

**DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
WHETSTONE PROPERTY OWNER'S ASSOCIATION**

THIS DECLARATION is made as of the 18th day of August, 2010, by VIRGINIA FJORD, LLC, a Virginia limited liability company (hereinafter referred to as "Declarant") ("Grantor" and "Grantee" for indexing purposes).

W I T N E S S E T H:

WHEREAS, Declarant owns certain real property in Louisa County, Virginia, (hereinafter referred to as "Property"), which is described on Exhibit "A" hereto;

NOW, THEREFORE, Declarant hereby declares that, since recordation of the subdivision of the Property into three lots and open space, Declarant has served as the property owners association (hereinafter also referred to as "Association"), and has assumed all powers and obligations attendant thereto.

Declarant, now having fulfilled the duties of developing the Property, has chosen to formally create the Whetstone Property Owner's Association, which shall take over the duties and obligations attendant to the Association. The members of the Association shall consist of all, yet no more than all, of the Owners of Lots (hereinafter referred to individually as "Owner") within the Property.

Declarant, having experienced considerable change in the membership of Virginia Fjord, LLC, has determined it necessary and in the best interest of both Declarant and the Association to make considerable amendment to the Covenants, Conditions and Restrictions currently in force for the Property, which are recorded in the Clerk's Office of the Circuit Court of the County of Louisa, Virginia, Deed Book 1188, Page 0853. The scope of the changes is considerable and, therefore, Declarant, rather than recording numerous individual amendments to this document, has chosen to reissue and rerecord the entire document at this time.

NOW, THEREFORE, Declarant hereby declares that it has disposed of two (2) residential lots of roughly five (5) acres each and all other personal property owned by Declarant, and shall eventually dispose of the third lot of roughly five (5) acres. The remaining property, referred to as common area or open space and the water resources of the Property shall be held by the Association as Common Area for the use and enjoyment of the Members. The mineral rights of the Property continue to be held by a third party. The Common Areas are to be maintained by the Association, and the Association, Members or Owners, as the case may be, shall be personally responsible for the physical performance thereof. All of the Property shall be held, sold and conveyed subject to the following easements, restrictions,

covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest therein or in any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to the Whetstone Property Owner's Association, a Virginia corporation, its successors and assigns.

Section 2. "Clerk's Office" shall mean the Clerk's Office at the Circuit Court of Louisa County, Virginia.

Section 3. "Declarant" shall mean and refer to Virginia Fjord, LLC, a Virginia limited liability company, and its successors and assigns, including the Association, and any member of the Association.

Section 4. "Declarant's Utility Rights" shall mean and refer to the exclusive and alienable rights, powers, easements and privileges hereby granted by Declarant to itself as the Association and reserved by the Association to go on, over, under and upon portions of the Lots to erect, lay, construct, install, maintain, repair and use electric, telephone, DSL, broadband and cable television wires, cables and conduits, drainage ways and facilities, sanitary sewerage improvements, water lines and water mains, irrigation lines, gas lines, and such other utilities and utility systems as the Association finds necessary or advisable in connection with the development of the Property. These rights include the right to cut bushes and trees, grade soil and such other actions reasonably necessary to economically and safely install, repair and use such utilities and utility systems.

Section 5. The "Governing Documents" shall mean and refer to, collectively, this Declaration of Covenants, Conditions and Restrictions, the Bylaws of the Whetstone Property Owner's Association, the rules and regulations of the Association as adopted by its Board and as amended from time to time, the Proffers, the Maintenance Agreement, and the Standards (as defined in Article IV, Section 1).

Section 6. "Lot" shall mean and refer to any plot of land shown upon the recorded subdivision plat of the Property.

Section 7. "Member" shall mean and refer to each member of the Association.

Section 8. "Owner" shall mean and refer to the record owner, whether one or more Persons, of a fee simple title to any Lot which is a part of the Property.

Section 9. "Person" shall mean and refer to a natural person, a corporation, a partnership, a limited liability company, a fiduciary acting on behalf of another person, or any other legal entity.

Section 10. "Property" shall mean and refer to that certain real property described on Exhibit "A" hereto.

