

Please index as follows:

in Grantor Index under:

Crystal Ridge Development, Inc.

and

Crystal Ridge, a Limited Expense Liability Planned Community

in Grantee Index under:

Crystal Ridge, a Limited Expense Liability Planned Community

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

CRYSTAL RIDGE, A LIMITED EXPENSE LIABILITY PLANNED COMMUNITY

Prepared By:

Seth Wilson, Esq.

Bowles Rice McDavid Graff & Love LLP

7000 Hampton Center, Suite K

Morgantown, West Virginia 26505

Doc #: 1561221 v1

TABLE OF CONTENTS

PART ONE: INTRODUCTION TO CRYSTAL RIDGE	1
Article I Creation of the Community.....	1
1.1. Purpose and Intent.....	1
1.2. Declarant's Undertakings.....	1
1.3. Builder's Undertakings; Consent of Builder.....	2
1.4. Binding Effect.....	2
1.5. Governing Documents.	2
Article II Concepts and Definitions	2
Article III Composition of Community	6
3.1. Components.	6
3.2. Allocation of Votes and Liability for Assessments.	6
3.3. Ownership of the Common Elements.	7
Each Owner shall own, together with his, her, their or its Unit, an undivided interest in the Common Elements.....	7
PART TWO: CREATION AND MAINTENANCE OF COMMUNITY STANDARDS.....	7
Article IV Use and Conduct.....	7
4.1. Framework for Regulation.....	7
4.2. Rule Making Authority.....	7
4.3. Owners' Acknowledgment and Notice to Purchasers.	8
4.4. Protection of Owners and Others.....	8
Article V Architecture and Landscaping	10
5.1. General.....	10
5.2. Architectural Review.	10
5.3. Guidelines and Procedures.....	11
5.4. No Waiver of Future Approvals.....	13
5.5. Variances.....	13
5.6. Limitation of Liability.....	14
5.7. Certificate of Compliance.....	14
Article VI Maintenance and Repair	14
6.1. Maintenance of Units.....	14
6.2. Repair and Replacement; Insurance.....	14
PART THREE: COMMUNITY GOVERNANCE AND ADMINISTRATION	15
Article VII The Association and its Members	15
7.1. Function of Association.....	15
7.2. Membership.....	15
7.3. Exercise of Voting Rights.....	16
Article VIII Association Powers and Responsibilities	16
8.1. Acceptance and Control of Association Property.....	16
8.2. Maintenance of Common Facilities.....	16
8.3. Insurance.....	17
8.4. Compliance and Enforcement.....	20
8.5. Implied Rights; Board Authority.....	22
8.6. Indemnification of Officers, Directors and Others.....	22
8.7. Security.....	22
8.8. Provision of Services.....	23

Article IX Association Finances	23
9.1. General	23
9.2. Budgeting and Allocating General Common Expenses.....	23
9.3. Special Assessments.	24
9.4. Specific Assessments.	25
9.5. Optional User Fees.....	25
9.6. Authority to Assess Owners; Time of Payment.....	25
9.7. Obligation for Assessments.	26
9.8. Lien for Assessments.	26
9.9. Exempt Property.	27
9.10. Limited Expense Liability Planned Community Savings Clause.	28
PART FOUR: COMMUNITY DEVELOPMENT	28
Article X Right to Add Real Estate	28
10.1. Reservation of Right.	28
10.2. Effect on Association and Individual Interests.	28
10.3. Timing and Limitations of Exercise of Option.	28
10.4. Manner of Exercise.	29
Article XI Additional Rights Reserved to Declarant	30
11.1. Creation of Additional Covenants and Easements.....	30
11.2. Right to Designate Common Facilities.	30
11.3. Marketing and Sales Activities.	31
11.4. Right to Develop.	31
11.5. Right to Approve Additional Covenants.....	31
11.6. Right to Approve Changes in Community Standards.....	32
11.7. Right to Transfer or Assign Declarant Rights.....	32
11.8. Exclusive Rights to Use Name of Development.....	32
11.9. Termination of Rights.	32
PART FIVE: PROPERTY RIGHTS WITHIN CRYSTAL RIDGE	32
Article XII Easements.....	33
12.1. Easements in Common Facilities.....	33
12.2. Easements of Encroachment.	33
12.3. Easements for Utilities, Etc.....	33
12.4. Easements to Serve Additional Property.	34
12.5. Easements for Maintenance, Emergency and Enforcement.....	35
12.6. Easement for Access and Parking.....	35
12.7. Easements for Perimeter Walls and Fencing.	35
12.8. Other Recorded Easements and Licenses.	35
PART SIX: RELATIONSHIPS WITHIN AND OUTSIDE THE COMMUNITY	36
Article XIII Dispute Resolution and Limitation on Litigation	36
13.1. Consensus for Association Litigation.	36
13.2. Alternative Method for Resolving Disputes.	36
13.3. Mandatory Procedures.	37
Article XIV Mortgagee Provisions	38
14.1. Notices of Action.	38
14.2. No Priority.	39
14.3. Notice to Association.....	39

14.4. Failure of Mortgagee to Respond.	39
14.5. Construction of Article XIV.	39
PART SEVEN: CHANGES IN THE COMMUNITY	39
Article XV Changes in Units and Ownership of Units.....	40
15.1. Changes in Ownership.	40
15.2. Subdivision, Conversion and Combining of Units.	40
Article XVI Changes in Common Facilities.....	41
16.1. Condemnation.	41
16.2. Dedication of Common Facilities.	41
Article XVII Amendment of Declaration	41
17.1. Corrective Amendments.	41
17.2. Other Amendments.	42
17.3. Validity and Effective Date.	42

TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Subject Matter</u>
"A"	Land Initially Submitted
"B"	Land Subject to Annexation
"C"	Land Comprising Common Facilities
"D"	Initial Restrictions and Rules
"E"	Recorded Easements and Licenses
"F"	Plat

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

CRYSTAL RIDGE, A LIMITED EXPENSE LIABILITY PLANNED COMMUNITY

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (this "Declaration") is made this 4th day of August, 2006, by Crystal Ridge Development, Inc., a West Virginia corporation (the "Declarant").

PART ONE: INTRODUCTION TO CRYSTAL RIDGE

Crystal Ridge Development, Inc., as the developer of Crystal Ridge, has established this Declaration to provide a governance structure and a flexible system of standards and procedures for the overall development, administration, maintenance and preservation of Crystal Ridge as a limited expense community.

Article I Creation of the Community

1.1. Purpose and Intent.

The Declarant, as the owner of the real property located in City of Bridgeport, Simpson District, Harrison County, West Virginia, and being more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference, intends by the execution and recordation of this Declaration to create a common interest community pursuant to the provisions of the Uniform Common Interest Ownership Act, West Virginia Code §36B-1-1, et seq., as the same is amended from time to time (the "Act"). More specifically, the Declarant intends to create a limited expense liability planned community pursuant to §36B-1-203(2) of the Act which shall be subject only to §36B-1-105, §36B-1-106, §36B-1-107 and such other provisions of the Act as are expressly set forth herein, if any. The name of the community shall be Crystal Ridge, a Limited Expense Liability Planned Community, and it shall be comprised of the real property described on Exhibit "A" and such additional real property as is added thereto from time to time pursuant to the terms of this Declaration (the "Community"). Phase I of the Community is described on Exhibit "A" and depicted on the plat referenced in Exhibit "F".

This Declaration is intended to provide for the overall development, administration, maintenance and preservation of the Community. An integral part of the development plan is the creation of Crystal Ridge Homeowners Association, Inc., a West Virginia non-profit corporation, which is an association comprised of all owners of real property in the Community, to own, operate and/or maintain various properties and facilities and to administer and enforce this Declaration and the other Governing Documents referenced in this Declaration.

1.2. Declarant's Undertakings.

(a) The Units hereunder shall consist of unimproved subdivided lots. The Declarant shall construct or provide for the construction of certain Common Facility improvements as

provided herein. The Declarant shall not be responsible for the substantial completion of any Dwelling or other improvements located within the Unit Lot lines.

(b) The construction of Common Facilities to be built outside the Unit lot lines shall be performed in accordance with applicable laws

1.3. Builder's Undertakings; Consent of Builder. [Reserved]

1.4. Binding Effect.

All real property described on Exhibit "A" and any of the Additional Property described on Exhibit "B" which is made a part of the Community in the future (together, the "Properties"), shall be owned, conveyed, occupied and used subject to all of the provisions of this Declaration, which shall run with the title to the Properties and shall be binding upon all Persons having any right, title, or interest in any portion of the Properties, their heirs, personal representatives, successors, successors-in-title, and assigns. This Declaration is intended to have perpetual duration, subject to the rights of amendment and termination set forth herein.

1.5. Governing Documents.

The Governing Documents create a general plan of development for the Community.

If any provision of the Governing Documents is determined by judgment or court order to be invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or applications.

Every owner and occupant of any portion of the Properties, and their respective tenants, guests and invitees, shall comply with all applicable provisions of the Governing Documents. The Governing Documents shall be enforceable by the Declarant, the Association, any Owner, and their respective legal representatives, heirs, successors, and assigns, by any means available at law or in equity, subject to the provisions of Article XIII, if applicable.

Article II Concepts and Definitions

The terms used in the Governing Documents shall generally be given their natural, commonly accepted definitions or the definitions provided in the Act, unless otherwise specified. Capitalized terms shall be defined as set forth below.

"Act": The Uniform Common Interest Ownership Act, West Virginia Code §36B-1-1, et seq., as the same is amended from time to time.

"Additional Property": All or any portion of the real property described on Exhibit "B" which is subsequently submitted and made subject to the terms, conditions and restrictions set forth in this Declaration.

“Articles of Incorporation” or “Articles”: The Articles of Incorporation of Crystal Ridge Homeowners Association, Inc., a West Virginia non-profit corporation, as filed with the Office of the Secretary of State of the State of West Virginia.

“Association”: Crystal Ridge Homeowners Association, Inc., a West Virginia non-profit corporation, its successors or assigns.

“Base Assessment”: Assessments levied on all Units subject to assessment under Article IX to fund Common Expenses for the general benefit of all Units, as determined in accordance with Section 9.1.

“Board of Directors” or “Board”: The body responsible for administration of the Association, as selected in accordance with the Articles and the By-Laws and generally serving the same role as the “board of directors” referred to in the West Virginia Nonprofit Corporation Act, West Virginia Code §31E-1-1, et seq.

“By-Laws”: The By-Laws of Crystal Ridge Homeowners Association, Inc., a West Virginia non-profit corporation, adopted by the Board of Directors, as the same is amended from time to time.

“Builder”: Any Person who purchases one or more Units for the purpose of constructing improvements thereon for sale to consumers in the ordinary course of such Person’s business. With respect to Phase 1 of Crystal Ridge, the term “Builder” shall mean and refer to Dan Ryan Builders, Inc., a Maryland corporation, its successors and assigns.

“Class “A” Members”: All Owners of Units other than the Class “B” Member, if any.

“Class “B” Member”: The Declarant, or its transferee or designee, for so long as the Class “B” Membership exists, all as more particularly described in Section 7.2.

“Common Elements”: Common Facilities or Controlled Facilities.

“Common Facilities”: All real and personal property, including easements, which the Association owns, leases or otherwise holds possessory or use rights in for the common use and enjoyment of the Owners including, without limitation, the real property described on Exhibit “C” to this Declaration.

“Common Expenses”: The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Governing Documents. Common Expenses shall not include any expenses incurred during the Declarant Control Period for initial development, original construction or installation of infrastructure, original capital improvements, or other original construction costs unless approved by Members representing a majority of the total Class “A” votes of the Association.

“Community”: Crystal Ridge, a Limited Expense Liability Planned Community, which is made up and comprised of the Properties.

"Community-Wide Standard": The standard of conduct, maintenance, or other activity generally prevailing throughout the Community. Such standard shall be established initially by the Declarant and may be more specifically defined in the Design Guidelines, the Restrictions and Rules, and in Board resolutions.

"Controlled Facilities": The Common Facilities, together with such other portions of the Community, if any, which the Association has authority or responsibility to maintain, improve, repair, replace, regulate, manage, operate, insure or control, pursuant to the terms of this Declaration, any Supplemental Declaration or other applicable covenants, contracts, or agreements identifying the Controlled Facilities and describing the Association's rights and obligations with respect to the same. The Controlled Facilities may include, without limitation, any public easements or rights-of-way within or adjacent to the Properties.

"Crystal Ridge": The residential, limited expense liability planned community comprised of the Properties made subject to this Declaration.

"Declaration": This Declaration of Covenants, Conditions, and Restrictions for Crystal Ridge, a Limited Expense Liability Planned Community, together with the attached exhibits, all of which are hereby incorporated herein by this reference, and the recorded Plats relating to the Units, as any of the foregoing may be amended and supplemented by any Supplemental Declarations and other amendments recorded pursuant to this Declaration and the Act.

"Declarant": Crystal Ridge Development, Inc., its successors or assigns; provided, that, any purchaser and lienholder of any Unit, and his, her, their or its respective heirs, personal representatives, successors and assigns, shall not constitute an assign of the Declarant for the purposes of the foregoing definition.

"Declarant Control Period": The period of time during which the Declarant, or its designee or transferee, as the sole Class "B" Member, is entitled to appoint a majority of the members of the Board pursuant to the By-Laws. The Declarant Control Period shall terminate upon the first to occur of the following:

(a) sixty (60) days after the Declarant has conveyed seventy-five percent (75%) of the maximum number of Units permitted for the Properties, including, without limitation, the Additional Property under Section 10.1;

(b) Two (2) years after the Declarant has ceased to offer Units for sale in the ordinary course of business; or

(c) two (2) years after recording of the most recent Supplemental Declaration to add any portion of the Additional Property to the Community.

However, as to items (b) and (c) above, the Control Period shall revive and restart upon each new conveyance from Declarant to the Association.

"Design Guidelines": The architectural design guidelines and review procedures adopted pursuant to Article V, as the same may be amended from time to time.

"Development Rights" means any right or combination of rights reserved by the Declarant in this Declaration to (i) add real estate to the limited expense liability planned community, (ii) create Units or Common Elements within the limited expense liability planned community, (iii) subdivide Units or convert Units into Common Elements, or (iv) withdraw real estate from the limited expense liability planned community.

"Dwelling": the housing unit and related improvements situate within a Unit.

"Governing Documents": A collective term referring to this Declaration, any applicable Supplemental Declaration, the By-Laws, the Articles, the Design Guidelines, and the Restrictions and Rules, as any of the same may be amended from time to time.

"Member": A Person subject to membership in the Association pursuant to Section 7.2.

"Mortgage": A mortgage, a deed of trust, a deed to secure debt, or any other form of security instrument affecting title to any Unit. A "Mortgagee" shall refer to the beneficial holder of a Mortgage.

