is by arbitration, whichever is the later.

(d) A certificate of the council of co-owners executed by its president and approving the purchase shall be issued and may be recorded at the purchaser's expense.

(e) If the council of co-owners shall fail to purchase or to provide a purchaser upon the demand of the apartment owner in the manner provided, or if a purchaser furnished by the council of co-owners shall default in his agreement to purchase, then notwithstanding the council's disapproval of the proposed transaction, it shall nonetheless

be deemed to have been approved and the council of co-owners shall furnish such purchaser a certificate of approval as heretofore provided, which may be recorded by the purchaser.

2. Lease. If the proposed transaction is a lease, the apartment owner shall be advised of the disapproval in writing, and the lease shall not be made.

3. Gifts, Devise, Inheritance, or Other Transfers. If the apartment owner giving notice to the council has acquired his title by gift, devise or inheritance, or in any other manner not hereinbefore provided for, then within 21 days after receipt of such notice and other information required to be furnished, the council of co-owners shall deliver or mail by registered mail to the apartment owner an agreement to purchase the apartment concerned by a purchaser approved by the council of co-owners who will purchase and to whom the apartment owner must sell the apartment upon the following terms:

(a) The sale price shall be the fair market value as determined by agreement between the apartment owner and purchaser within 30 days from the delivery or mailing of such agreement, and in the absence of agreement as to price it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the apartment; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(b) The purchase price shall be paid in cash.

(c) The sale shall be closed within ten (10) days following the determination of the sale price.

(d) A certificate of the council of co-owners executed by its president, approving the purchaser shall be issued and may be recorded by the purchaser.

(e) If the council of co-owners shall fail to provide a purchaser as herein required, or if a purchaser furnished by the council of co-owners shall default in his agreement to purchase, then notwithstanding the council's disapproval such ownership shall be deemed to have been approved, and the council of co-owners shall furnish such apartment owner a certificate of approval, as hereinbefore provided, which may be recorded by the apartment owner.

4. Mortgage. No apartment owner may mortgage or subject to a deed of trust his apartment or any interest therein to a mortgagee without the approval of the council of co-owners, except to a bank, life insurance company, savings and loan association, for any purpose, or to a vendor to secure a portion or all of the purchase price. Approval of any other mortgagee may be granted upon conditions determined by or may be arbitrarily withheld by the council.

E. Exceptions. The foregoing provisions of this Section shall not apply to a transfer to or purchase by a bank, life insurance company or savings and loan association which acquires its title as the result of owning a mortgage or deed of trust upon the apartment concerned, whether the title is acquired by deed from the mortgagor, his successor or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company or savings and loan association which so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires the title to an apartment at a duly advertised public sale, with open bidding which is provided by law, such as but not limited to an execution sale, foreclosure sale, judicial sale or tax sale.

F. Unauthorized Transactions. Any sale, mortgage or lease which is not authorized pursuant to the terms of this Master Deed shall be invalid and ineffectual unless subsequently approved by the council of co-owners.

21. AMENDMENTS. Except as hereinbelow provided, the provisions of this Master Deed shall not be changed or amended except with the written consent of each and every owner of an apartment, representing a total 100% ownership of the common elements in the aggregate. Each amendment, agreed upon by all apartment owners as aforesaid, shall be filed for record in the same manner as the filing of this Master Deed and shall be filed in compliance with the applicable regulations of the Virginia Real Estate Commission.

Provided, however, that the Developer as owner of any apartment or apartments, reserve and shall at all times have the unconditional right to amend this Master Deed, without consent or approval of any other apartment owner, for the purpose of correcting any obvious typographical error in this Master Deed, or for the purpose of making this Master Deed comply with the mandatory provisions of the Act, if the same shall be deficient in any such respect.

22. NOTICES. Notices provided for in the Act, Master Deed or By-Laws shall be in writing and shall be addressed to the council of co-owners at its address or its representative which may be established from time to time and of which the apartment owners shall be notified. Notices to the apartment owners shall be sent to the mailing addresses of their respective apartments or to such other address which any apartment owner may in writing designate by notice in writing thereof to the council of co-owners or its representative.