Section 11. "Rezoning" shall mean that certain action taken by the Board of Supervisors of Louisa County on the 6th day of August, 2007 with respect to the Property.

Section 12. "Proffers" shall mean the proffers issued by Declarant as part of the rezoning request granted by Louisa County on the 6th day of August, 2007 with respect to the Property.

Section 13. "Bylaws" shall mean the Bylaws of the Whetstone Property Owner's Association

ARTICLE II MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. The rights and privileges of membership may be exercised by a Member, subject to the provisions of this Declaration and the Bylaws.

Section 2. Voting. Voting shall be exercised in accordance with the Bylaws.

Section 3. Board Representation. The affairs of the Association shall be managed by its Board of Directors which shall elect the officers of the Association. The Board shall consist of the offices of President, Secretary and Treasurer. The composition of the Board of Directors shall consist of one person from the ownership pool of each lot. In the event two or more lots are owned by the same entity or the same person, that person or entity shall be entitled to hold two positions on the Board. The Board shall be elected, appointed or agree to serve in these positions. Elections and terms of officers shall be in accordance with the Bylaws.

ARTICLE III
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, or in the case of ownership by the Association, each Member, or in the case of individual Lot owners, for each Lot owned within the Property, hereby covenant, and each Owner of any Lot by acceptance of a deed therefor, whether it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements and otherwise, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing pro-rata lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Person who was the Owner of such property at the time when the assessment fell due. Delinquent assessments shall become a charge and continuing lien on the land and all improvements thereof, against which each such Assessment is made, in the hands of the then Owner, his heirs, devisees, personal representatives, and assigns.

Section 2. Purpose of Assessments.

(a) Unless otherwise stipulated below, the assessments levied by the Association shall be used exclusively to add, maintain, repair, and/or replace improvements within the common areas, along public roadways and within recreational easements located on the Property and to provide other services and areas of Association responsibility as defined by the Governing Documents. The actions of the Association shall be for the common good of the Owners of Lots within the Property and are intended to promote recreation, increase property values, and ensure the health, safety, and welfare of the residents of the Property.

(b) Unless otherwise stipulated below, each Owner of a Lot within the Property shall be responsible for the maintenance, repair, and replacement of anything relating to that Owner's Lot and improvements thereon, including but not limited to (a) structures, driveways, wells, and landscaping. This provision excludes maintenance and repair of any improvements that reside within an easement, recreational or otherwise, across a Lot for which the Association or another Owner has responsibility.

(c) The Association hereby assumes all responsibilities for the periodic inspection and reporting, as well as routine maintenance and prompt repair and /or replacement of all wastewater treatment systems on the Property. The Association will enter into a maintenance contract with Enviro-Klean or another qualified entity for the performance of these responsibilities.

Section 3. Maximum Annual Assessment. The owner of each lot shall become liable for annual assessments that serve to fund the Association so it may properly meet its maintenance responsibilities. These maintenance responsibilities exist regardless of whether the lots have been improved or not, therefore no distinction shall be made between improved and unimproved lots. The initial maximum annual assessment shall be \$1,200.00 per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to any Owner other than Declarant, any budget and resulting annual assessment proposed by the Board of Directors which is more than ten percent (10%), but less than twenty-five percent (25%), greater than the previous year's annual assessment must be voted upon at a meeting of the Association preceding the fiscal year in which such assessment shall go into effect. A quorum shall be required for such vote and all Members shall be present to achieve a quorum. The motion must be approved by a vote of two-thirds (2/3), or more, of each member present, in person or by proxy, at a meeting duly called for this purpose and at which a quorum is present. The new provisions shall go into effect automatically on the first day of the succeeding fiscal year.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to any Owner other than Declarant, any budget and resulting annual assessment proposed by the Board of Directors which is more than twenty-five percent (25%) greater than the previous year's annual assessment must be voted upon at the annual meeting of the Association preceding the fiscal year in which such assessment shall go into effect. A quorum shall be required for such vote and all Members shall be present to achieve a quorum. The motion must be approved by unanimous vote of the entire membership, either in person or by proxy, at a meeting duly called for this purpose and at which a quorum is present. The new provisions shall go into effect automatically on the first day of the succeeding fiscal year.