"Optional User Fees": Charges or fees levied against Units receiving benefits, items or services provided upon request of the Owner, which benefits, items or services are not provided to all Owners or all Units within the Properties, as more particularly described in Section 9.5 of this Declaration.

"Owner": One or more Persons who hold the record title to any Unit, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Unit is sold under a recorded contract of sale, and the contract specifically so provides, the purchaser (rather than the fee owner) will be considered the Owner.

"Person": A natural person, a corporation, a partnership, an association, a trust or any other legal entity.

"Plat": The plat of survey of the real property described on Exhibit "A" entitled "Final Plat Showing Phase 1 CRYSTAL RIDGE SUBDIVISION Being Lots 1 Through 50 Consisting of 28.23 Acres," dated May 2006, prepared by Horner Brothers Engineers, Clarksburg, West Virginia, and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Plat Book 2, at Page 3. The term "Plat" shall also mean and refer to any and all subsequent plats of survey of all or any portion of the Properties which is recorded in aforesaid Clerk's Office in connection with any amendment or modification of this Declaration, any Supplemental Declaration or otherwise in connection with the development of the Community.

"Properties": The real property described on Exhibit "A," together with such Additional Property as is made subject to this Declaration in accordance with Article X below.

"Public Records": The public real property records located and indexed in the Office of the Clerk of the County Commission of Harrison County, West Virginia.

"Restrictions and Rules": The initial Restrictions and Rules set forth on Exhibit "D," as the same may be supplemented, modified and repealed from time to time pursuant to Article IV below.

"Special Assessment": Assessments levied in accordance with Section 9.3.

"Specific Assessment": Assessments levied in accordance with Section 9.4.

"Special Declarant Rights" shall mean the rights reserved herein for the benefit of the Declarant, its successors and assigns, to (i) complete improvements indicated on the Plats filed with the Declaration or any Supplemental Declaration, (ii) exercise any Development Right, (iii) maintain sales offices, management offices, signs advertising the limited expense liability planned community and models, (iv) use easements through the Common Elements for the purpose of making improvements with the limited expense liability planned community or within real estate which may be added to the limited expense liability planned community, (v) merge or consolidate the limited expense liability planned community with another common interest community of the same form of ownership, or (vi) appoint or remove any officer of the Association any member of the Association's Board of Directors during the Declarant Control Period.

"Supplemental Declaration": An instrument, other than a declaration of condominium, executed by Declarant which (i) amends this Declaration to submit all or any portion of the Additional Property to the terms of this Declaration pursuant to Article X below, and/or (ii) imposes, expressly or by reference, any additional covenants, easements, restrictions and obligations on the land described in such instrument pursuant to the rights reserved in Section 11.1.

"Unit": A portion of the Properties comprising the Community, other than Common Facilities, which may be independently owned and which is identified as a lot or unit on a Plat. Each Unit within the Community shall be deemed to contain as appurtenant to its ownership an undivided fractional interest in the Common Elements.

Article III Composition of Community

3.1. Components.

The Community shall be comprised of the Units, the Common Facilities and any other Controlled Facilities.

3.2. Allocation of Votes and Liability for Assessments.

Each Unit shall be allocated votes in the Association and liability for Common Expenses in accordance with the following formula:

- (a) Each Unit shall be allocated one equal vote.
- (b) Each Unit shall be allocated a percentage liability for Common Expenses of the Association calculated by dividing the number of votes allocated to such Unit by the total

number of votes allocated to all Units subject to assessment for a share of the Common Expenses being allocated. Each unimproved Unit shall be allocated a percentage liability for Common Expenses which is twenty percent (20%) of the percentage liability allocated to a Unit containing a Dwelling.

3.3. Ownership of the Common Elements.

Each Owner shall own, together with his, her, their or its Unit, an undivided interest in the Common Elements. The percentage of undivided interest in the Common Elements allocated to each Unit, and which are conveyed with each Unit, shall be expressed as a fraction the numerator of which shall be one (1) and the denominator of which shall be of the total number of all Units in the Community. (The total percentage equals 100%, with such minor variation from 100% as may be due to rounding error.) As set forth herein, the Declarant has reserved certain Development Rights to create and add additional Units to the Community. Should the Declarant exercise any or all of these Development Rights, then the method/formula to be used to reallocate the allocated interests among all of the Units in the Community shall be the same as set forth above (i.e., the percentage of undivided interest in the Common Elements shall be expressed as a fraction the numerator of which shall be one (1) and the denominator of which shall be the total number of all Units in the Community).

PART TWO: CREATION AND MAINTENANCE OF COMMUNITY STANDARDS

The standards for occupancy, use and conduct, maintenance, and architecture within the Community are what give the Community its identity and make it a desirable place to live. Yet those standards must be more than a static recitation of prohibitions. This Declaration establishes procedures which allow such standards to evolve as the Community develops and as technology, lifestyles, public perception and applicable law change.

Article IV Use and Conduct

4.1. Framework for Regulation.

The initial Restrictions and Rules governing use, conduct and activities within the Community are set forth on Exhibit "D" attached hereto. The Governing Documents establish, as part of the general plan of development for the Properties, a framework of affirmative and negative covenants, easements and restrictions which govern the Properties. However, within that framework, the Board and the Members must have the ability to respond to unforeseen problems and changes in circumstances, conditions, needs, desires, trends and technology which inevitably will affect the Community, its Owners and residents. Toward that end, this Article establishes procedures for adopting rules which interpret, further define and expand the initial Restrictions and Rules set forth on Exhibit "D" and which implement the authority granted to the Association under the Governing Documents.

4.2. Rule Making Authority.

(a) Subject to the terms of this Article and the Board's duty to exercise business judgment and reasonableness on behalf of the Association and its Members, the Board may adopt rules which interpret, further define, and expand the initial Restrictions and Rules set forth

on Exhibit "D" and which implement the authority granted to the Association under the Governing Documents. The Board shall send notice by mail to all Owners concerning any such proposed action at least five (5) business days prior to the Board meeting at which such action is to be considered. The Owners shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken.

Such action shall become effective, after compliance with subsection (c) below, unless disapproved at a meeting by persons entitled to cast more than fifty percent (50%) of the total Class "A" votes in the Association and by the Class "B" Member, if any. The Board shall have no obligation to call a meeting of the membership to consider disapproval except upon receipt of a petition of the Members as required for special meetings in the By-Laws. Upon such petition of the Members prior to the effective date of any Board action under this Section 4.2(a), the proposed action shall not become effective until after such meeting is held, and then subject to the outcome of such meeting.

(b) Alternatively, the Members, at an Association meeting duly called for such purpose, may adopt rules which interpret, further define, and expand the initial Restrictions and Rules set forth on Exhibit "D" and which implement the authority granted to the Association under the Governing Documents, by a vote of persons entitled to cast more than fifty percent (50%) of the total Class "A" votes in the Association and the approval of the Class "B" Member, if any.

(c) At least thirty (30) days prior to the effective date of any action taken under subsections (a) or (b) of this Section, the Board shall send a copy of the new rule or explanation of any changes to the Restrictions and Rules to each Owner and Class "B" Member specifying the effective date. The Association shall provide, without cost, a copy of the Restrictions and Rules then in effect to any requesting Member or Mortgagee.

(d) Nothing in this Article shall authorize the Board or the Members to modify, repeal or expand the Design Guidelines. In the event of a conflict between the Design Guidelines and the Restrictions and Rules, the Design Guidelines shall control.

4.3. Owners' Acknowledgment and Notice to Purchasers.

All Owners are given notice that use of their Units and the Common Facilities is limited by the Restrictions and Rules as the same may be amended, expanded and otherwise modified hereunder. Each Owner, by acceptance of a deed, acknowledges and agrees that the use and enjoyment and marketability of his or her Unit can be affected by this provision and that the Restrictions and Rules may change from time to time. All purchasers of Units are on notice that changes may have been adopted by the Association. Copies of the current Restrictions and Rules may be obtained from the Association.

4.4. Protection of Owners and Others.

No rule shall be adopted in violation of the following provisions, except as may be specifically set forth in this Declaration (either initially or by amendment) or in the initial Restrictions and Rules set forth on Exhibit "D":

- (a) Similar Treatment. Similarly situated Owners shall be treated similarly.
- (b) Displays. The rights of Owners to display religious and holiday signs, symbols and decorations inside structures on their Units of the kinds normally displayed in dwellings located in single-family residential neighborhoods shall not be abridged, except that the Association may adopt time, place and manner restrictions with respect to displays visible from outside the Dwelling. No rules shall regulate the content of political signs; provided, however, rules may regulate the time, place and manner of posting such signs (including design criteria).
- (c) Household Composition. No rule shall interfere with the freedom of Owners to determine the composition of their households, except that the Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Dwelling on the basis of the size and facilities of the Dwelling and its fair use of the Common Facilities.
- (d) Activities Within Structures on Units. No rule shall interfere with the activities carried on within the confines of structures on Units, except that the Association may prohibit activities not normally associated with property restricted to residential and recreational use, and it may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of occupants of other Dwellings, that generate excessive noise or traffic, that create unsightly conditions visible outside the Dwelling, or that create an unreasonable source of annoyance.
- (e) Allocation of Burdens and Benefits. No rule shall alter the allocation of financial burdens among the various Units or rights to use the Common Facilities to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Facilities available, from adopting generally applicable rules for use of Common Facilities, or from denying use privileges to those who abuse the Common Facilities or violate the Governing Documents. This provision does not affect the right to increase the amount of assessments as provided in Article IX.
- (f) Alienation. No rule shall prohibit leasing or transfer of any Unit, or require consent of the Association or Board for leasing or transfer of any Unit; provided, that, the Association or the Board may require a minimum lease term of up to twelve (12) months.
- (g) Abridging Existing Rights. If any rule would otherwise require Owners to dispose of personal property which they maintained on their Units in compliance with this Declaration and all rules in force prior to the effective date of such rule, or to vacate a Unit in which they resided prior to the effective date of such rule, such rule shall not apply to any such Owners without their written consent.
- (h) Reasonable Rights to Develop. No rule or action by the Association or Board shall unreasonably impede the Declarant's right to develop the Community in accordance with the rights reserved to the Declarant in this Declaration.

The limitations in subsections (a) through (h) of this Section 4.4 shall only limit rule-making authority exercised under Section 4.2; they shall not apply to amendments to this Declaration adopted in accordance with Article XVII below.

Article V Architecture and Landscaping

5.1. General.

No structure or thing shall be placed, erected, installed or posted on the Properties and no improvements or other work (including staking, clearing, excavation, grading and other site work, exterior alterations of existing improvements, or planting or removal of landscaping) shall take place within the Properties, except in compliance with this Article and the Design Guidelines.

No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. Any Owner may remodel, paint or redecorate the interior of the Dwelling on his or her Unit without approval. However, modifications to the interior of screened porches, patios, and similar portions of a Dwelling visible from outside the Dwelling shall be subject to approval.

This Article shall not apply to the activities of the Declarant nor to activities of the Association during the Declarant Control Period. Nothing in this Article shall restrict the Declarant's right to annex property which is already improved, nor shall it require modifications to any such property.

5.2. Architectural Review.

(a) By Declarant. Each Owner, by accepting a deed or other instrument conveying any interest in any portion of the Properties, acknowledges that, as the developer of the Properties and as an Owner of portions of the Properties, Declarant has a substantial interest in ensuring that the improvements within the Properties enhance the Declarant's reputation as a community developer and do not impair the Declarant's ability to market, sell or lease its property. Therefore, each Owner agrees that no activity within the scope of this Article ("Work") shall be commenced on such Owner's Unit unless and until the Declarant or its designee has given its prior written approval for such Work, which approval may be granted or withheld in the sole discretion of Declarant or its designee.

In reviewing and acting upon any request for approval, Declarant or its designee shall be acting solely in the interest of the Declarant and shall owe no duty to any other Person. The rights reserved to Declarant under this Article shall continue so long as Declarant owns any portion of the Properties or any real property adjacent to the Properties, unless earlier terminated in a written instrument executed by Declarant and recorded in the Public Records.

The Declarant may, in its sole discretion, designate one or more Persons from time to time to act on its behalf (a "Reviewer" or "Reviewers") in reviewing applications hereunder.

The Declarant may from time to time, but shall not be obligated to, delegate all or a portion of its reserved rights under this Article to (i) an architectural review committee (the "ARC") appointed by the Association's Board of Directors, or (ii) a committee comprised of architects, engineers or other persons who may or may not be Members of the Association. Any

such delegation shall be in writing, specifying the scope of responsibilities delegated, and shall be subject to (i) the right of Declarant to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated; and (ii) the right of Declarant to veto any decision which Declarant determines, in its sole discretion, to be inappropriate or inadvisable for any reason. So long as the Declarant has any rights under this Article, the jurisdiction of the foregoing entities shall be limited to such matters as are specifically delegated to it by the Declarant.

(b) Architectural Review Committee. Upon delegation by Declarant or upon expiration or termination of the Declarant's rights under this Article, the Association, acting through the ARC, shall assume jurisdiction over architectural matters hereunder. The ARC, when appointed, shall consist of at least three (3), but not more than seven (7), persons who shall serve and may be removed and replaced in the Board's discretion. The members of the ARC need not be Members of the Association or representatives of Members, and may, but need not, include architects, engineers or similar professionals.

Unless and until such time as Declarant delegates all or a portion of its reserved rights to the ARC or the Declarant's rights under this Article terminate, the Association shall have no jurisdiction over architectural matters.

(c) The Declarant and the Association may employ architects, engineers or other persons as deemed necessary to perform the review. The compensation of any such professional retained by the Association shall be included in the Association's annual operating budget as a Common Expense.

5.3. Guidelines and Procedures.

(a) Design Guidelines. The Declarant may prepare the initial Design Guidelines. The Design Guidelines are intended to provide guidance to Owners and Builders regarding matters of particular concern to the Reviewer in considering applications hereunder. The Design Guidelines are not the exclusive basis for decisions of the Reviewer and compliance with the Design Guidelines does not guarantee approval of any application.

The Declarant shall have sole and full authority to amend the Design Guidelines as long as it owns any portion of the Properties or has a right to expand the Properties pursuant to Section 10.1, notwithstanding a delegation of reviewing authority to the ARC, unless the Declarant also delegates the power to amend to the ARC. Upon termination or delegation of the Declarant's right to amend, the ARC shall have the authority to amend the Design Guidelines with the consent of the Board. Any amendments to the Design Guidelines shall be prospective only and shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments to the Design Guidelines, and such amendments may remove requirements previously imposed or otherwise make the Design Guidelines less restrictive.

The Reviewer shall make the Design Guidelines available to Owners and Builders who seek to engage in development or construction within the Community. In the Declarant's discretion, such Design Guidelines may be recorded in the Public Records, in which event the

recorded version, as it may unilaterally be amended from time to time, shall control in the event of any dispute as to which version of the Design Guidelines was in effect at any particular time.