23. SEVERABILITY. If any provisions of this Master Deed or the By-Laws of this condominium project or any section, sentence, paragraph, clause, phrase, or word or the application thereof in any circumstances, shall be held invalid or unenforceable, the validity or enforceability of the remainder of the Master Deed or the By-Laws and of the application of any such provision, section, clause, phrase or word in any other circumstances shall not be affected thereby.

24. INSURANCE. Each co-owner shall obtain and continue in effect, property insurance to insure his apartment building in or on the property against risk of loss or damage by fire and hazards such as are covered under standard extended coverage provisions. Each apartment owner and his mortgagee, if any, shall be a beneficiary of such insurance. All costs, charges, and premiums for such insurance shall be at the expense of the individual apartment owner.

25. RECONSTRUCTION - APPLICATION OF INSURANCE PROCEEDS.

(a) In case of any injury or damage to or destruction of any part of the property covered by insurance, the insurance indemnity and proceeds shall be applied to reconstruct or repair the building or property so damaged or destroyed.

(b) Reconstruction or repair shall be compulsory and where the insurance indemnity is insufficient to cover the cost of reconstruction and reconstruction is required as provided for herein and in the Act, the building or reconstruction costs in excess of the insurance proceeds shall be paid by all apartment owners directly affected by the damage. If reconstruction or repair is not undertaken within six months, the apartment owner relinquishes all rights and ownership of land and improvements in "The Green". Such ownership will revert to the council of co-owners.

26. PUBLIC LIABILITY AND OTHER INSURANCE. The council of co-owners shall also have the authority to and may obtain comprehensive public liability insurance, in such limits as it shall deem desirable, workmen's compensation insurance and such other liability insurance as it may deem desirable, insuring each apartment owner and the council of co-owners from and against liability in connection with the common elements and all costs, charges and premiums for all such insurance shall be common expenses.

Each apartment owner shall be responsible for his personal costs and expenses for his own personal insurance on the contents of his own apartment and his additions and improvements thereto and decorating and furnishing and personal property therein and his personal property stored elsewhere on the property, and his personal liability to the extent not covered by the liability insurance for all of the apartment owners obtained as a part of the common expenses as above provided.

27. WATER SUPPLY SYSTEM. The Tides Inn, Inc. has entered into a contract with The Green to furnish water, through an artesian well system located on the property of The Tides Inn, Inc. The Tides Inn agrees to bring the necessary water mains to the property line of The Green, however, any additional pump equipment needed will be at the cost to The Green and all costs of maintenance, operation, servicing and replacement of such pump and mains within the property of The Green shall be borne by the co-owners.

28. SEWERAGE SYSTEM. Stephens Realty Corporation has entered into a contract with The Green to furnish sewer facilities, through a sewerage treatment plant located on the property of The Tides Inn, Inc. Stephens Realty Corporation agrees to bring the necessary mains to the property of The Green, however, any additional ejector pumping equipment needed will be at the cost of The Green and all costs of maintenance, operation, servicing and replacement of such pump and mains within the property of The Green shall be borne by the co-owners.

29. ADMINISTRATIVE PROVISION. Neither the council of co-owners nor the governing board shall have authority to authorize and make any new capital improvement or major alteration of existing facilities not provided for herein which would result in an assessment of more than \$100.00 per apartment without the affirmative recorded vote of 75%

of the number of whole votes to be affected by such improvements, alterations, or assessments.

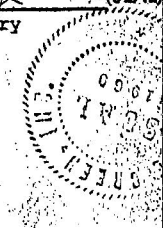
30. Subject to all of the terms and conditions herein set forth, all of the property hereinbefore described as being a portion of this condominium project, whether as common elements, or the apartments all of which is more specifically set forth in the attached "Description of Property", is hereby specifically subjected to the Act.