Section 4. Special Assessments. In addition to the annual maintenance assessments authorized above, and in addition to, and not in limitation of, such other special assessments as may be authorized by applicable law (the Virginia Property Owners Association Act, Code of Virginia 55-508 *et seq.*, for example), the Association may levy, in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any Association responsibility or Association-sponsored improvements, as defined in the Governing Documents, provided that any such special assessment shall be approved by a majority vote of the entire membership, either in person or by proxy, at a meeting duly called for this purpose and at which a quorum is present.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly, bi-monthly, quarterly, semi-annual or annual basis, as determined by the Board of Directors.

Section 6. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots upon the recordation of this Declaration in the Clerk's Office. The first annual assessment shall be adjusted pro rata according to the number of months remaining in the calendar year. At least thirty (30) days prior to the start of every annual assessment period, the Board of Directors shall endeavor to fix the amount of the annual assessment against each Lot and shall send written notice of the upcoming annual assessment to every Owner subject thereto. Should the Board of Directors fail to fix the annual assessment thirty (30) days or more prior to the start of the annual assessment period, the annual assessment shall continue at the prior year's rate, until changed by the Board of Directors. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments against a Lot is binding upon the Association as of the date of its issuance.

Section 7. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment, or installment thereof, not paid within fifteen (15) days after the due date shall become delinquent and shall (together with interest and penalties as set forth in the Rules and Regulations and the cost of collection thereof, including a reasonable attorney's fee) become a charge and continuing lien on the land and all improvements thereof.

If the assessment is not paid within thirty (30) days after the past due date, then the entire balance of all unpaid installments of such assessment or installment may be declared immediately due and payable in full and the Association may bring an action at law against the Owner personally obligated to pay such assessment, or foreclose the lien against the delinquent Owner's Lot. There shall be added to the amount of such assessment the costs of preparing the filing of the complaint and obtaining a settlement or judgment, including reasonable attorney's fees, together with the costs of the action.

Section 8. Subordination of the Lien to Mortgages and Other Liens. The lien of the assessments provided for herein shall be subordinate and inferior to the lien for real estate taxes and bona fide duly recorded deeds of trust on each Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a mortgage or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which

became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 9. Property Management and Facilities Maintenance. The Property is subject to a Property Management and Facilities Maintenance Agreement dated the 14th day of September, 2009, a copy of which is recorded in the Clerk's Office, along with the subdivision plat. This document outlines the basic responsibilities for management and maintenance of certain areas or features of the Property, as dictated by Louisa County or as proffered by the Declarant as part of the Rezoning. These obligations are mandatory and must be funded through assessments. Other management and maintenance efforts are to be included in the scope of responsibility of the Association, however, these items are to be identified, sanctioned, and funded at the sole discretion of the Association.

ARTICLE IV CONTROL OF RECREATIONAL FACILITIES AND COMMON AREAS

Section 1. Use Limitations in Common Areas. No common area or private road right-of-way within the Property shall ever be used for development of additional Lots, provision of amenity or recreation for other property, or to provide a "code-required" means of ingress to or egress from adjacent property.

Section 2. Approval Required. Use of the common areas within the Property are considered a privilege extended to lot Owners by the Association. The Association shall have complete authority over the common areas and the improvements and activities that can occur there. No encumbrance shall be placed, and no clearing, grading, building, fence, wall, walkway, driveway or other structure and no landscaping shall be commenced, erected, placed or maintained within the Common Areas of the Property by a lot Owner without written approval of the Association. Nor shall any exterior addition, change or alteration therein be made, including exterior painting, until the plans and specifications showing the nature, kind, color, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the Board of Directors of the Association. Approval requires a majority vote of the entire membership of the Association.

(a) Such decisions by the Board of Directors shall be based upon an evaluation of the purpose, limitations imposed or agreed to as part of the rezoning and subdivision process, design, location, safety, environmental impact, aesthetics, and cost of said request. Approval or disapproval of plans, locations or specifications may be based upon purely aesthetic considerations, which, in the sole and uncontrolled discretion of the Board, shall be sufficient.