(b) Procedures. Prior to commencing any Work within the scope of this Article, an Owner shall submit to the appropriate Reviewer an application for approval of the proposed Work in such form as the Design Guidelines or the Reviewer may specify. Such application shall include plans and specifications ("Plans") showing site layout, structural design, exterior elevations, exterior materials and colors, landscaping, drainage, exterior lighting, irrigation and other features of proposed construction, as applicable. The Design Guidelines and the Reviewer may require the submission of such additional information as may be reasonably necessary to consider any application. Unless otherwise agreed by the Reviewer, in its sole discretion, all Plans shall be prepared by a licensed architect.

In reviewing each submission, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of external design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that determinations as to such matters are purely subjective and opinions may vary as to the desirability and/or attractiveness of particular improvements.

The Reviewer shall make a determination on each application within thirty (30) days after receipt of a completed application and all required information. The Reviewer may (i) approve the application, with or without conditions; (ii) approve a portion of the application and disapprove other portions; or (iii) disapprove the application.

Until expiration of the Declarant's rights under this Article, the ARC shall notify the Declarant in writing within three (3) business days after the ARC has approved any application relating to proposed Work within the scope of matters delegated to the ARC by the Declarant. The notice shall be accompanied by a copy of the application and any additional information which the Declarant may require. The Declarant shall have ten (10) days after receipt of such notice to veto any such action, in its sole discretion, by written notice to the ARC.

The ARC shall notify the applicant in writing of the final determination on any application within five (5) days after the ARC's initial disapproval of such application, or, as to any application initially approved by the ARC, within five (5) days after the earlier of (i) receipt of notice of Declarant's veto or waiver thereof, or (ii) expiration of the 10-day period for veto by Declarant. In the event of disapproval, the Reviewer may, but shall not be obligated to, specify the reasons for any objections and/or offer suggestions for curing any objections.

In the event that the Reviewer fails to respond in a timely manner, approval shall be deemed to have been given, subject to the Declarant's right to veto such approval within ten (10) days after written notice from the applicant to the Declarant of the ARC's failure to respond in a timely manner. However, no approval, whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the Design Guidelines unless a variance has been granted pursuant to Section 5.5. Notice shall be deemed to have been given at the time the envelope containing the response is deposited with the U. S. Postal Service. Personal delivery of such written notice shall, however, be sufficient and shall be deemed to have been given at the time of delivery to the applicant.

If construction does not commence on a project for which Plans have been approved within one year after the date of approval, such approval shall be deemed withdrawn and it shall be necessary for the Owner to reapply for approval before commencing the proposed Work. Once construction is commenced, it shall be diligently pursued to completion. All Work shall be completed within one year of commencement unless otherwise specified in the notice of approval or unless the Reviewer grants an extension in writing, which it shall not be obligated to do. If approved Work is not completed within the required time, it shall be considered nonconforming and shall be subject to enforcement action by the Association, the Declarant or any aggrieved Owner.

The Reviewer may, by resolution, exempt certain activities from the application and approval requirements of this Article, provided such activities are undertaken in strict compliance with the requirements of such resolution.

5.4. No Waiver of Future Approvals.

Each Owner acknowledges that the persons reviewing applications under this Article will change from time to time and that opinions on aesthetic matters, as well as interpretation and application of the Design Guidelines, may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features of proposed Work until the Work is completed, in which case it may be unreasonable to require changes to the improvements involved, but the Reviewer may refuse to approve similar proposals in the future. Approval of applications or Plans for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar applications, Plans or other matters subsequently or additionally submitted for approval.

5.5. Variances.

The Reviewer may authorize variances from compliance with any of its Design Guidelines when circumstances such as topography, natural obstructions, hardship or aesthetic or environmental considerations require, but only in accordance with duly adopted Regulations and Rules; provided, that, neither the Reviewer nor the ARC shall have the authority to grant any variance that would violate, or fail to conform with, any provision of the Planning and Zoning Code of City of Bridgeport, West Virginia, as amended and/or replaced from time to time, if applicable; provided, further, it shall be the responsibility of the Person seeking a variance from the Reviewer or the ARC to first obtain a variance from the City of Bridgeport's Board of Zoning Appeals, its successor entity or any other governmental body having jurisdiction over such matters, or to demonstrate that variance being sought will not violate, or fail to conform with, any provision of the Planning and Zoning Code of City of Bridgeport, West Virginia. Such variances may only be granted, however, when unique circumstances dictate, and no variance shall (a) be effective unless in writing; (b) be contrary to this Declaration; or (c) estop the Reviewer from denying a variance in other circumstances. For purposes of this Section 5.5, the inability to obtain approval of any governmental agency, the issuance of any permit or the terms of any financing shall not be considered a hardship warranting a variance.

5.6. Limitation of Liability.

The standards and procedures established by this Article are intended as a mechanism for maintaining and enhancing the overall aesthetics of the Community but shall not create any duty to any Person. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and the Reviewer shall not bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements, nor for ensuring that all Dwellings are of comparable quality, value or size or of similar design. Neither the Declarant, the Association, the Board, any committee or member of any of the foregoing shall be held liable for soil conditions, drainage or other general site work, nor for any defects in Plans revised or approved hereunder, nor for any injury, damages or loss arising out of the manner or quality of approved construction or modifications to any Unit. In all matters, the ARC and all persons comprising the ARC shall be defended and indemnified by the Association as provided in Section 8.6.

5.7. Certificate of Compliance.

Any Owner may request that the Reviewer issue a certificate of architectural compliance certifying that there are no known violations of this Article or the Design Guidelines. The Association shall either grant or deny such request within thirty (30) days after receipt of a written request and may charge a reasonable administrative fee for issuing such certificates. Issuance of such a certificate shall estop the Association from taking enforcement action with respect to any condition as to which the Association had notice as of the date of such certificate.

Article VI Maintenance and Repair

6.1. Maintenance of Units.

Each Owner shall maintain his Unit, and all landscaping and improvements thereon, in a neat, clean and attractive condition, and in a manner consistent with the Community-Wide Standard and the Governing Documents.

6.2. Repair and Replacement; Insurance.

Responsibility for maintenance shall include responsibility for repair and replacement as necessary to maintain the Unit, and all landscaping and improvements thereon, to a level consistent with the Community-Wide Standard.

By virtue of taking title to a Unit, each Owner covenants and agrees, with all other Owners and with the Association, to carry blanket "all-risk" property insurance for the full replacement cost of all insurable improvements on his or her Unit, less a reasonable deductible. Each Owner shall provide a copy of the certificate of insurance to the Association as proof that such insurance has been obtained.

In the event of damage to or destruction of structures on a Unit, the Owner shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or such other Plans as are approved in accordance with Article V. Alternatively, the Owner shall

clear the Unit and maintain it in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs which are not covered by insurance proceeds.

PART THREE: COMMUNITY GOVERNANCE AND ADMINISTRATION

The success of the Community is dependent upon the support and participation of the Owners in its governance and administration. The Declaration establishes Crystal Ridge Homeowners Association, Inc., a West Virginia non-profit corporation, as the mechanism by which the Owners are able to provide that support and participation. While many powers and responsibilities are vested in the Association's Board of Directors, some decisions are reserved for the Association's membership -- the Owners of Units in Crystal Ridge.

Article VII The Association and its Members

7.1. Function of Association.

The Association shall be responsible for management, maintenance, operation and control of the Controlled Facilities. The Association also shall be the primary entity responsible for enforcement of the Governing Documents. The Association shall perform its functions in accordance with the Governing Documents and applicable West Virginia law.

7.2. Membership.

Every Owner shall be a Member of the Association. There shall be only one membership per Unit. If a Unit is owned by more than one Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in Section 7.3 below or in the By-Laws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners. The membership rights of an Owner which is not a natural person may be exercised by any person named in a certificate executed by the Owner and filed with the secretary of the Association.

The Association initially shall have two classes of membership: Class "A" and Class "B".

(a) Class "A". Class "A" Members shall be all Owners of Units other than the Class "B" Member, if any.

(b) Class "B". The sole Class "B" Member shall be the Builder, to which the Declarant's Special Declarant Right to appoint or remove any officer of the Association or members of the Board of Directors during the Declarant Control Period is hereby transferred and assigned pursuant to Section 11.7 below. Builder, as the Class "B" Member, may appoint a majority of the members of the Board of Directors during the Declarant Control Period, as specified in the By-Laws. Additional rights of the Class "B" Member, including the right to approve, or withhold approval of, actions proposed under this Declaration, the By-Laws and the Articles, are specified in the relevant sections of this Declaration, the By-Laws and the Articles. The Class "B" membership shall terminate upon expiration of the Declarant Control Period,

unless earlier terminated voluntarily by Declarant in a recorded instrument referencing this Declaration.

7.3. Exercise of Voting Rights.

On any matter requiring a vote of the Members or a particular class or classes of Members under the Governing Documents, the Members shall have such votes as are allocated to their respective Units under Section 3.2 above. In the event that there is more than one Owner of any Unit, the vote for such Unit may be exercised by the natural person named in a certificate signed by all co-Owners and filed with the Secretary of the Association, or in the absence of such person, or failure to file such a certificate, by any co-Owner. If more than one co-Owner seeks to exercise the Unit's vote, the vote shall be suspended. Any Person who could exercise the Unit's vote at a meeting shall be entitled to execute a proxy, cast a written ballot or mail-in vote, or approve or disapprove any action which the Members are entitled to approve or disapprove under the Governing Documents.

Article VIII Association Powers and Responsibilities

8.1. Acceptance and Control of Association Property.

(a) The Association, through action of its Board, may acquire, hold, and dispose of tangible and intangible personal property and real property.

(b) So long as the Declarant owns any of the Properties described on Exhibits "A" or "B," the Declarant and its designees may convey to the Association personal property and fee title, leasehold or other property interests in any real property, improved or unimproved, described on Exhibits "A" or "B", including the real estate comprising the Common Facilities described on Exhibit "C". The Association shall accept and maintain such property at its expense for the benefit of its Members, subject to any restrictions set forth in the deed or other instrument transferring such property to the Association. Upon written request of Declarant, the Association shall reconvey to Declarant any unimproved portions of the Properties originally conveyed by Declarant to the Association for no consideration, to the extent conveyed by Declarant in error or needed by Declarant to make minor adjustments in property lines.

8.2. Maintenance of Common Facilities.

(a) The Association shall maintain, in accordance with the Community-Wide Standard, the Common Facilities, which shall include, but need not be limited to:

- (i) all portions of and structures situated upon the Common Facilities; and
- (ii) all landscaping and other flora, lighting and signage, if any, situated upon the Common Facilities.

The Association may maintain other property which it does not own, including, without limitation, landscaping within public rights-of-way and utility easements located in or abutting the Properties and other property dedicated to the public, to the extent permitted by the

entity holding or controlling the same, if the Board of Directors determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

If the Association fails to perform its maintenance responsibility as required herein and in any additional covenants, the Declarant may perform it and shall be entitled to recover the costs of performing such service from the Association.

The Association shall not be liable for any damage or injury occurring on, or arising out of the condition of, property which it does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities.

(b) The Association shall maintain the facilities and equipment within the Common Facilities in continuous operation, except for any periods necessary, as determined in the sole discretion of the Board, to perform required maintenance or repairs, unless Members representing seventy-five percent (75%) of the Class "A" votes in the Association and the Class "B" Member, if any, agree in writing to discontinue such operation.

Except as provided above, the Common Facilities shall not be reduced by amendment of this Declaration or any other means except with the prior written approval of the Declarant as long as the Declarant owns any property described on Exhibits "A" or "B" of this Declaration.

(c) The costs associated with maintenance, repair and replacement of the Common Facilities shall be a general Common Expense; provided, that, the Association may seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Common Facilities pursuant to this Declaration, other recorded covenants or agreements with the owner(s) thereof.

8.3. Insurance.

(a) Required Coverages. The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect such insurance coverages and in such amounts and with such terms as are set forth in this Section, to the extent reasonable available at reasonable cost, or as are otherwise required by applicable law:

(i) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on the Common Facilities for which the Association has maintenance responsibility. If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement cost of the insured improvements under current building ordinances and codes;

(ii) Commercial general liability insurance on the Common Facilities, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents or contractors while acting on its behalf. If generally available at reasonable cost, such coverage (including primary and any umbrella coverage) shall have a limit of at least \$1,000,000.00 per occurrence with respect to bodily

injury, personal injury and property damage; provided, should additional coverage and higher limits be available at reasonable cost which a reasonably prudent person would obtain, the Association shall obtain such additional coverages or limits;

(iii) Workers compensation insurance and employers liability insurance, if and to the extent required by law;

(iv) Directors and officers liability coverage;

(v) Commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's best business judgment but not less than an amount equal to one-sixth of the annual Base Assessments on all Units plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation; and

(vi) Such additional insurance as the Board, in its business judgment, determines advisable.

Premiums for all insurance on the Common Facilities shall be Common Expenses.

(b) Policy Requirements. The Association shall arrange for an annual review of the sufficiency of its insurance coverage by one or more qualified Persons, at least one of whom must be familiar with insurable replacement costs in the Harrison County, West Virginia area. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Member insured.

The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 8.3(a). In the event of an insured loss, the deductible shall be a Common Expense; provided, that, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees or lessees, then the Board may assess the full amount of such deductible against such Owner(s) and their Units as a Specific Assessment.

All insurance coverage obtained by the Board shall:

(i) be written with a company authorized to do business in the State of West Virginia;

(ii) be written in the name of the Association for the benefit of the Association and its Members;

(iii) not be brought into contribution with policies of insurance purchased by Owners, their Mortgagees, or occupants of Dwellings on Units individually;

(iv) contain an inflation guard endorsement;

(v) include an agreed amount endorsement, if the policy contains a co-insurance clause;

(vi) provide that each Owner is an insured person under the policy with respect to liability arising out of such Owner's interest in the Common Elements or membership in the Association;

(vii) provide a waiver of subrogation under the policy against any Owner or household member of a Owner;

(viii) include an endorsement precluding cancellation, invalidation, suspension or non-renewal by the insurer on account of any one or more Owners, or on account of any curable defect or violation, without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure; and

(ix) include an endorsement precluding cancellation, invalidation or condition to recovery under the policy on account of any act or omission of any one or more Owners, unless such Owner is acting within the scope of its authority on behalf of the Association.

In addition, the Board shall use reasonable efforts to secure insurance policies which list the Owners as additional insureds and provide:

(x) a waiver of subrogation as to any claims against the Association's Board, officers, employees and its manager, the Owners and their tenants, servants, agents and guests;

(xi) a waiver of the insurer's rights to repair and reconstruct instead of paying cash;

(xii) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

(xiii) an endorsement requiring at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification or non-renewal;

(xiv) a cross liability provision; and

(xv) a provision vesting in the Board exclusive authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss.