WITNESS the following signatures and seals:



CHESAPEAKE NATIONAL BANK
By [Signature] (SEAL)
President
ATTEST:
[Signature] (SEAL)
Secretary
W. Garland Clarke (SEAL)
Garland Clarke, Trustee
M. Ray Johnston (SEAL)
M. Ray Johnston, Trustee

THE GREEN, INC.
By [Signature] (SEAL)
President
ATTEST:
[Signature] (SEAL)
Secretary



STATE OF VIRGINIA,
COUNTY OF LANCASTER, to-wit:

I, Donna C. Dull, a Notary Public in and for the County and State aforesaid, whose commission expires on the 20th day of May, 1974, do hereby certify that Robert L. Stephens and E. A. Stephens, Jr., President and Secretary respectively of The Green, Inc. whose names are signed to the foregoing writing bearing date the 27th day of MAY, 1971, have this day acknowledged the same before me in my County and State aforesaid.

GIVEN under my hand this 27th day of May, 1971.

Donna C. Dull
Notary Public

STATE OF VIRGINIA,
COUNTY OF LANCASTER, to-wit:

I, Janet C. Lawson, a Notary Public in and for the County and State aforesaid, whose commission expires on the 2nd day of April, 19 74, do hereby certify that Douglas D. Monroe, Jr. and A. G. Lokey, President and Secretary respectively of Chesapeake National Bank whose names are signed to the foregoing writing bearing date the 27 day of May, 19 71, have this day acknowledged the same before me in my County and State aforesaid.

GIVEN under my hand this 27th day of May, 19 71.

Janet C. Lawson
Notary Public

STATE OF VIRGINIA,
COUNTY OF LANCASTER, to-wit:

I, Donna C. Dull, a Notary Public in and for the County and State aforesaid, whose commission expires on the 20th day of MAY, 19 74, do hereby certify that W. Garland Clarke and M. Ray Johnston, Trustees, whose names are signed to the foregoing writing bearing date the 20th day of MAY, 19 71, have this day acknowledged the same before me in my County and State aforesaid.

GIVEN under my hand this 27th day of MAY, 19 71.

Donna C. Dull
Notary Public

BY-LAWS

of

THE GREEN CONDOMINIUM PROJECT

ARTICLE I. - APPLICABILITY OF BY-LAWS

These By-Laws shall apply to the property comprising The Green Condominium Project, hereinafter referred to as "The Green" or "The Project", situate, lying and being in White Stone Magisterial District, Lancaster County, Virginia, upon submission thereof to the provisions of the Horizontal Property Act of the Commonwealth of Virginia (Sections 55-79.1 through 55-79.38, Code of Virginia, 1950, as amended), hereinafter sometimes referred to as "The Act", by the recordation in the Clerk's Office of the Circuit Court of Lancaster County, Virginia, of a certain master deed duly executed and acknowledged by Robert L. Stephens and E. A. Stephens, Jr., President and Secretary respectively of The Green, Inc., a Virginia Corporation with principal office at Irvington, Virginia, hereinafter sometimes referred to as the developers, to which these By-Laws are appended and of which they are made a part. The term "property", without modification, as used in these By-Laws shall be deemed to mean all of the property submitted to the Act by the said Master Deed.

ARTICLE II. - MANAGEMENT OF AFFAIRS OF THE GREEN

Section 1.

Subject to the provisions of numbered item 10 of the Master Deed of The Green Condominium Project, the affairs of the project insofar as they concern or financially affect more than one apartment building and the common elements thereunto appertaining shall be governed by the council of co-owners as established by the said Master Deed.

Section 2.

In the event the council of co-owners so desire, they may vest their authority in a governing board to consist of not less than three persons who shall be either developers or co-owners in this project, and who shall serve in such office without pay of

compensation, for a term of one year from the date specified for the beginning of the term when the first such governing board is elected, or until their duly elected successors shall qualify, but in no event for longer than a period of thirteen months from the beginning of their term. Such governing board shall have all of the authority vested in the council of co-owners with the exception of power to amend these By-Laws, and subject to the provisions of numbered Item 10 of the Master Deed.

