

**DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
SLATEMONT PROPERTY OWNERS' ASSOCIATION**

This Declaration is made this 2nd day of July, 2015 by and between Slatemont Property Owners' Association, a Virginia non-stock corporation, herein referred to as "Declarant", and real property owners possessing an interest are hereinafter referred to as "Owners".

WHEREAS, Declarant is the Owners in fee simple of real estate existing in the development known as Slatemont in Floyd County, Va. and has decided to use that real estate for the common good of the Association Members; and

WHEREAS, the Association Members have decided to subject their property to certain covenants, restrictions, reservations, easements, servitudes, liens and charge, all of which are more particularly hereinafter set forth.

NOW THEREFORE, Declarant and Owners hereby covenant and declare, on behalf of themselves and their successors and assigns, that the said real estate owned by the signatories to these declarations shall, from the date of the recording of this Declaration, be held, conveyed, acquired and encumbered subject to the terms and provisions hereof, all of which shall run with the land and bind and inure to the benefit of all persons who may now or hereafter own or acquire any right, title, estate or interest in or to the said real estate. Or who may now or hereafter occupy or reside on any portion thereof.

ARTICLE I

INTERPRETIVE PROVISIONS

Section 1. Definitions. In this Declaration:

- (a) "Association Documents" shall mean the Articles of Incorporation, Bylaws, and Declaration of the Association, all as the same may be amended from time to time.
- (b) "Board of Directors" shall mean the Board of Directors of the Association.
- (c) "Upkeep" shall mean care, maintenance, operations, repair, repainting, remodeling, restoration, improvements, renovation, alteration, replacement and reconstruction.

- (d) “Fiscal Year” shall mean July 1 through June 30; or as defined by the Board of Directors.
- (e) “Assessments” shall mean an amount of money that must be paid by owners of residential property or lots to the Property Owners Association to assist with maintaining and improving community property. These assessments or dues are used to pay for expenses that arise from having and maintaining common property
- (f) “Infrastructure” shall mean roads, pump houses, well(s), and water lines in the common area.

Section 2. Captions. The captions in this Declaration are inserted only as a matter of convenience and for reference, and in no way limit or otherwise affect the scope, meaning or effect of any provision of this Declaration.

Section 3. Pronouns. Masculine singular pronouns are used in this Declaration only as a matter of convenience, and shall be construed to include persons of any gender or number.

Section 4. Severability. Each provision of this Declaration is severable from every other provision hereof, and the invalidity of any one or more provisions of this Declaration shall not change the meaning of or otherwise affect any other provision hereof.

Section 5. Conflicts. If there is any conflict between provisions of this Declaration, the Articles of Incorporation of the Association, the Bylaws of the Association, and/or a resolution adopted pursuant to any of the foregoing, the most stringent of the conflicting provision shall prevail.

ARTICLE II

COMMON AREA

Section 1. Upkeep. Upkeep of the common areas and infrastructure is the responsibility of the Association.

- a) Water Runoff. The Board of Directors is authorized to ditch roadways to minimize and divert water runoff as required to prevent damage to roadways.

Section 2. Right of use and Enjoyment. Appurtenant to each Lot, whether or not mentioned in the deed thereto, shall be an easement which is hereby created entitling all persons lawfully occupying or residing on the Lot to use and enjoy the Common Area in common with all persons lawfully occupying or residing on other Lots. Any purported conveyance or other transfer of that easement without the Lot to which it is appurtenant

shall be void. The easement created by this Section is subject to the right of the Association, in accordance with its Articles of Incorporation and Bylaws, to:

- (a) regulate the use and enjoyment of the Common Area.
- (b) suspend the rights granted by this Section in the case of persons who violate the Rules and Regulations promulgated by the Association, or who occupy or reside on Lots for which an assessment owed to the Association is due but not paid, except that no such suspension shall deny access to any Lot to persons lawfully entitled to occupy the same, and
- (c) dedicate, convey, or otherwise transfer the Common Area or any portion(s) thereof or estates or interests therein to any governments or governmental agencies, or to grant any easements over and through the same to any public utility companies.

ARTICLE III

EASEMENTS

Section 1. Encroachments and Support. If any improvement constituting part of any Lot or part of the Common Area now or hereafter encroaches on any (other) Lot or on the Common Area by reason of:

- (a) the original construction thereof,
- (b) deviations within normal construction tolerances in the upkeep of any improvement, or
- (c) the settling or shifting of any land or improvement, an easement is hereby granted to the extent of any such encroachment for the period of time the encroachment exists.