(c) Restoring Damaged Improvements. In the event of damage to or destruction of Common Facilities or other property which the Association is obligated to insure, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes. The Association shall proceed with due diligence to repair or reconstruct all damaged improvements, except as otherwise permitted herein. No Mortgagee

shall have the right to participate in the determination of whether the damage or destruction to the Common Facilities shall be repaired or reconstructed.

If a decision is made not to restore the damaged improvements, and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive, landscaped condition consistent with the Community-Wide Standard.

Except as otherwise provided herein, any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by the Association for the benefit of its Members and placed in a capital improvements account. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Unit.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board may, without a vote of the Members, levy Special Assessments to cover the shortfall.

8.4. Compliance and Enforcement.

Every Owner and occupant of a Unit shall comply with the Governing Documents. The Board may impose sanctions for violation of the Governing Documents after notice and a hearing in accordance with the procedures set forth in the By-Laws. Such sanctions may include, without limitation:

(a) imposing reasonable monetary fines which shall constitute a lien upon the violator's Unit. (In the event that any occupant, guest or invitee of a Unit violates the Governing Documents and a fine is imposed, the fine shall first be assessed against the violator; provided, however, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Board);

(b) suspending an Owner's right to vote;

(c) suspending any Person's right to use any recreational facilities within the Common Facilities; provided, however, nothing herein shall authorize the Board to limit ingress or egress to or from a Unit;

(d) suspending any services provided by the Association to an Owner or the Owner's Unit if the Owner is more than thirty (30) days delinquent in paying any assessment or other charge owed to the Association;

(e) exercising self-help or taking action to abate any violation of the Governing Documents in a non-emergency situation;

(f) requiring an Owner, at its own expense, to remove any structure or improvement on such Owner's Unit in violation of Article V and to restore the Unit to its previous condition and, upon failure of the Owner to do so, the Board or its designee shall have the right to enter the

property, remove the violation and restore the property to substantially the same condition as previously existed and any such action shall not be deemed a trespass;

(g) without liability to any Person, precluding any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of Article V and the Design Guidelines from continuing or performing any further activities in the Crystal Ridge; and

(h) levying Specific Assessments to cover costs incurred by the Association to bring a Unit, or the improvements or landscaping thereon, into compliance with the Governing Documents.

In addition, the Board may take the following enforcement procedures to ensure compliance with the Governing Documents without the necessity of compliance with the procedures set forth in the By-Laws:

(i) exercising self-help in any emergency situation (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations); and/or

(j) bringing suit at law or in equity to enjoin any violation or to recover monetary damages or both.

In addition to any other enforcement rights, if an Owner fails properly to perform his or her maintenance responsibilities, the Association may record a notice of violation in the Public Records or perform such maintenance responsibilities and assess all costs incurred by the Association against the Unit and the Owner as a Specific Assessment. Except in an emergency situation, the Association shall provide the Owner reasonable notice and an opportunity to cure the problem prior to taking such enforcement action.

All remedies set forth in the Governing Documents shall be cumulative of any remedies available at law or in equity. In any action to enforce the Governing Documents, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, attorneys fees and court costs, reasonably incurred in such action.

The Association shall not be obligated to take enforcement action if the Board reasonably determines that, under the particular circumstances, (i) the Association's legal position is not strong enough to justify taking action, (ii) although a technical violation may exist, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources. Such a decision shall not be construed a waiver of the right of the Association to enforce such provision at a later time under other circumstances or estop the Association from enforcing any other covenant, restriction or rule.

The Association, by contract or other agreement, may enforce applicable state and local laws and ordinances, and shall permit governmental bodies to enforce their respective laws and ordinances within the Properties for the benefit of the Association and its Members.

8.5. Implied Rights; Board Authority.

The Association may exercise any right or privilege given to it expressly by the Governing Documents, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

8.6. Indemnification of Officers, Directors and Others.

The Association shall indemnify every officer, director, and committee member against all damages and expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director or committee member, except that such obligation to indemnify shall be limited to those actions for which liability is limited under this Section and West Virginia law.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director and committee member harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

8.7. Security.

Each Owner, every occupant of a Dwelling in Crystal Ridge, and each person entering Crystal Ridge, shall be responsible for their own safety and for the security of their own property within Crystal Ridge. The Association may, but shall not be obligated to, maintain or support certain activities within Crystal Ridge designed to add to or enhance such safety and security. However, neither the Association, the Declarant, its affiliates nor any successor Declarant shall in any way be considered insurers or guarantors of safety or security within Crystal Ridge, nor shall any of them be held liable for any injury, loss or damage by reason of failure to provide adequate security, or ineffectiveness of security measures undertaken. No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to the Properties, can not be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform its tenants and all occupants of any Dwelling on its Unit that the Association, its Board and committees, and the Declarant are not insurers and that each Person using the Properties assumes all risks of personal injury and loss or

damage to property, including structures on Units and the personal property maintained on the Units, resulting from acts of third parties.

8.8. Provision of Services.

The Association may provide, or provide for, services and facilities for the Members and their Units, and shall be authorized to enter into and terminate contracts or agreements with other entities, including Declarant, to provide such services and facilities. The Board may charge use or service fees for any such services and facilities provided at the option of an Owner, or may include the costs thereof in the Association's budget as a Common Expense and assess it as part of the Base Assessment if made available or provided to all Units. By way of example, such services and facilities might include landscape maintenance; pest control service; cable, digital, satellite or similar television service; security; caretaker; transportation; fire protection; utilities; and other services and facilities.

Nothing in this Section shall be construed as a representation by Declarant or the Association as to what, if any, services shall be provided. In addition, the Board shall be permitted to modify or cancel existing contracts for services in its discretion, unless the provision of such services is otherwise required by the Governing Documents. Non-use of services provided to all Owners or Units as a Common Expense shall not exempt any Owner from the obligation to pay assessments for such services.

Article IX Association Finances

9.1. General.

Assessments for Common Expenses shall be levied at least annually, based upon a budget or budgets adopted at least annually in accordance with this Article, which budget(s) shall segregate general Common Expenses from expenses relating to optional services provided pursuant to Section 9.4.

9.2. Budgeting and Allocating General Common Expenses.

FOR CALENDAR YEAR 2007, THE INITIAL ANNUAL BASE ASSESSMENT SHALL BE THREE HUNDRED DOLLARS AND NO CENTS (\$300.00) PER UNIT. From and after calendar year 2008, the annual Base Assessment may be increased by a vote of the Board of the Association, as provided herein. Subject to the provisions of Section 9.6 below, the annual Base Assessment shall be payable in quarterly installments.

At least sixty (60) days before the beginning of each calendar year, the Board shall prepare a budget of the estimated general Common Expenses for the coming year. The budget shall include a contribution to a reserve fund for capital repairs and replacements to Common Facilities which the Association maintains as a general Common Expense, in such amount as the Board deems appropriate after taking into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The budget shall reflect the sources and estimated amounts of funds to cover such expenses and reserve contributions, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Units, and the amount to be

generated through the levy of Base Assessments and Special Assessments against the Units, as authorized in Section 9.6.

The Association is hereby authorized to levy Base Assessments against all Units subject to assessment under Section 9.6 to fund the Common Expenses, in accordance with the allocation of liability for Common Expenses set forth in Section 3.2. In determining the Base Assessment rate per Unit, the Board may consider any assessment income expected to be generated from any additional Units reasonably anticipated to become subject to assessment during the calendar year. The Declarant may, but shall not be obligated to, provide a subsidy to reduce the amount of Common Expenses which would otherwise be allocated among the Units subject to assessment hereunder; provided, that, any such subsidy and the amount thereof in any year shall be conspicuously disclosed in the Association's operating budget for that year. Payment of any such subsidy in one year shall not obligate the Declarant to continue such subsidy in future years.

The Board shall send a copy of the final budget, together with notice of the amount of the Base Assessment to be levied pursuant to such budget, to each Owner at least thirty (30) days prior to the effective date of such budget. The budget shall automatically become effective unless disapproved at a meeting by Members representing at least a majority of the total Class "A" and votes in the Association and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members for special meetings as provided in the By-Laws, which petition must be presented to the Board within ten (10) days after delivery of the budget and notice of any assessment.

If any proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then the budget most recently in effect, plus a ten percent (10%) increase in the Base Assessment and estimated expenses of the Association, shall constitute the budget for the current year until a new budget is determined.

Any amounts accumulated from assessments for general Common Expenses in excess of the amount actually required for such Common Expenses and reserves for future Common Expenses shall be credited to each Unit assessed for a share of such Common Expenses in proportion to the share so assessed, such credits to be applied to the next annual Base Assessment against that Unit and thereafter until exhausted, unless the Board determines that calculation and application of such credit on a more frequent basis is preferable.

9.3. Special Assessments.

In addition to other authorized assessments, the Association may levy Special Assessments to cover unbudgeted expenses or expenses in excess of those budgeted. The Board may levy Special Assessments without Member approval so long as the total amount of such Special Assessments chargeable to any Unit in any calendar year does not exceed Two Hundred Fifty Dollars and No Cents (\$250.00). Any Special Assessment which causes the cumulative amount of Special Assessment to exceed this limitation in any one calendar year shall be effective only if approved by the affirmative vote or written consent of Members representing more than fifty percent (50%) of the total Class "A" votes allocated to Units which will be subject to such Special Assessment, and the affirmative vote or written consent of the Class "B"

Member, if such exists. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the calendar year in which the Special Assessment is approved.

9.4. Specific Assessments.

The Association shall have the power to levy Specific Assessments against any Owner separately and against such Owner's Unit to cover:

(a) costs incurred in bringing the Unit, or the improvements or landscaping thereon, into compliance with the Governing Documents, or

(b) costs incurred as a consequence of the conduct of the Owner or occupants of the Unit, their agents, contractors, employees, licensees, invitees or guests; provided, that, the Board shall give the Unit Owner prior written notice and an opportunity for a hearing, in accordance with the By-Laws, before levying any Specific Assessment under this Section.

9.5. Optional User Fees.

The Board shall have the power specifically to assess Optional User Fees against Units receiving benefits, items or services not provided to all Units within the Properties. Expenses of the Association that are incurred upon the request of the Owner of a Unit for specific items or services relating to the Owner, the Unit or its occupants shall be specifically assessed against the Unit or Units in the amount of the cost of the benefit received or according to a method of equitably assessing the Units for such services as may be established by the Board. The cost of the benefit may include, at the Board's option, a reasonable administrative charge.

9.6. Authority to Assess Owners; Time of Payment.

The Declarant hereby establishes and the Association is hereby authorized to levy assessments as provided for in this Article and elsewhere in the Governing Documents. The obligation to pay assessments shall commence as to each Unit on the first day of the month following: (a) the month in which the Unit is made subject to this Declaration, or (b) the month in which the Board first determines a budget and levies assessments pursuant to this Article, whichever is later.

Assessments shall be paid in such manner and on such dates as the Board may establish. The Board may require advance payment of assessments at closing of the transfer of title to a Unit and impose special requirements for Owners with a history of delinquent payment. Unless the Board otherwise provides, the Base Assessment shall be paid in quarterly installments.

If any Owner is delinquent in paying any assessments or other charges levied on a Unit, the Board may revoke the privilege of paying in installments, accelerate the amount due for a one year period from the date of delinquency, and require payment in full immediately. The amount of the assessments in the succeeding calendar year which are declared due because of the

acceleration shall be equal to the current calendar year's assessments plus ten percent (10%) of the current calendar year's assessments.

9.7. Obligation for Assessments.

Each Owner, by accepting a deed or entering into a recorded contract of sale for any Unit, is deemed to covenant and agree to pay all assessments authorized in the Governing Documents. All assessments, together with interest (computed from its due date at a rate of ten percent (10%) per annum or such higher rate as the Board may establish, subject to the limitations of West Virginia law), late charges as determined by Board resolution, costs and reasonable attorneys' fees, shall be the personal obligation of each Owner and a lien upon each Unit until paid in full. Upon a transfer of title to a Unit, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance.

Failure of the Board to fix assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments at the same rates as during the last year for which an assessment was levied, if any, until a new assessment is levied, at which time the Association may retroactively assess any Common Expenses in excess of such assessments.

No Owner may exempt himself from liability for assessments by non-use of Common Elements, abandonment of his Unit or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

The Association shall, upon request, furnish to any Owner liable for any type of assessment a certificate in writing signed by an Association officer setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee not to exceed Fifty Dollars and No Cents (\$50.00) for the issuance of such certificate.

9.8. Lien for Assessments.

The Association shall have a lien against each Unit to secure payment of delinquent assessments, as well as interest, late charges (subject to the limitations of West Virginia law), and costs of collection (including attorneys fees). The priority of such lien shall be determined in accordance with §36B-3-116 and other applicable law, except that the reference to the periodic budget adopted by the association pursuant to §36B-3-116 shall mean and refer to the periodic budget adopted by the Association pursuant to this Agreement. Such lien, when delinquent, may be enforced by suit, judgment and judicial or nonjudicial foreclosure.

The Association may bid for the Unit at the foreclosure sale and acquire, hold, lease, mortgage, and convey the same. While a Unit is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied

on it; and (c) each other Unit shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

The sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessments. However, the sale or transfer of any Unit pursuant to foreclosure of the first Mortgage shall extinguish the lien as to any installments of such assessments due prior to the Mortgagee's foreclosure. The subsequent Owner of the foreclosed Unit shall not be personally liable for assessments on such Unit due prior to such acquisition of title. Such unpaid assessments shall be deemed to be Common Expenses collectible from Owners of all Units subject to assessment under this Article, including such acquirer, its successors and assigns.

9.9. Exempt Property.

(a) CLASS "A" EXEMPT PROPERTIES:

Any portion of the Properties to the extent of any easement or other interest therein dedicated and excepted by the local public authority and devoted to public use;

(i) All Common Elements;

(ii) Any portion of the Properties exempted from taxation by the laws of the State of West Virginia, upon the terms and to the extent of such legal exemption; provided, however, that portions of the Properties exempted from taxation by reason of the Homestead Exemption or because of a charitable designation or status, shall not be exempt from the assessments, charges, and lien created herein.

(b) CLASS "B" EXEMPT PROPERTIES

(i) All Units owned by the Declarant or the Class "B" Member; provided, that, the Class "B" Exemption shall cease as to any individual Unit or Units owned by the Declarant or the Class "B" Member upon the date that the Declarant or the Class "B" Member shall remove any such Unit or Units from its inventory of sales Units, and converts the same to purposes other than a Unit for sale, exclusive of and not including the execution of a sales contract by the Declarant or the Class "B" Member on said Unit or Units for a proposed sale of said Unit or Units, and shall cease and terminate as to all the remaining Units owned by the Declarant or the Class "B" Member upon the happening of any one (1) of the following events, which occurs later:

(ii) on January 1, 2020, or

(c) the termination of the Declarant Control Period.