Section 3.

The council of co-owners shall annually elect a president, who shall also be a member of the governing board if one is established, and the presiding officer thereof. Any notice required to be given to the council of co-owners shall be deemed duly given if mailed, postage prepaid, to the president of the council of co-owners at the post office address of the project (if required by the act or the Master Deed, such mailing shall be by Certified Mail). Unless mailing be specifically required by the Act or the Master Deed, such notice shall likewise be deemed duly given if the same be handed in person to the president of the council of co-owners.

Section 4.

Any vacancy or vacancies occurring on the governing board, if such be established, for any reason other than removal of a board member by vote of the apartment owners as hereinafter provided, may be filled by election from among the apartment owners or the developers by the then remaining members or member of the governing board, to fill such vacancy or vacancies for the unexpired term or terms of his or their predecessor or predecessors.

Section 5.

The council of co-owners may at any meeting remove for cause any one or more of the members of the governing board by a vote of a majority of the percentage of ownership interests of the general common elements of the project and a successor may then and there be elected by the council of co-owners to fill the vacancy or vacancies

so created. Any member of the governing board whose removal has been proposed by the council of co-owners shall be given an opportunity to be heard at such meeting.

Section 6.

The first meeting of the council of co-owners shall be held on such date and at such time and place on the project as the developers, to whom the temporary management of the project is given under item 10 of the Master Deed, shall determine. At such meeting a regular date for future annual meetings shall be established by the council of co-owners, and annual meetings shall be held in accordance with the date established thereafter upon ten days written notice to all co-owners by the president of the council of co-owners. Special meetings of the council of co-owners may be called at any time by the president of the council of co-owners, by any member of the governing board, or by co-owners together owning at least some interest in twenty-five percent of the apartments then in existence, upon written notice to all of the council of co-owners for not less than fifteen days setting forth the time and place of such meeting and a general statement of the purposes of the same. Any co-owner shall be deemed to have waived notice of any meeting, whether annual or special, if he or his proxy shall attend such meeting.

Section 7.

Any co-owner may designate any person eligible under the provisions of the Master Deed as his or her proxy, whether general or limited, provided that the designation or proxy shall be signed by the co-owner and duly mailed or delivered to the president of the council of co-owners. Such proxy shall be revocable at any time, either by written notice likewise mailed or delivered to the president of the council of co-owners, or upon the death or judicially determined incompetence of any apartment owner signing the same. Such proxy shall be deemed temporarily suspended as to any meeting in which the co-owner executing the same shall be actually present.

Section 8.

Representation, whether in person or by proxy, of any portion of the ownership of each of at least fifty percent of the apartments whose owners are entitled to vote, shall constitute a quorum at all meetings of the council of co-owners, whether general or special.

ARTICLE III. - USE AND MAINTENANCE OF UNITS AND COMMON ELEMENTS

Restrictions with regard to the use and maintenance of the units or apartments and the common elements, in addition to those set forth in the Master Deed, are as follows:

Section 1.

No part of the property shall be used for other than residential purposes except as otherwise expressly provided in the Master Deed or these By-Laws.

Section 2.

There shall be no obstruction of the common elements nor shall anything be stored in or upon the common elements, including boat and trailer, without the prior consent of the council of co-owners, except as hereinafter expressly provided. Each apartment owner shall be obligated to maintain and keep in good order and repair the apartment or apartments owned or controlled by him.

Section 3.

Nothing shall be done or kept in any apartment or in or on the common elements which will cause an increase in the rate of insurance of any building or the contents thereof, applicable for residential use, without the prior written consent of the council of co-owners. No apartment owner shall permit anything to be done or kept in his apartment or on the common elements which will result in the cancellation of insurance

on the building, or contents thereof, or which would be in violation of any law. No waste shall be committed in the common elements.

Section 4.