ARTICLE IV

UPKEEP OF THE LOTS

Section 1. Responsibility. Each Owner is responsible for the upkeep of his Lot and maintenance of any water lines on his Lot. If any Owner shall fail to keep his Lot in good repair and condition as when he acquired it (normal wear and tear excepted), the Board of Directors or any Architectural Control Committee created pursuant to the Bylaws may, pursuant to resolution, give notice to that Owner of the condition complained of, specifying generally the action to be taken to rectify that condition. If the Owner fails to rectify that condition within thirty (30) days of the date the notice is given, or such

shorter period as may be specified in the notice if the circumstances warrant a shorter period, the Association shall have the right, pursuant to any resolutions adopted by the Board of Directors, to rectify that condition by taking such action, or by causing such action to be taken, as was specified in the notice. The costs incurred by the Association in rectifying that condition shall be assessed against the Lot in question in accordance with Section 1 of Article VI.

Section 2. Easement of the Association. The Association is hereby granted an easement entitling its Directors, Officers, agents and employees, and independent contractors hired by the Association, to enter into or upon any Lot to the extent reasonably necessary to determine whether the Lot is being kept up as required by this Article and to take any action pursuant to this Article.

ARTICLE V

RESTRICTIONS

Section 1. Residential Use. The following restrictions apply, unless a specific exception is otherwise approved by the Board of Directors.

- (a) No Lot shall be used for any nonresidential purpose.
- (b) No building other than a residence and/or a residential garage shall be erected on the premises; except as specifically approved by the Board of Directors.
- (c) Plans for any new construction must be submitted to the Association Board for consultation, coordination, and approval prior to construction or permitting. Plans to be submitted to the Floyd County Building Department for permitting must first be submitted to the Board of Directors for approval.
- (d) The constructed residence must be of a minimum footprint of 800 square feet, and of permanent and quality construction.
- (e) The right of access for installation of utility services and their maintenance shall be reserved – water, power, etc.
- (f) Property owners shall agree to seek the betterment of the scenic values of the development, including cooperation in the removal and/or trimming of trees and growth pertinent to the views of adjoining property owners.
- (g) No mobile homes will be permitted.

- (h) No livestock permitted.
- (i) The use of streets as shown and dedicated shall be preserved.
- (j) All homes must be completed on the exterior within one year from the date of beginning construction.
- (k) No poles or towers may be erected on the property without prior consent of the Association Board of Directors.
- (l) No residence may be constructed on any Lot of less than 15,000 square feet.
- (m) No improvement or structure of a temporary character may be constructed anywhere on the property.
- (n) No owner may attach or affix any paint, sign, flag or anything whatsoever, to any portion of the Common Area.
- (o) No owner may place, keep or store anything on any portion of the Common Area.

Section 2. Nuisance. No person shall cause any unreasonably loud noise anywhere on the property, nor shall any person permit or engage in any activity, practice or behavior, for the purpose of causing annoyance, discomfort or disturbance to any person lawfully present on the Common Area or in any Lot, or which would interfere with the enjoyment of the Common Area or of any other Lot; but this provision shall not be construed as forbidding any work involved in the upkeep of any portion of the Property so long as such work is undertaken and carried out:

- (a) with the minimum practical disturbance to persons occupying or residing in (other) Lots;
- (b) in such a way as does not violate the rights of any person under other provisions of this Declaration; and

It is the responsibility of each homeowner to ensure all guests in their home adhere to all community guidelines.

Section 3. Access. No person shall do anything, which would impede the access of any other person to any portion of the Property to which that other person has the right to go.

Section 4. Tree Removal. No trees shall be cut or removed from the Common Property without written permission of the Board of Directors.

Section 5. Licensed Vehicles. All vehicles will be in working condition with current registration and license plates. If this is not the case, and the Association has not been notified of the vehicle's situation by the owner, the vehicle will be considered abandoned and the Association will impose fines after one (1) warning letter. Unpaid fines and non-rectification of the situation may result in towing of the vehicle at the owner's expense.

No continuous overnight parking of vehicles, boats, RVs, etc. is allowed in the common areas of the Association. No boats, RVs, etc. may be continuously parked or stored on owner's lot unless appropriately screened from view. The Association may impose fines after one (1) warning letter. Unpaid fines and non-rectification of the situation may result in towing of the vehicle at owner's expense.