(i) As the Declarant and the Class "B" Member are to be exempted from assessments as hereinbefore provided for, the Declarant and/or the Class "B" Member do hereby covenant and agree that until such time as their respective exemption terminates, as hereinbefore

provided for, the Declarant and/or the Class "B" Member shall each be and remain responsible for the reasonable maintenance, operation, and upkeep of the Units it owns and for a pro rata portion of the common expenses associated with the Common Elements allocated to such Units (not including major capital improvements or expenditures).

9.10. Limited Expense Liability Planned Community Savings Clause.

Notwithstanding any provision to the contrary contained in this Declaration or in any of the Governing Documents, the annual average Common Expense liability of all Units, inclusive of Base Assessments and Special Assessments, and exclusive of Optional User Fees, other Specific Assessments and any insurance premiums paid by the Association, shall not exceed the sum of Three Hundred Dollars and No Cents (\$300.00), as adjusted from time to time under §36B-1-114 of the Act, and as increased or modified from time to time as the result of amendments to §36B-1-203(2) of the Act.

PART FOUR: COMMUNITY DEVELOPMENT

The Declaration reserves various rights to the developer in order to facilitate the smooth and orderly development of Crystal Ridge and to accommodate changes in the master plan.

Article X Right to Add Real Estate

10.1. Reservation of Right.

The Declarant expressly reserves the option to amend this Declaration to expand the Community by submitting all or any portion of the Additional Property to the terms of this Declaration.

Such option shall terminate seven (7) years after the date this Declaration is recorded in the Public Records. There shall be no other limitations on such option, except as set forth in Section 10.3, and such limitations may be created or imposed by operation of law. The Declarant may transfer or assign this right, in whole or in part, to any Person who is the developer of at least a portion of the Properties or the Additional Property. Any such transfer shall be memorialized in a written, recorded instrument executed by Declarant.

10.2. Effect on Association and Individual Interests.

Upon addition of Additional Property containing Units, the percentage votes and share of liability for Common Expenses of all Units shall be reallocated in accordance with the formula described in Section 3.2. The effect of creation of additional Units will be to decrease the relative voting strength and liability for assessments of each Unit in existence prior to the date on which such additional Units were created.

10.3. Timing and Limitations of Exercise of Option.

(a) Portions of any Additional Property may be added at different times. No assurances are made as to the boundaries of such portions or the order in which they may be

added. Addition of any portion of the Additional Property shall in no way obligate the Declarant to add any other portion, or any other real estate.

(b) A maximum total of fifty-five (55) Units may be created within Phase 1 of the Community; provided, that, Declarant hereby reserves the right to submit all or any portion of the Additional Property to this Declaration in which case the maximum number of Units within the Community will increase. In the event that Declarant submits all or any portion of the Additional Property to this Declaration and the maximum number of Units within the Community increases, the relative strength of each Owner's voting power in the Association will decrease.

(c) The Units within the Properties and within any Additional Property made subject to this Declaration are restricted exclusively to residential use. For purposes of this provision, "residential use" shall mean residences for single families and such accessory structures as may be approved pursuant to Article V, and utilities to serve such residences or adjacent residential properties.

(d) No assurances are made that the structures erected upon each portion of the Additional Property will be compatible with the structures on Units in the Community in terms of architectural style, quality of construction, principal materials employed in construction, or size.

(e) The restrictions set forth in this Declaration affecting use, occupancy and alienation of Units will apply to all Units created within any Additional Property.

(f) No assurances are made regarding the location, nature, type, size or description of any buildings or other improvements that may be made or created upon or within any portion of the Additional Property.

(g) The provisions of this Section 10.3 shall not apply to any portion of the Additional Property which is not added to the Community pursuant to this Declaration and the Act.

10.4. Manner of Exercise.

(a) The Declarant may expand the Community to include any or all of the Additional Property by filing a Supplemental Declaration in the Public Records describing the portion of the Additional Property to be added and the intent that it be submitted to the terms of this Declaration. A Supplemental Declaration filed pursuant to this Section shall not require the consent of any Person except the owner of the property being added, if other than Declarant.

(b) Upon the addition of Units, the votes and Common Expense liabilities of the Units shall be reallocated among all Units in accordance with the formula described Section 3.2.

Article XI Additional Rights Reserved to Declarant

11.1. Creation of Additional Covenants and Easements.

(a) The Declarant may subject any portion of the Properties which the Declarant owns or, with the consent of the owner(s) thereof, any other portion of the Properties, to additional covenants and easements. Such additional covenants and easements may be set forth either in a Supplemental Declaration subjecting such property to this Declaration or in a separate Supplemental Declaration referencing property previously subjected to this Declaration. If the property is owned by someone other than Declarant, then the consent of the Owner(s) shall be necessary and shall be evidenced by their execution of the Supplemental Declaration.

(b) The Declarant reserves the right to subject any portion of the Properties which it owns to easements or licenses in favor of real estate which is not included in the Community or in favor of Persons who are not Owners or occupants of Units for purposes of access, ingress, egress, drainage, stormwater runoff, utilities and similar purposes in connection with the development and use of any portion of the Additional Property which is not made subject to this Declaration or any property adjacent to the Community. To the extent that the granting of any such easement or license imposes a greater burden on the Common Facilities than would otherwise exist or increases the Common Expenses, such easement or license shall obligate the owner of the property benefited by such easement or license to share in the Common Expenses so affected in accordance with a reasonable formula set forth in the easement or license.

11.2. Right to Designate Common Facilities.

(a) Declarant reserves the right to designate as a Common Facility any portion of the Properties which it owns, whether improved or unimproved. Such designation shall be made on the recorded Plat depicting the portion of the Properties in which such Common Facility is located or in the deed or other instrument conveying or leasing such portion of the Properties to the Association. Such right shall expire on the later of (i) the date upon which the Declarant conveys the last Unit which the Declarant has reserved the right to include in the Community or (ii) the date of expiration of the option reserved under Section 10.1 of this Declaration. To the extent that any portion of the properties is designated as a Common Facility on a recorded Plat, the Declarant (or any successor declarant, whether or not it succeeds to any declarant rights hereunder) shall be obligated to convey or lease such property to the Association no later than the date of expiration of the right reserved in this Section.

(b) The Declarant shall be responsible for preparing, executing and recording the deed or other instrument conveying or leasing any portion of the Common Facilities to the Association. Declarant shall provide a copy of the recorded instrument to the Association.

(c) Any Common Facility conveyed to the Association by Declarant pursuant to this reserved right shall be conveyed or leased for no consideration other than the Association's acceptance of such conveyance or lease. Upon the designation and conveyance or lease to the Association of any Common Facility pursuant to this Section, the Association shall accept such conveyance or lease and shall thereafter maintain the Common Facility as a Common Expense.

Each Owner acknowledges that such designation and conveyance or lease may increase the total Common Expenses and the share thereof applicable to such Owner's Unit.

(d) No conveyance or lease to the Association of any portion of the Properties shall occur until all construction or improvements thereon have been completed, unless a third party guarantee, bond, escrow, letter of credit or other mechanism assuring completion has been provided by the Declarant, in addition to the Declarant's own guarantee of completion, for the benefit of the Association. Such third-party assurances and the Declarant's guarantee shall not expire until completion of such construction or improvements.

(e) Until any proposed Common Facility improvement or facility is completed, Declarant shall be solely responsible for real estate taxes assessed against or allocable to the improvement or facility and for all other expenses in connection with the improvement or facility. The Declarant shall not be required to provide any third-party guarantee, bond, escrow, letter of credit or other mechanism, other than the Declarant's own guarantee, to assure completion of any proposed improvements or facilities on property which has not yet been conveyed or leased to the Association.

11.3. Marketing and Sales Activities.

The Builder, to which the Declarant's Special Declarant Right to maintain sales offices, management offices, signs advertising the limited expense liability planned community and models is hereby transferred and assigned pursuant to Section 11.7 below, may maintain and carry on upon portions of the Common Facilities and Units which the Declarant or Builder owns, such facilities and activities as, in the sole opinion of the Builder, may be reasonably required, convenient or incidental to the construction, management, sale and leasing of Units which it owns, including, but not limited to, business offices, signs, model units and sales, management or leasing offices. There shall be no restrictions on the number, size, location or relocation of any such facilities. The Declarant and the Builder shall have easements for access to and use of such facilities. At such time as Builder ceases to be an Owner or ceases use of or relocates any such facilities, Builder shall be entitled to remove any personal property and fixtures located therein.

11.4. Right to Develop.

The Declarant and its employees, agents and designees shall have a right of access and use and an easement over and upon all of the Common Facilities for the purpose of making, constructing and installing such improvements to the Common Facilities as it deems appropriate in its sole discretion.

11.5. Right to Approve Additional Covenants.

No Person shall record any declaration of covenants, conditions and restrictions or declaration of condominium or similar instrument affecting any portion of the Properties without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the Public Records.

11.6. Right to Approve Changes in Community Standards.

No amendment to or modification of any Restrictions and Rules or Design Guidelines shall be effective without prior notice to and the written approval of Declarant so long as the Declarant owns property subject to this Declaration or which may become subject to this Declaration in accordance with Section 10.1.

11.7. Right to Transfer or Assign Declarant Rights.

Any or all of the special rights and obligations of the Declarant set forth in this Declaration or the By-Laws may be transferred in whole or in part to other Persons; provided, that, the transfer shall not reduce an obligation nor enlarge a right beyond that which the Declarant has under this Declaration or the By-Laws. No such transfer or assignment shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Public Records. The foregoing sentence shall not preclude Declarant from permitting other Persons to exercise, on a one time or limited basis, any right reserved to Declarant in this Declaration where Declarant does not intend to transfer such right in its entirety, and in such case it shall not be necessary to record any written assignment unless necessary to evidence Declarant's consent to such exercise.

11.8. Exclusive Rights to Use Name of Development.

No Person, other than Builder which is hereby expressly authorized to do the same, shall use the name "Crystal Ridge" or any derivative of such name in any printed or promotional material without the Declarant's prior written consent. However, Owners may use the name "Crystal Ridge" in printed or promotional matter where such term is used solely to specify that particular property is located within Crystal Ridge and the Association shall be entitled to use the words "Crystal Ridge" in its name.

11.9. Termination of Rights.

Except where a shorter period is specified in this Declaration, the Declarant Rights and the Special Declarant Rights contained in this Article shall not terminate until the earlier of (a) 15 years from the date this Declaration is recorded in the Public Records, or (b) recording by Declarant of a written statement that all sales activity within or planned for the Community has ceased.

PART FIVE: PROPERTY RIGHTS WITHIN CRYSTAL RIDGE

The nature of living in a common interest community requires the creation of special property rights and provisions to address the needs and responsibilities of the Owners, the Declarant, the Association and others within or adjacent to the Community.

Article XII Easements

12.1. Easements in Common Facilities.

The Declarant grants to each Owner a nonexclusive right and easement of use, access, and enjoyment in and to the Common Facilities, subject to:

- (a) The Governing Documents and any other applicable covenants;
- (b) Any restrictions or limitations contained in any deed conveying such property to the Association;
- (c) The right of the Board to adopt rules regulating the use and enjoyment of the Common Elements, including rules regulating guest use of the Common Elements;
- (d) The right of the Association, acting through the Board, to dedicate or transfer all or any part of the Common Facilities, subject to such approval requirements as may be set forth in this Declaration;
- (e) The right of the Board to permit use of Common Facilities by persons other than Owners, their families, lessees and guests upon such terms and conditions as the Board may establish; and
- (f) The right of the Association, acting through the Board, to mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees and social invitees, as applicable, subject to reasonable regulation by the Board. An Owner who leases his or her Unit shall be deemed to have assigned all such rights to the lessee of such Unit for the period of the lease.

12.2. Easements of Encroachment.

The Declarant grants reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Unit and any adjacent portion of the Common Facilities and between adjacent Units due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than one foot, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to reckless or willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

12.3. Easements for Utilities, Etc.

- (a) The Declarant reserves for itself and its affiliates, so long as the Declarant or an affiliate owns any property described on Exhibit "A" or "B" of this Declaration, and grants to the

Association and all utility providers, perpetual non-exclusive easements throughout all of the Properties (but not through a structure) to the extent reasonably necessary for the purpose of:

(i) installing utilities and infrastructure to serve the Properties, cable and other systems for sending and receiving data and/or other electronic signals, security and similar systems, walkways, pathways and trails, drainage systems, street lights and signage on property which Declarant owns or within public rights-of-way or easements reserved for such purpose on recorded Plats;

(ii) inspecting, maintaining, repairing and replacing the utilities, infrastructure and other improvements described in Section 12.3(a)(i); and

(iii) access to read utility meters.

(b) Declarant also reserves for itself the non-exclusive right and power to grant and record in the Public Records such specific easements as may be necessary, in the sole discretion of Declarant, in connection with the orderly development of any property described on Exhibits "A" and "B."

(c) All work associated with the exercise of the easements described in subsections (a) and (b) of this Section shall be performed in such a manner as to minimize interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably possible, to its condition prior to the commencement of the work. The exercise of these easements shall not extend to permitting entry into the structures on any Unit, nor shall it unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant.

12.4. Easements to Serve Additional Property.

The Declarant hereby reserves for itself and its duly authorized agents, successors, assigns and mortgagees, a perpetual, nonexclusive easement over all roadways within the Properties and over the Common Facilities, for the purposes of enjoyment, use, ingress, egress and access to and from, and development of the Additional Property or any portion thereof, whether or not such property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Facilities for construction of roads and for connecting and installing utilities on such property.

Declarant agrees that it and its successors or assigns shall be responsible for any damage caused to the property burdened by this easement as a result of the exercise of this easement for the purpose of development of any property described in clauses (a) or (b) above. Declarant further agrees that if the easement is exercised for permanent access to any portion of such property and such property or any portion thereof benefiting from such easement is not made subject to this Declaration, the Declarant, its successors or assigns, shall enter into a reasonable agreement with the Association or impose covenants on such property (or portion thereof) obligating the owners thereof, or an association of such owners, to share the cost of maintaining, repairing, replacing and operating such roadways (until such time as the roadways become dedicated public streets), any landscaping and directional signage within the rights-of-

way thereof or landscaping easements adjacent thereto as shown on the recorded Plat depicting such roadways, and any gates, booths and entry features controlling access, ingress and egress over such roadways, including the cost associated with staffing any gate houses, booths or other facilities for controlling access over such roadways.

12.5. Easements for Maintenance, Emergency and Enforcement.

The Declarant grants to the Association easements over the Properties as necessary to enable the Association to fulfill its maintenance responsibilities under Section 8.2. The Association shall also have the right, but not the obligation, to enter upon any Unit (but not into a dwelling) for emergency, security and safety reasons, to perform maintenance and to inspect for the purpose of ensuring compliance with and enforce the Governing Documents. Such right may be exercised by any member of the Board and its duly authorized agents and assignees, and all emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner.