Apartment owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls or balconies of a building, and no sign, awning, canopy, shutter or radio or television antenna or other attachment or thing shall be affixed to or placed upon the exterior walls or roof or any other parts of the building, without the prior consent of the council of co-owners.

Section 5.

No animals, fowl or poultry of any kind shall be raised, bred, or kept in any apartment or in or on the common elements, except that dogs, cats or other household pets, not to exceed one per apartment, may be kept in the apartments, subject to the rules and regulations adopted, from time to time, by the council of co-owners of the building involved, provided such pets are not kept, bred, or maintained for any commercial purposes; and provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance or noise in the judgment of the council of co-owners shall be permanently removed from the Property subject to these restrictions upon three (3) days written notice from the council of co-owners to the owner of such pet. All pets must be leashed when outside of owner's apartment.

Section 6.

No obnoxious or offensive activity shall be carried on in any apartment or in or on the common elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other apartment owners or occupants.

Section 7.

Nothing shall be done or permitted in any apartment or in, on or to the common elements, which will impair the structural integrity of any buildings or which would

structurally change any building, except as otherwise provided in the Master Deed or these By-Laws.

Section 8.

No clothes, sheets, blankets, rugs, laundry, or other things shall be hung out or exposed on any part of the common elements. The common elements shall be kept free and clear of rubbish, debris, and other unsightly materials.

Section 9.

No industry, business, trade, occupation or profession of any kind, and no commercial or religious activities, educational or otherwise, designed for profit, altruism, exploitation, or otherwise, shall be conducted, practiced or permitted on any part of the Property. And no "For Sale", "For Rent", or "For Lease" signs or window or other advertising displays shall be maintained or permitted on any part of the Property or in any apartment therein, provided, however, that right is reserved by the developers and the council of co-owners, or agents thereof, to place "For Sale", "For Rent", or "For Lease" signs on any unsold or unoccupied units.

Section 10.

Nothing shall be altered or constructed in or removed from the common elements, except upon the prior written consent of the Council of Co-owners.

Section 11.

All apartment owners and members of their families, their guests, and occupants of apartments, and all lessees of apartments or other persons entitled to use the same, or to use and enjoy the common elements or any part or parts thereof, including but not limited to road ways, parking facilities and recreation facilities, shall observe and be governed by such rules and regulations as may, from time to time, be promulgated and issued by the Council of Co-owners.

ARTICLE IV. - ASSESSMENTS

Section 1.

The initial assessment for the general upkeep, maintenance and operation of the buildings and common elements shall be at the rate of seventy-six dollars per month per apartment, payable by the apartment owners to the council of co-owners (initially to the developers under the provisions of item 10 of the Master Deed) on the first day of each month.

Section 2.

The council of co-owners shall review annually the assessment rate, and, based upon prior experience, and reasonable estimates as to planned expenditures shall fix the assessment for the year. Each apartment owner shall be advised in the notice of the meeting for the purpose of fixing the annual assessment that such will be done at that meeting, and each member of the council of co-owners shall be promptly notified in writing of the assessment fixed at such meeting, which assessment shall be payable in the same manner as the initial assessment.

Section 3.

The assessment may be changed, when necessary, by any special meeting of the council of co-owners in the notice of which the intention to consider the assessment rate is mentioned, and in the event of a change in such rate each member of the council of co-owners shall forthwith be notified thereof and the changed assessment shall be payable in like manner as the initial assessment.

Section 4.

Notwithstanding any other provisions of these By-Laws to the contrary, no change shall be made in the assessment rate, except by the developers during the term of their management under item 10 of the Master Deed, without the affirmative consent of a majority of the votes eligible at a meeting of the council of co-owners.

7

Virginia, to wit

In the Clerk's Office of the Circuit Court of Lancaster County, the 28th day of May 1971 the foregoing writing was presented and with \$.15 in State Tax \$.05 County Tax paid was admitted to record at 11:30 o'clock A.M.

Teste:

Robert H. Lewis, Clerk-Dep. Clerk