Section 6. Unlicensed Vehicles. All unlicensed vehicles must be approved by the Board of Directors and must display a valid vehicle permit at all times. The Board of Directors shall have the right to deny approval for any vehicle permit if it is determined the vehicle would be disruptive to the community or cause damage to the roads. No trail and/or off-road two or four wheel vehicles are permitted within the community; except by authorized vehicle permit. This shall include, but not be limited to, "Four Wheelers", and trail bikes.

It is the responsibility of the owner to ensure all operators adhere to the following provisions.

- (a) Operate the vehicle on roads safely and cautiously, respecting the rights of others.
- (b) Operator of the vehicle must have a valid state issued learner's permit or driver's license. Anyone between the ages of 14 and 16 may operate the vehicle, but must be accompanied by a licensed driver at all times. No one under the age of 14 is permitted to operate the vehicle.
- (c) Operator of the vehicle must stop and yield right of way to all licensed vehicles.
- (d) The vehicle must have an operable braking system and must be equipped with working headlights and tail lights if driving vehicle after dusk.
- (e) Operator must obey all posted speed limits.
- (f) Operator of vehicle assumes all responsibility and liability while operating the vehicle.

ARTICLE VI

ASSESSMENTS

Section 1. Purpose and Payment of Assessments. The Association shall levy assessments against Lots in order to raise money to fund reserves and to pay the administrative cost of the Association and the cost of discharging the Association's powers and duties under this Declaration and the Association Documents, real estate taxes and upkeep costs for the Common Area, infrastructure, and all other costs lawfully incurred or to be incurred by the Association, or for which the Association is liable or otherwise responsible. Each Owner shall pay when due such assessment as may be made against his Lot(s).

Section 2. Annual Assessments. The Board of Directors shall fix and may change the amount of the annual assessment, also known as annual dues, provided that any increase shall not be greater than a ten (10) percent increase over the assessment from the previous year. Any increase in excess of ten (10) percent must be approved according to Article IV, Section 4 of the Articles of Incorporation. Payment of one-half (1/2) of the annual assessment for each Lot shall be due on July 1st each year. And such an installment shall be deemed delinquent if not received by August 1st. Payment of the remaining one-half (1/2) of the annual assessment for each Lot shall be due on January 1st of each year and such an installment shall be deemed delinquent if not received by February 1st.

Section 3. Special Assessments. In the event of any anticipated shortage in the funds necessary for reserves, and to pay the costs contemplated by Section 1 of this Article, the Association may levy special assessments in amounts sufficient to cover the shortage and shall specify the date or dates upon which those assessments shall be due. (Either in lump sums or in installments, as the Board of Directors may determine.) Such assessments may only be approved as described in the Bylaws of Slatemont Property Owners' Association, Article II, and Section 2.9.

Section 4. Emergency Assessments. In the event of any actual shortage in the funds necessary for reserves, and to pay the costs contemplated by Section 1 of this Article, the Board of Directors may levy an emergency assessment to cover the shortage and shall specify the date or dates upon which the assessment shall be due (Either in lump sums or in installments, as the Board of Directors may determine).

Section 5. Uniformity of Annual and Special Assessments, Exemption for Declarant. Annual assessments and special assessments shall always be uniform for each category of property, as defined in the Articles of Incorporation, Article IV, Section 2. Classes of Membership.

Section 6. Liability for Assessments. Each Owner shall be personally liable for all assessments against him or his Lots. No Owner may avoid liability for any assessments

by waiver, nonuse or abandonment of any right or real estate. If an owner sells his Lot, the new Owner of a Lot shall be jointly and severally liable with former Owner(s) for all unpaid assessments against the former Owner(s) of that Lot, without prejudice to any right of a successor in interest to recover from any of his predecessors in title any amount for which the latter was liable.

Section 7. Nonliability for Assessments. No person(s) shall have liability with respect to assessments or installments thereof becoming due as a particular Lot after he has ceased to be the Owner thereof.