12.6. Easement for Access and Parking.

The Declarant hereby grants to each Owner a perpetual, non-exclusive easement for access, ingress and egress over all of the roadways within the Properties. Such easement may be exercised by the Owner and occupants of the Owner's Unit, their guests and invitees. Such easement shall be subject to the right of the Declarant or its successors, assigns or successors-in-title to such roadways, to regulate access over such roadways by gating or otherwise restricting entry and requiring use of identification, access control cards, coded entry mechanisms or similar means designed to restrict access to authorized persons.

12.7. Easements for Perimeter Walls and Fencing.

There are hereby reserved to Declarant (so long as the Declarant or any affiliate of Declarant owns any property described on Exhibits "A" or "B" to this Declaration), the Association and the designees of each, perpetual, non-exclusive easements for installation, maintenance, repair, removal and replacement of perimeter walls or fencing, trees, shrubs and other landscaping buffers, over those portions of the Properties lying within 15 feet of the perimeter boundaries of the Properties, as such boundaries may exist and change from time to time (the "perimeter easement area"), and for ingress and egress over the Units and Common Facilities as reasonably necessary to obtain access to the perimeter easement area for such purposes. Such easement shall include the right to disturb existing landscaping within the perimeter easement area, to dig holes, and to temporarily pile dirt and plant material upon the perimeter easement area, provided the area is restored to a neat and attractive condition, to the extent practical, as soon as reasonably possible after completion of the activities authorized hereunder. Nothing herein shall obligate the Declarant or the Association to install any perimeter fencing, walls or landscaping in any perimeter easement area.

12.8. Other Recorded Easements and Licenses.

The recording information for any encumbrances, easements, licenses and other matters which are appurtenant to or included in the Properties, or to which a portion of the Properties is or may become subject, is set forth on Exhibit "E" to the extent said encumbrances,

easements, licenses and other matters (i) are properly indexed and recorded in the Public Records, and (ii) would be disclosed upon the conduct of an accurate sixty year (60) title examination of the Properties.

PART SIX: RELATIONSHIPS WITHIN AND OUTSIDE THE COMMUNITY

The growth and success of the Community as a place in which people enjoy living, working and playing requires good faith efforts to resolve disputes amicably, attention to and understanding of relationships within the Community and with our neighbors, and protection of the rights of others who have an interest in the Community.

Article XIII Dispute Resolution and Limitation on Litigation

13.1. Consensus for Association Litigation.

The Association shall not commence a judicial or administrative proceeding without the approval at least seventy-five percent (75%) of the total Association vote, except that no such approval shall be required for actions brought by the Association (a) to enforce the Governing Documents; (b) to collect delinquent assessments (including, without limitation, the foreclosure of liens securing the same); (c) to challenge ad valorem taxation; or (d) as a counterclaim in proceedings instituted against it. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings.

13.2. Alternative Method for Resolving Disputes.

(a) Declarant, the Association and its officers, directors, and committee members, all Persons subject to this Declaration, and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Community without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 13.3 in a good faith effort to resolve such Claim.

(b) As used in this Article, the term "Claim" shall refer to any claim, grievance or dispute arising out of or relating to

(i) the interpretation, application, or enforcement of the Governing Documents;

(ii) the rights, obligations and duties of any Bound Party under the Governing Documents; or

(iii) the design or construction of improvements within the Community, other than matters of aesthetic judgment under Article V, which shall not be subject to review;

except that, unless all parties thereto otherwise agree, the following shall not be Claims and shall not be subject to the provisions of Section 13.3:

(iv) any suit by the Association against any of the Bound Parties to enforce the provisions of Article IX (relating to assessments);

(v) any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Article IV (Use and Conduct) and Article V (Architecture and Landscaping);

(vi) any suit between Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents;

(vii) any suit in which any indispensable party is not among the Bound Parties;
and

(viii) any suit as to which any applicable statute of limitations would expire within one hundred eighty (180) days of giving the Notice required by Section 13.3(a), unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article.

With the consent of all parties thereto, any of the above may be submitted to the alternative dispute resolution procedures set forth in Section 13.3.

13.3. Mandatory Procedures.

(a) Notice. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent") (collectively, the "Parties") shall notify each Respondent in writing (the "Notice"), stating plainly and concisely:

1. the nature of the Claim, including the Persons involved and Respondent's role in the Claim;
2. the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);
3. Claimant's proposed remedy; and
4. that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

(b) Negotiation and Mediation.

1. The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in

writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in negotiation.

2. If the Parties do not resolve the Claim within thirty (30) days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have thirty (30) additional days to submit the Claim to mediation under the auspices of an independent agency providing dispute resolution services in the Harrison County, West Virginia area upon which the Parties can agree, or if they cannot agree, a similar agency designated by the closest chapter of the Community Associations Institute.

3. If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, that, nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant.

4. Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If the Parties do not settle the Claim within thirty (30) days after submission of the matter to the mediation, or within such time as determined by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated. The Claimant shall thereafter be entitled to sue in any court of competent jurisdiction or to initiate proceedings before any appropriate administrative tribunal on the Claim. Each Party shall bear its own costs of the mediation, including attorneys fees, and each Party shall share equally all charges rendered by the mediator.

5. If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with Section 13.3 and any Party thereafter fails to abide by the terms of such agreement, then any other Party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in Section 13.3. In such event, the Party taking action to enforce the agreement shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including, without limitation, attorneys' fees and court costs.

Article XIV Mortgagee Provisions

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Units in the Properties. The provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

14.1. Notices of Action.

An institutional holder, insurer or guarantor of a first Mortgage who provides a written request to the Association (such request to state the name and address of such holder,

insurer or guarantor and the street address of the Unit to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of assessments or charges owed by a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Governing Documents relating to such Unit or the Owner or Occupant which is not cured within sixty (60) days;

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) Any proposed action which would require the consent of a specified percentage of Eligible Holders.

14.2. No Priority.

No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Elements.

14.3. Notice to Association.

Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

14.4. Failure of Mortgagee to Respond.

Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request; provided, that, such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

14.5. Construction of Article XIV.

Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, By-Laws or West Virginia law for any of the acts set out in this Article.

PART SEVEN: CHANGES IN THE COMMUNITY

Communities such as Crystal Ridge are dynamic and constantly evolving as circumstances, technology, needs and desires, and laws change, as the residents age and change

over time, and as the surrounding community changes. Crystal Ridge and its Governing Documents must be able to adapt to these changes while protecting the things that make it special

Article XV Changes in Units and Ownership of Units

15.1. Changes in Ownership.

Any Owner desiring to sell or otherwise transfer title to his or her Unit shall give the Board at least seven (7) days' prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Unit, including assessment obligations, until the date upon which such notice is received by the Board, notwithstanding the transfer of title.

15.2. Subdivision, Conversion and Combining of Units.

(a) No Unit may be subdivided into two (2) or more Units except that any Unit owned by the Declarant may be subdivided into two (2) or more Units, or converted to a combination of Units and Common Facilities.

Any such subdivision shall be subject to applicable governmental requirements and approvals. Upon request of the Declarant, the Association shall prepare, and the Association and the Declarant shall execute, an amendment to this Declaration including the Plat subdividing or converting the Unit, as applicable. All costs of preparation and recording of such amendment shall be assessed to the Declarant and the affected Unit as a Specific Assessment.

(b) The maximum number of Units which may be created by the subdivision or conversion of Units owned by the Declarant pursuant to this Section is that number calculated by subtracting the total number of Units within the Properties then subject to the Declaration from the maximum number of Units permitted within the Properties then subject to the Declaration pursuant to Article X.

(c) Adjacent Units may not be combined for use as a single homesite by any person other than Declarant unless the Board of Directors grants its prior written approval to such combination, which it shall not be obligated to do. Any such combination or construction of improvements straddling the common boundary line between two Units shall also be subject to applicable governmental requirements and required governmental approvals. Notwithstanding any such approvals, each Unit comprising the homesite shall continue to be treated as a separate Unit for purposes of assessment, voting, and all other rights and obligations under this Declaration, unless the Units were combined by Declarant prior to the conveyance of any of the Units so combined.

Article XVI Changes in Common Facilities

16.1. Condemnation.

If any part of the Common Facilities shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Members representing at least seventy-five percent (75%) of the total Class "A" votes in the Association and of the Declarant, as long as the Declarant owns any property subject to the Declaration or which may be made subject to the Declaration in accordance with Section 10.1) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice of such taking or conveyance prior to disbursement of any condemnation award or proceeds from such conveyance. Such award or proceeds shall be payable to the Association to be disbursed as follows:

If the taking or conveyance involves a portion of the Common Facilities on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Facilities to the extent available, unless within sixty (60) days after such taking the Declarant, so long as the Declarant owns any property subject to the Declaration or which may be made subject to the Declaration in accordance with Article X, and Members representing at least seventy-five percent (75%) of the total Class "A" votes in the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Section 8.3(c) regarding funds for restoring improvements shall apply.

If the taking or conveyance does not involve any improvements on the Common Facilities, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be apportioned as set forth in §36B-1-107 of the Act.

16.2. Dedication of Common Facilities.

Upon the vote of sixty-six percent (66%) the Board of Directors, the Association may dedicate portions of the Common Facilities to any other local, state or federal governmental entity.

Article XVII Amendment of Declaration

17.1. Corrective Amendments.

The Board may amend this Declaration without the consent of Owners or Mortgagees, if, in its reasonable judgment, such amendment is necessary to (a) cure an ambiguity; (b) correct or supplement any provision of the Declaration that is defective, missing or inconsistent with any other provision of the Declaration or the Act; or (c) conform to the requirements of any agency or entity that has established national or regional standards with respect to loans secured by mortgages or deeds of trust on Units, such as the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, provided, that, the Association first obtains an opinion from independent legal counsel that the proposed amendment is permitted by the terms of this Section 17.1.

17.2. Other Amendments.

(a) Except in the case of amendments which this Declaration permits to be effected by the Declarant, the Association or a Unit Owner without a vote of the membership, and except as provided in subsection (b) below, any amendment to this Declaration shall require the affirmative vote of persons entitled to cast more than sixty-six percent (66%) of the total votes in the Association and the consent of the Class "B" Member, if any.

(b) Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Except to the extent expressly permitted or required by this Declaration, no amendment pursuant to this Section 17.2 may create or increase Special Declarant Rights, alter the terms or provisions of this Declaration governing completion, leasing or conveyance of Common Facilities, increase the number of Units, or change the boundaries of any Unit, the common expense liability or votes allocated to any Unit, or the uses to which any Unit is restricted, without the consent of all Owners affected by such amendment. No amendment which would have the effect of removing, revoking or modifying any right or privilege of the Declarant or the Class "B" Member, shall be valid without the express written joinder of the Declarant or the Class "B" Member (or the assignee of such right or privilege). In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

17.3. Validity and Effective Date.

(a) If an Owner consents to any amendment to this Declaration or the By-Laws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

(b) Any amendment recorded by the Association shall be certified by an officer of the Association designated for that purpose, or in the absence of other designation, by the President of the Association, and shall become effective upon recording in the Public Records.

(c) Nothing in this Article shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration as of the date and year first written above.

CRYSTAL RIDGE DEVELOPMENT, INC.,
a West Virginia corporation

By: Robert S. Lang
Name: Robert S. Lang
Title: President

STATE OF WEST VIRGINIA)
COUNTY OF MONONGALIA) TO-WIT:

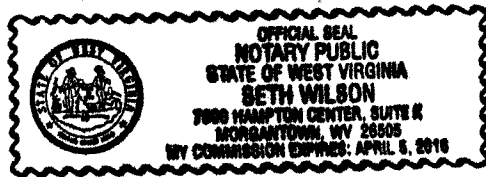
On this, the 4th day of August, 2006, before me, a Notary Public, the undersigned officer, personally appeared Robert S. Lang, who acknowledged himself or herself to be the President of CRYSTAL RIDGE DEVELOPMENT, INC., a West Virginia corporation, and that he or she executed the foregoing instrument on behalf of the corporation for the purposes therein contained under authority duly granted.

In Witness Whereof, I hereunto set my hand and official seal.

Beth Wilson
Notary Public

My Commission expires: April 5, 2016

(SEAL)



IN WITNESS WHEREOF, Builder, the undersigned transferee of certain Special Declarant Rights, has executed this Declaration as of the date and year first written above.

DAN RYAN BUILDERS, INC.,
a Maryland corporation

By:

Name: Christopher Rusch

Title: Vice President

STATE OF WEST VIRGINIA
COUNTY OF MONONGALIA

)
) TO-WIT:

On this, the 4th day of August, 2006, before me, a Notary Public, the undersigned officer, personally appeared Christopher Rusch, who acknowledged himself to be the Vice President of DAN RYAN BUILDERS, INC., a Maryland corporation, and that he executed the foregoing instrument on behalf of the corporation for the purposes therein contained under authority duly granted.

In Witness Whereof, I hereunto set my hand and official seal.


Notary Public

My Commission expires:

April 5, 2016

(SEAL)

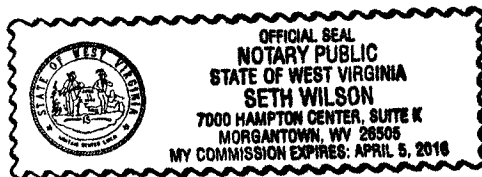


EXHIBIT "A"

Land Initially Submitted

ALL that certain tract or parcel of land, lying and being situate on the waters of Peddlers Run, a drain of Simpson Creek, in the City of Bridgeport, Simpson District, Harrison County, West Virginia, together with any improvements now or hereafter located thereon and all appurtenances whatsoever pertaining thereto, and being more particularly described as follows:

BEGINNING AT A POINT IN ASHMOR DRIVE WHICH BEARS S71° 15'05"E 52.22' FROM A 3/4" REBAR FOUND ON THE NORTHERLY LINE OF A 68.39± ACRE PARCEL SURVEYED BY RICHARD E. ADAMS P.S. #986 FOR CRYSTAL RIDGE DEVELOPMENT INC. AND SAID LINE BEING A COMMON LINE WITH BENEDUM AIRPORT AUTHORITY AND WHICH POINT ALSO BEARS N12°53'25"E 54.03' FROM A 3/4" REBAR FOUND ON AN EASTERLY LINE OF SAID 68.39± ACRE CRYSTAL RIDGE DEVELOPMENT INC. PARCEL, SAID EASTERLY LINE BEING A LINE IN COMMON WITH HERITAGE FARMS SUBDIVISION, SAID BEGINNING POINT BEING AN EASTERLY CORNER OF THE AFOREMENTIONED 68.39± ACRE PARCEL AND A COMMON CORNER TO BENEDUM AIRPORT AUTHORITY; THENCE RUNNING WITH A PORTION OF A COMMON LINE OF THE 68.39± ACRE PARCEL AND HERITAGE FARMS SUBDIVISION S12°53'25"W FOR 597.63' TO A 3/4" REBAR FOUND ON THE AFOREMENTIONED COMMON LINE OF THE 811.391 ACER PARCEL AND HERITAGE FARMS SUBDIVISION AND AT THE NORTHEAST CORNER OF A 0.92 ACRE PARCEL OWNED BY THE CITY OF BRIDGEPORT; THENCE RUNNING WITH THE NORTHERLY LINE OF SAID CITY OF BRIDGEPORT 0.92 ACRE PARCEL N77°06'05"W FOR 200.10' TO A 3/4" REBAR FOUND AT THE NORTHWEST CORNER OF SAID CITY OF BRIDGEPORT 0.92 ACRE PARCEL; THENCE RUNNING WITH THE WESTERLY LINE OF SAID CITY OF BRIDGEPORT 0.92 ACRE PARCEL S12°53'20"W FOR 200.06' TO A 3/4" REBAR FOUND AT THE SOUTHWEST CORNER OF SAID CITY OF BRIDGEPORT 0.92 ACRE PARCEL; THENCE LEANING THE SAID CITY OF BRIDGEPORT PARCEL AND RUNNING THROUGH THE AFOREMENTIONED 68.39± ACRE CRYSTAL RIDGE DEVELOPMENT INC. PARCEL AS FOLLOWS: S37°01'34"W FOR 73.11' TO A POINT ON THE PROPOSED SOUTHERLY

RIGHT OF WAY LINE FOR JADE COURT; THENCE RUNNING WITH A PORTION OF THE PROPOSED SOUTHERLY RIGHT OF WAY LINE FOR JADE COURT N52°58'26"W FOR 85.43' TO A POINT, BEING THE INTERSECTION OF THE PROPOSED SOUTHERLY RIGHT OF WAY LINE FOR JADE COURT WITH THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR OPAL COURT; THENCE RUNNING WITH THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR OPAL COURT IN A SOUTHERLY DIRECTION AND WITH A CURVE TO THE LEFT FOR AN ARC LENGTH OF 219.15' (RADIUS = 162.20' CHORD = S12°02'28"W FOR 202.85') TO A POINT; THENCE LEAVING THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR OPAL COURT AND RUNNING S72°26'55"W FOR 192.60' TO A POINT ON THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR TURQUOISE WAY; THENCE RUNNING WITH THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR TURQUOISE WAY S06°39'21"E FOR 136.85' TO A POINT; THENCE CONTINUING WITH THE PROPOSED RIGHT OF WAY LINE FOR TURQUOISE WAY IN A SOUTHERLY DIRECTION AND WITH A CURVE TO THE RIGHT FOR AN ARC LENGTH OF 60.02' (RADIUS = 1339.15' CHORD = S01°28'46"E FOR 60.01') TO A POINT; THENCE LEAVING THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR TURQUOISE WAY AND RUNNING N84°05'32"W FOR 201.43' TO A POINT ON THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR RUBY DRIVE; THENCE RUNNING WITH THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR RUBY DRIVE IN A SOUTHERLY DIRECTION AND WITH A CURVE TO THE RIGHT FOR AN ARC LENGTH OF 120.05' (RADIUS = 443.10' CHORD = S02°23'41"E FOR 119.67') TO A POINT; THENCE LEAVING THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR RUBY DRIVE AND RUNNING N84°27'14"W FOR 40.00' TO A POINT ON THE PROPOSED WESTERLY RIGHT OF WAY FOR RUBY DRIVE; THENCE LEAVING RUBY DRIVE AND RUNNING N69°19'26"W FOR 111.87' LINE TO A POINT; THENCE RUNNING S35°35'08"W FOR 319.09' TO A POINT; THENCE RUNNING S39°04'01"W FOR 90.94' TO A POINT; THENCE RUNNING S04°43'48"W FOR 87.98' TO A POINT; THENCE RUNNING N64°23'12"W FOR 196.83' TO A POINT ON THE PROPOSED EASTERLY RIGHT OF WAY LINE FOR GARNET WAY; THENCE RUNNING N89°44'07"W FOR 40.03' TO A POINT ON THE PROPOSED WESTERLY RIGHT OF WAY LINE FOR GARNET WAY; THENCE LEAVING THE PROPOSED WESTERLY RIGHT OF WAY LINE FOR

GARNET WAY AND RUNNING N81°38'07"W FOR 180.12' TO A POINT ON A WESTERLY LINE OF THE 68.39± ACRE CRYSTAL RIDGE DEVELOPMENT INC. PARCEL AND BEING ON A LINE IN COMMON WITH MIDDLETOWN HOME SALES INC.; THENCE RUNNING WITH A PORTION OF THE SAID COMMON LINE OF THE 68.39± ACRE CRYSTAL RIDGE DEVELOPMENT INC. PARCEL AND MIDDLETOWN HOME SALES INC. N07°37'00"E FOR 371.58' TO A 3/4" X 30' REBAR WITH CAP SET BY RICHARD E. ADAMS, P.S. /986 AT A COMMON CORNER OF THE 68.39* ACRE CRYSTAL RIDGE DEVELOPMENT INC. PARCEL AND MIDDLETOWN HOME SALES INC. PROPERTY; THENCE RUNNING WITH ANOTHER COMMON LINE OF SAID 68.39± ACRE CRYSTAL RIDGE DEVELOPMENT INC. PARCEL AND MIDDLETOWN HOME SALES INC. PROPERTY N39°55'25"W FOR 227.81' TO A POINT LOCATED ON SAID COMMON LINE AND BEING LOCATED S39°55'25"E FOR 10.01' FROM A 3/4" X 30" REBAR WITH CAP SET BY RICHARD E. ADAMS AT A COMMON CORNER OF SAID 68.39± ACER CRYSTAL RIDGE DEVELOPMENT INC. PARCEL AND MIDDLETOWN HOME SALES INC. AND SAID POINT BEING ON THE SOUTHERLY LINE OF A 60' WIDE RIGHT OF WAY FOR AN OLD TURNPIKE(NOW US. ROUTE 50); THENCE RUNNING WITH THE SOUTHERLT RIGHT OF WAY LINE FOR THE SAID TURNPIKE AND APPROXIMATELY 30' FROM AND PARALLEL, TO THE CENTERLINE OF THE EXISTING PAVEMENT OF U.S. ROUTE 50 FOR SIX LINES AND FOUR CURVES DELINEATED AS FOLLOWS: N51°13'34"E FOR 181.46' TO A POINT; THENCE N71°18'10"E FOR 285.06' TO A POINT OF CURVE; THENCE IN A NORTHEASTERLY DIRECTION WITH A CURVE TO THE LEFT FOR AN ARC LENGTH OF 332.33' (RADIUS = 354.58' CHORD = N44°25'10"E FOR 320.30') TO A POINT OF TANGENT, THENCE N17°34'10"E FOR 120.57' TO A POINT OF CURVE; THENCE IN A NORTHEASTERLY DIRECTION WITH A CURVE TO THE RIGHT FOR AN ARC LENGTH OF 201.26' (RADIUS = 379.46' CHORD N32°45'50"E FOR 198.91') TO A POINT OF TANGENT: THENCE N47°57'30"E FOR 67.82' TO A POINT OF CURVE; THENCE IN A NORTHEASTERLY DIRECTION WITH A CURVE TO THE RIGHT FOR AN ARC LENGTH OF 297.12' (RADIUS = 327.91' CHORD = N73°55'00"E FOR 287.06' TO A POINT OF TANGENT; THENCE S80°07'30"E FOR 123.17' TO A POINT OF CURVE; THENCE IN A NORTHEASTERLY DIRECTION WITH A CURVE TO THE LEFT FOR AN ARC LENGTH OF 356.56'

(RADIUS = 299.34' CHORD = N65°45'02"E FOR 335.86') TO A POINT OF TANGENT; THENCE N31°37'35"E FOR 112.59' TO A POINT OF CURVE; THENCE IN AN EASTERLY DIRECTION WITH A CURVE TO THE RIGHT FOR AN ARC LENGTH OF 19.22' (RADIUS = 482.92' CHORD = N32°46'00"E FOR 19.22') TO A POINT AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE FOR THE OLD TURNPIKE (U.S. ROUTE 50) WITH NE EASTERLY LINE OF THE 68.39± ACER CRYSTAL RIDGE DEVELOPMENT INC. PARCEL AND LINE IN COMMON WITH BENEDUM AIRPORT AUTHORITY, SAID POINT BEARS S71°15'05"E 51.62' FROM A 3/4" X 30" REBAR WITH CAP SET BY RICHARD E. ADAMS, P.S. #986 ON THE EASTERLY LINE OF A 20.8± ACRE PARCEL OWNED BY LANG BROTHERS INC., (BEING A LINE IN COMMON WITH BENEDUM AIRPORT AUTHORITY PROPERTY) AT THE NORTHERLY RIGHT OF WAY LINE FOR U.S. ROUTE 50 AND SAID REBAR BEING LOCATED 20' FROM THE CENTER OF U.S. ROUTE 50; THENCE LEAVING THE SOUTHERLY RIGHT OF WAY LINE FOR THE OLD TURNPIKE (U.S. ROUTE 50) AND RUNNING WITH THE COMMON LINE OF THE AFOREMENTIONED 69.38± ACRE CRYSTAL RIDGE DEVELOPMENT INC- PARCEL AND BENEDUM AIRPORT AUTHORITY S71°15'05"E FOR 183.38' TO THE PLACE OF BEGINNING, CONTAINING 28.23 ACRES OUT OF THAT CERTAIN 68.39± ACRE TRACT OR PARCEL SURVEYED BY RICHARD E. ADAMS, P.S. #986 DURING AUGUST, 2005. THE SAID 68.39± ACRES CONVEYED TO CRYSTAL RIDGE DEVELOPMENT INC.. WAS PART OF A 137.63± ACRE TRACT OR PARCEL OWNED BY RSL LIMITED LIABILITY COMPANY AS RECORDED IN DEED BOOK 1316 AT PAGE 1192 IN THE OFFICES OF THE CLERK OF HARRISON COUNTY, WEST VIRGINIA.

EXHIBIT "B"

Land Subject to Annexation

ALL that certain tract or parcel of land, lying and being situate on the waters of Peddlers Run, a drain of Simpson Creek, in the City of Bridgeport, Simpson District, Harrison County, West Virginia, together with any improvements now or hereafter located thereon and all appurtenances whatsoever pertaining thereto, and being more particularly described as follows:

Beginning at a $\frac{3}{4}$ -inch by 36-inch Iron Reinforcing Rod with a yellow plastic cap stamped "P.S. 986", hereinafter referred to as a "Rebar", set in the western edge of a 40-foot right-of-way for U.S. Route 50, in a line of the Benedum Airport Authority, corner to Lang Brothers Inc., from which a Rebar, set, a corner to the Benedum Airport Authority and Lang Brothers Inc., bears N71-15-05W at 1240.41 feet, thence crossing U.S. Route 50 and with the Benedum Airport Authority; S71-15-05E at 182.77 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, in all 234.99 feet to a point, corner the Benedum Airport Authority and the Heritage Farms Subdivision, thence with said subdivision; S12-53-25W at 54.03 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, at 334.65 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod with a yellow plastic cap stamped "Hornor Bros.", found, a corner to Lot 1.1 and Lot 1 of said subdivision and at 520.39 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod with a yellow plastic cap stamped "Hornor Bros.", found, a corner to Lot 1 and Lot 2 of said subdivision, in all 597.63 feet to a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, in a line of Lot 2 of said subdivision and a corner to the City of Bridgeport lot, thence leaving said subdivision and with the City of Bridgeport for the next three lines; N77-06-05W 200.10 feet to a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, thence; S12-53-20W 200.06 feet to a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, thence; S77-06-05E 200.10 feet to a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, corner to the City of Bridgeport lot and in a line of Lot 3 of the Heritage Farms Subdivision, thence with said subdivision for the next two lines; S12-53-25W at 18.84 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod with a yellow plastic cap stamped "Hornor Bros.", found, corner to Lot 3 and Lot 4 of said subdivision, at 174.86 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod with a yellow plastic cap stamped "Hornor Bros.", found, corner to Lot 4 and Lot 5 of said subdivision and at 333.47 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod with a yellow plastic cap stamped "Hornor Bros.", found, corner to Lot 5 and Lot 6 of said subdivision, in all 577.21 feet to a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, corner to Lot 6 and Lot 15 of said

subdivision, thence; S30-53-30W at 151.56 feet passing 0.40 feet right of a $\frac{3}{4}$ -inch Iron Reinforcing Rod with a yellow plastic cap stamped "Hornor Bros.", found, corner to Lot 15 and the park area of said subdivision, at 692.41 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod with a yellow plastic cap stamped "Hornor Bros.", found, corner to Lot 27 and Lot 28 of said subdivision, at 935.43 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod with a yellow plastic cap stamped "Hornor Bros.", found, corner to Lot 28 and Lot 30 of said subdivision and at 1039.11 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod with a yellow plastic cap stamped "Hornor Bros.", found, corner to Lot 30 of said subdivision, in all 1046.52 feet, to a Rebar, set, corner to Morton, from which a Sassafras stump, found, a corner to Morton, bears S59-46-10E at 13.85 feet, thence leaving Morton and through the parent tract for the next three lines; S10-31-15W 471.03 feet to a Rebar, set, thence; S56-55-50W 514.13 feet to a Rebar, set, thence; S72-31-55W 292.73 feet to a Rebar, set in a line of Beckwith Machinery Co., from which a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, a corner to Schumacher and in a line of RSL Limited Liability Company, bears S18-28-15E at 285.01 feet, thence with Beckwith Machinery Co. for the next two lines; N18-28-15W 545.82 feet to a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, thence; N7-37-00E at 44.92 feet passing 0.59 feet left of a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found, corner of Beckwith Machinery Company and Middletown Home Sales, Inc., at 681.23 feet passing 3.31 feet right of a $\frac{1}{2}$ -inch Iron Reinforcing Rod, found, corner to Middletown Home Sales, Inc., and at 1352.95 feet passing a $\frac{3}{4}$ -inch Iron Reinforcing Rod, found in a line of Middletown Home Sales, Inc., in all 1378.58 feet to a Rebar, set, corner to Middletown Home Sales, Inc., thence with Middletown Home Sales, Inc.; N39-55-25W 237.82 feet to a Rebar, set on the eastern edge of the right-of-way for U.S. Route 50, corner to Middletown Home Sales, Inc., from which a 1-inch Iron Pipe, found, a corner to Middletown Home Sales, Inc., bears S51-13-35W at 360.94 feet, thence leaving Middletown Home Sales, Inc.; N37-46-35E 144.41 feet to a point in the right-of-way of U.S. Route 50, thence; N18-41-40W 70.09 feet to a Rebar, set in the western edge of the right-of-way of U.S. Route 50, corner to Lang Brothers Inc., and the Benedum Airport Authority, from which a Rebar set, a corner to Lang Brothers Inc., and the Benedum Airport Authority bears N18-41-40W at 457.91 feet and a $\frac{5}{8}$ -inch Iron Reinforcing Rod, found, a corner to the Benedum Airport Authority and Callison bears S63-34-40W at 483.25 feet, thence with the western edge of the right-of-way of U.S. Route 50 for the next eleven lines; N74-21-35E 118.46 feet to a railroad spike, set, thence; N81-18-45E 231.84 feet to a Rebar, set, thence with a curve to the left having a radius of 304.58 feet, a chord

bearing and distance of; N43-40-35E 268.06 feet to a point, thence; N17-34-10E 120.57 feet to a point; thence with a curve to the right having a radius of 429.46 feet, a chord bearing and distance of; N32-45-50E 225.12 feet to a point, thence; N47-57-30E 67.82 feet to a point, thence with a curve to the right having a radius of 377.91 feet, a chord bearing and distance of; N73-55-00E 330.84 feet to a point, thence; S80-07-30E 123.17 feet to a point, thence with a curve to the left having a radius of 249.34 feet, a chord bearing and distance of; N65-45-05E 279.76 feet to a point, thence; N31-37-35E 112.59 feet to a point, thence with a curve to the right having a radius of 532.92 feet, a chord bearing and distance of; N32-02-30E 7.72 feet to the place of beginning containing 71.35 acres, more or less, however, there is hereby excepted and reserved 2.55 acres, more or less, contained in the right-of-way of U.S. Route 50 and the Northwestern Turnpike and 0.41 acres, more or less, contained in a 30-foot permanent access easement for the City of Bridgeport, thereby leaving a net area of 68.39 acres, more or less, as surveyed by Richard E. Adams, P.S. 986, in August, 2005, as shown on a Plat of Survey for Crystal Ridge Development, Inc.