Section 8. Certificate as to Status of Payment. Upon written request of any Owner, the Treasurer of the Association, or such other officer of the Association as the Bylaws may specify, shall issue a dated certificate to that Owner setting forth the amount of any assessments or installments thereof that have become due from that Owner before the date of that certificate but which have not been paid as of the date of that certificate. A reasonable charge may be fixed from time to time by resolution of the Board of Directors for the issuance of such certificates. Notwithstanding any other provision of this Article, a bona fide purchaser of a Lot from the Owner to whom such a certificate is issued shall not be liable for any assessments or installments thereof which became due before the date of that certificate and which are not reflected thereon. And the lot acquired by that purchase shall, from the time that purchaser becomes the Owner thereof, be free of the lien created by Section 11 of this Article to the extent that any such assessments or installments were not so reflected.

Section 9. Interest on Assessments. If not paid by the delinquency dates specified in Section 2 of this Article, any assessment or installment thereof shall bear interest, from the due date until the date it is fully paid with interest, at the rate of eighteen percent (18%) per annum or at such other lawful rate as may be fixed from time to time by resolution of the Board of Directors for all assessments and installments thereof.

Section 10. Lien for Assessments. Until fully paid and satisfied, each unpaid assessment or installment levied pursuant to this Declaration and/or the Bylaws shall constitute a lien that shall apply to and shall run with all of the Lots that were owned as of the date when payment was due. The lien shall apply to and encumber any and all Lots thereafter acquired by that Owner from the time he becomes the Owner thereof. Interest on any unpaid assessments or installments shall accrue and run with all of the Lots that were owned as of the date when payment was due and any Lots the Owner may become the Owner thereof. The lien created by this section shall be prior to all liens and encumbrance hereafter recorded except purchase money mortgages secured by Lending Institutions.

Section 11. Remedies for Nonpayment. If any assessment or installment is not paid within thirty (30) days after the date it becomes due, an action to foreclose the lien and/or to obtain a personal judgment against the delinquent Owner may be brought at any time by the Association, by the Board of Directors or any member(s) thereof, or by any officer

of the Association. The prevailing plaintiff in such an action shall have the right to reimbursement from the delinquent Owner for court costs and reasonable attorneys' fees, and the Association shall be subrogated to such right if it pays or reimburses any such costs and fees to the plaintiff. Other remedies available to the Association shall include cutoff of water to the delinquent Lot Owner plus a reinstatement fee upon payment of the assessment, suspension of the right to act as a voting member of the Association, and denial of any new Owner services and building approval until any outstanding assessments or installments are paid.

Section 12. Other Fees.

- (a) Water Connection. The Board of Directors shall assess a water connection fee for the hookup of water to any dwelling. This connection fee will also apply to an Owner whose water was cut-off due to delinquent payment. Such fee shall be determined from time to time by the Board of Directors but in no event shall be less than Six Hundred Dollars (\$600.00). This connection fee shall be due before the water connection is initiated.
- (b) Building Fee. The Board of Directors shall reserve the right to assess a building fee prior to the initiation of any major construction. Such fee shall be determined from time to time by the Board of Directors, but in no event shall be less than Four Hundred Dollars (\$400.00).

ARTICLE VII

MISCELLANEOUS PROVISIONS

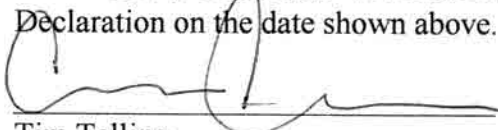
Section 1. Notice. Where a notice to an Owner is required by any provision hereof or any provision of the Association documents, the notice shall be deemed to have been given

- (a) when given in hand to any person who, along or together with others, constitutes that Owner, or
- (b) when mailed, first class postage paid, to any such person at the most recent address of that person known to the sender. Where an Owner consists of more than one person, it is the responsibility of the one who receives a notice contemplated by this Section to immediately notify the other(s) of its content.

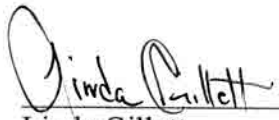
Section 2. Membership in the Association and Notice Thereof. Each Owner shall be a member of the Association from the time he becomes an Owner until the time he ceases to be an Owner and gives written notice of his acquisition of title to the Secretary of the Association immediately following such acquisition, stating the name(s) and address (s) of the new Owner and the number(s) of the Lot(s) acquired. If two or more persons

comprise the Owner of a Lot, they shall collectively constitute only one Member of the Association, but each of them shall be entitled to attend all meetings of the Association.

IN WITNESS WHEREOF, the Declarant and Owners have executed this Declaration on the date shown above.



Tim Telling 8/2/2015
President, Slatemont Property Owners Association



Linda Gillett 7/2/2015
Chairperson, Slatemont Property Owners Association, Documents Review Committee