AND BEING a portion of the same property as conveyed to Crystal Ridge Development, Inc., a West Virginia corporation, the Declarant herein, by Deed from RSL, Limited Liability Company, a West Virginia limited liability company, dated March 23, 2006 and recorded in the Office of the Clerk of the County Commission of Harrison County in Deed Book 1388, at Page 152.

EXCEPTING AND RESERVING THEREFROM all of that certain parcel or parcels of real estate described on Exhibit "A" to this Declaration, which real estate constitutes Phase 1 of Crystal Ridge, a Common Interest Community.

EXHIBIT "C"

Land Comprising the Common Facilities

All that certain real estate located and situate in the City of Bridgeport, Simpson District, Harrison County, West Virginia, together with any improvements now or hereafter located thereon and all appurtenances whatsoever pertaining thereto, and being more particularly described as the stormwater detention basins or pond areas as described on the Plat referenced herein, if any. Declarant reserves the right to add or designate additional Common Facilities at future times.

EXHIBIT "D"

Initial Restrictions and Rules

The following restrictions and rules may be expanded, clarified or further defined by rules adopted pursuant to Article IV of the Declaration.

- A. All building sites in the tract shall be known and described as single-family building sites for residential purposes only. Only a single family Dwelling house, with no less than one thousand one hundred (1,100) square feet of living space, not including garage, basement, deck, porch, or patio, will be allowed with the exception of a small implement shed or a pool house that compliments the Dwelling. Size of shed or pool house cannot exceed two hundred forty (240) square feet and must be located at the rear of the Dwelling.
- B. Subject to the provisions of the Planning and Zoning Code of the City of Bridgeport, West Virginia, as the same is amended and/or replaced from time to time, the following minimum setbacks shall apply: (i) the minimum front yard setback shall be twenty-five (25) feet, (ii) the minimum side yard setback shall be eight (8) feet, and (iii) the minimum rear yard setback shall be fifteen (15) feet.
- C. Exterior construction of the Dwelling house and attached garages shall be stone, brick, random rock, vinyl siding or combination thereof.
- D. Shutters must be on the front of all houses.
- E. No trash, junk, garbage or inoperable vehicle shall be permitted to be collected, maintained or stored on any lot. Any inoperable vehicle must be kept within a garage at all times.
- F. No obnoxious or offensive activity shall be carried on upon any building site nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.
- G. No mobile home or house trailer shall be erected or maintained on any lots.
- H. Residence within a garage, trailer, outbuilding, basement, tent, shack or any other temporary living structure is prohibited.
- I. After excavation and construction has started on a Dwelling, all outside grading and exterior construction of the Dwelling must be completed within twelve (12) months and during construction the topsoil must be moved so as to contain water runoff.
- J. Any vegetable gardens must be maintained in rear of the Dwelling.
- K. No display or advertising sign(s), commercial or business shall be erected or maintained on Units, except a "For Sale" sign to help sell the Unit.

- L. No truck over the capacity of one (1) ton shall be packed or stored on any Unit.
- M. No animal, livestock or poultry of any kind shall be raised, bred, or kept on any Unit, except that dogs, cats or other household pets may be kept; provided, that they are not kept or maintained for any commercial purposes and are housed within the residence.
- N. No fences shall be erected or maintained without approval from the Architectural Review Committee or the Reviewer, as applicable. Furthermore, no approved fences shall be erected or maintained in the rear yards of any such Units of a height greater than four (4) feet and no fences shall be erected or maintained in the front of any said Units. No approved fence, wall, hedge or mass planting shall be permitted to extend beyond the minimum building setbacks established herein. No chain link fences permitted.
- O. No boat, trailer (either stationary, towable, or motorized) mobile home, recreational vehicle, camper, travel trailer or any similar property shall be stored or allowed to remain in any Unit for more that a brief, temporary period.
- P. All satellite dishes shall be kept to the rear of the Dwelling and shall not exceed forty (40) inches in diameter.
- Q. Clotheslines shall be permitted in the rear of the property.
- R. Each Unit owner shall provide receptacles for garbage in a screened area not visible from the street.
- S. Within six (6) months of occupying the Dwelling house constructed on said Unit, the driveway(s) must be paved or concreted and the Unit must be landscaped and seeded.
- T. In ground pools shall be landscaped, and fences shall be landscaped to soften fenced areas; above ground pools shall be permitted with an approved fenced area to the rear of the Unit.
- U. Before any construction begins, the Declarant, its designees, successors and assigns, shall have the right to approve any and all Builders and reserve the right to approve all Plans, and the placement of the Dwelling on the Unit. If the Declarant does not respond after thirty (30) days from the receipt of the Plans, said Plans will be considered approved.
- V. No fuel storage tanks, except underground or with the building, shall be kept or maintained. Bottled gas tanks must be enclosed with an approved fence.
- W. All roofs shall have a pitch of not less than 4/12, exclusive of porches and decks.
- X. No trailer or mobile home or doublewide trailer units shall be permitted on the Units. No home transported to the site on a steel frame with wheels, where the same steel frame becomes a necessary and integral part of the home's permanent floor structure, shall be permitted.

EXHIBIT "E"

Recorded Easements and Licenses

In addition to the easements and covenants set forth in this Declaration, all or portions of the Community may benefit from, or be subject to, the encumbrances, easements, licenses and other matters contained in the following:

1. Deed of Trust between RSL, LLC, a West Virginia limited liability company, as Grantor, and Terry Reed, as Trustee, dated September 8, 2005 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Trust Deed Book 1065, at Page 121, to secure First Central Bank, Inc., beneficiary, in the principal amount of \$1,500,000.00.

2. Right-of-way or easement from Virginia S. Dent and Roy J. Dent, her husband, to the Benedum Airport Authority, a corporation, dated January 28, 1969 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 954, at Page 303, granting a right-of-way for a permanent aviation easement over 8.2 acres of property in Simpson District, Harrison County, West Virginia.

3. Right-of-way or easement from Lloyd L. Lang and Crystal W. Lang, husband and wife, and James R. Lang and Elizabeth Lang, husband and wife, to Monongahela Power Company, an Ohio corporation, dated August 18, 1986 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 1167, at Page 652, granting a right-of-way or easement to construct, maintain or remove an electric distribution line system over property in Simpson District, Harrison County, West Virginia.

4. Right-of-way or easement from Lloyd L. Lang and James R. Lang, as Respondents, to The City of Bridgeport, a municipal corporation, as Petitioner, by Order of the Circuit Court of the County of Harrison of record in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 1285, at Page 1134, granting a thirty (30) foot access easement to and from a 0.92 parcel of real estate in Simpson District, Harrison County, West Virginia which was condemned by the City of Bridgeport.

5. Right-of-way or easement from James R. Lang to Bell Atlantic – West Virginia, Inc., dated May 29, 1998 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 1302, at Page 182, granting a right-of-way for a perpetual easement to construct, reconstruct, operate and maintain, repair, replace and remove communication systems over property in Simpson District, Harrison County, West Virginia.

6. Right-of-way or easement from Lloyd L. Lang to Bell Atlantic – West Virginia, Inc., dated May 29, 1998 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 1302, at Page 183, granting a right-of-way for a perpetual easement to construct, reconstruct, operate and maintain, repair,

replace and remove communication systems over property in Simpson District, Harrison County, West Virginia.

7. Right-of-way or easement from Lloyd L. Lang and Crystal W. Lang, his wife, and RSL Limited Liability Company, a West Virginia limited liability company, to William E. Morton and Elizabeth Ann Morton, his wife, dated February 25, 2000 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 1326, at Page 172, granting a right-of-way for the purposes of ingress and egress, and for the construction, maintenance, repair and removal of utilities, over property in Simpson District, Harrison County, West Virginia.

8. By instrument, dated November 20, 1899 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 116, at Page 130, A.D. Corpening and Alice S. Corpening, his wife, granted, devised and let unto South Penn Oil Company, a Pennsylvania corporation, all oil and gas, together with a right-of-way to lay pipes to convey water, oil, steam and gas within and underlying property in Simpson District, Harrison County, West Virginia, for a period of ten (10) years or for the length of production.

9. By instrument, dated August 27, 1908 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 180, at Page 341, A.D. Corpening and Alice S. Corpening, his wife, granted, devised and let unto Hope Natural Gas Company, a West Virginia corporation, all oil and gas, together with a right-of-way to lay pipes to convey water, oil, steam and gas within and underlying property in Simpson District, Harrison County, West Virginia, for a period of ten (10) years or for the length of production.

10. By instrument, dated June 22, 1926 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 368, at Page 434, A.D. Corpening and Alice S. Corpening, his wife, granted, devised and let unto Aizpuru Oil and Gas Company, all oil and gas, together with a right-of-way to lay pipes to convey water, oil, steam and gas within and underlying property in Simpson District, Harrison County, West Virginia, for a period of one (1) year or for the length of production.

11. By instrument, dated July 9, 1930 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 413, at Page 489, A.D. Corpening and Alice S. Corpening, his wife, granted, devised and let unto The Bridgeport Natural Gas and Oil Company, all oil and gas, together with a right-of-way to lay pipes to convey water, oil, steam and gas within and underlying property in Simpson District, Harrison County, West Virginia, for a period of one (1) year or for the length of production.

12. By instrument, dated April 8, 1931 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 421, at Page 474, A.D. Corpening and Alice S. Corpening, his wife, granted, devised and let unto Midland Natural Gas Company, all oil and gas, together with a right-of-way to lay pipes to convey water, oil, steam and gas within and underlying property in Simpson District, Harrison County, West Virginia, for a period of ten (10) years or for the length of production.

13. By instrument dated September 13, 1933 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 443, at Page 475, A.D. Corpening and Alice S. Corpening, his wife, granted, devised and let unto Hope Natural Gas Company, all oil and gas, together with a right-of-way to lay pipes to convey water, oil, steam and gas within and underlying property in Simpson District, Harrison County, West Virginia.

14. By instrument, dated July 24, 1939 and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Deed Book No. 504, at Page 613, A.D. Corpening and Alice S. Corpening, his wife, granted, devised and let unto Hope Natural Gas Company, a West Virginia corporation, all oil and gas, together with a right-of-way to lay pipes to convey water, oil, steam and gas within and underlying property in Simpson District, Harrison County, West Virginia, for a period of five (5) years or for the length of production.

15. Any existing and validly continuing easements, rights of way, exceptions, reservations, covenants, conditions, limitations, restrictions, agreements or other matters of record in the Public Records and affecting the Properties, or visible from an on-site inspection of the Properties, or which would be revealed by an accurate survey of the Properties (including, but not limited to, any encroachments or overlaps shown on the Plat).

16. All matters disclosed and set forth on the initial Plat entitled "Final Plat Showing Phase 1 CRYSTAL RIDGE SUBDIVISION Being Lots 1 Through 50 Consisting of 28.23 Acres," dated May 2006, prepared by Horner Brothers Engineers, Clarksburg, West Virginia, and recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Plat Book 2, at Page 3.

17. All easements, leases, licenses, and concessions through or over the Common Elements which may be granted in the future by the Association.

18. As provided by the Act and the By-Laws, the Association shall have a lien on each Unit for any assessment levied against that Unit or fines imposed against its Owner from the time the assessment or fine becomes due.

19. Under the Constitution and the Statutes of the State of West Virginia, real estate and interests therein are subject to a lien for the payment of real estate taxes as imposed by the County Commission of each of the respective counties. Real estate is valued by the county assessor each year and the statutory lien for the payment of real estate taxes for the forthcoming tax year becomes a lien on July 1 of each year. The Properties are now subject to a lien for the payment of taxes for the year 2006, which taxes became a lien as of July 1, 2005.

20. The Properties are zoned R-1 Residential and are subject to the terms and provisions of the Planning and Zoning Code of the City of Bridgeport, West Virginia.

21. Any and all rights reserved herein by the Declarant.

EXHIBIT "F"

Plat

The initial Plat which relates to this Declaration is entitled "Final Plat Showing Phase 1 CRYSTAL RIDGE SUBDIVISION Being Lots 1 Through 50 Consisting of 28.23 Acres," dated May 2006, prepared by Horner Brothers Engineers, Clarksburg, West Virginia, recorded in the Office of the Clerk of the County Commission of Harrison County, West Virginia in Plat Book 2, Page 3. Declarant reserves the right to record additional Plats at future times.

200600013102
Filed for Record in
HARRISON COUNTY, WV
SUSAN THOMAS
08-07-2006 At 04:18 pm.
COV/RESTRIC 70.00
STATE TAX .00
CNTY TAX .00
Book 1393 Page 213 - 275

200600013102
BOWLES RICE MCDAVID GRAFF & LOVE
7000 HAMPTON CENTER, STE K
MORGANTOWN, WV 26505