(b) If the Board of Directors has not approved or rejected such plans and specifications within thirty (30) days following receipt of a fully complete

written request for approval, the plans and specifications shall be deemed to be denied. Any improvement or use contrary to the limitations imposed or agreed to as part of the rezoning and subdivision process shall never be permitted.

(c) The Association may rescind its approval of privately-installed common area improvements if by a majority vote the Board of Directors finds that the party to the improvements fails to install in a timely manner or properly maintain said improvements, exceeds or violates the terms of the approval, uses the property or improvements for uses other than approved or permits or enters into unsafe activities associated with the improvements.

Section 3. Right To Enforce or Control Use of Property, Equipment or Improvements Within Common Areas. The Association shall maintain comprehensive insurance to cover externalities associated with use of the Common Areas and the improvements therein. Each Owner recognizes the unique physical characteristics of the Property and the danger associated with improper use of the Property. If any Owner determines that any activity or use of property, equipment or improvements within Common Areas by another Owner or their guest may jeopardize the health, safety and welfare of others or result in harm or damage to those participating in the activity, pets, property, equipment or improvements, held either personally or in common, that Owner may demand that said activity or use of property, equipment or improvements cease immediately. A subsequent consultation between Owners, and only Owners, shall be held to discuss the matter to arrive at resolution of the matter. In all cases, Owners actions prevail over that of guests. A majority vote of the Board shall prevail if an issue comes to vote.

If the Board of Directors determines in its discretion that any damage resulting in the need for maintenance, repair or replacement of property, equipment or improvements within the common areas is the result of actions by an Owner or their guest the Board shall provide written notice to the Owner of that Lot regarding the needed maintenance, repair or replacement. Should the Owner fail to perform such maintenance, repair or replacement or fail to make a good faith effort to do so within a reasonable time as determined by a majority vote of the Board, the Board may elect to perform such maintenance, repair or replacement after (i) a resolution by a majority of the Board of Directors, and (ii) prior reasonable written notice to the Owner of the Lot responsible for the damage. Unless the Board of Directors determines otherwise after consideration of all relevant factors, the cost of any maintenance, repair or replacement to property, equipment or improvements within common areas shall be assessed against the Lot owned by those responsible for the damage. Once so assessed, a statement for the amount thereof shall be rendered promptly to the Owner at which time the assessment shall become due and payable and shall constitute a continuing lien and obligation of the Owner as provided in this Declaration.

ARTICLE V
EASEMENTS

Section 1. Reservation by Declarant. Declarant reserves unto itself, its successors and assigns as Declarant, a perpetual and alienable easement and right of way on, over, along and under all Common Area of the Property, and as otherwise necessary upon the Lots to exercise Declarant's Utility Rights and maintenance obligations. These easements and rights expressly include the right to maintain sewage treatment facilities, roadways, cut any trees, bushes or shrubbery, plant or maintain landscape features or to take any other action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety, and appearance. Furthermore, the Declarant reserve unto itself, its successors and assigns as Declarant, a perpetual and alienable recreational easement and right of way on, over, along and under the water courses and bodies of water located on the Property, whether on Lots or within Common Area. The Association shall be responsible for maintenance, repair, and replacement of all improvements they install or have installed within these easements and shall carry comprehensive insurance to cover activity that may occur within these easements.

Section 2. Duties of the Association. There is hereby reserved to the Association such easements over, through and across the Property as are necessary to perform the duties and obligations of the Association as are set forth in Article III above.

Section 3. Priority of Easements. Each of the easements hereinabove referred to shall be deemed to have been established upon the recordation of this Declaration and shall henceforth be deemed to be covenants running with the land for the use and benefit of the Lots, superior to all other encumbrances which may hereafter be applied against or in favor of the Property or any portion thereof.

ARTICLE VI
PARTICULAR RESTRICTIONS AND INSURANCE REQUIREMENTS

Section 1. Access and Security. The Association recognizes the history of trespass on the Property and the need to secure the property from same. The Association shall therefore develop, install and maintain a program for securing, and controlling access to, the Property. Said program shall include installation and maintenance of perimeter fencing and gates and posting of the property. Gates are to be closed at night and when Owners are not present on the property. Locks or other mechanisms shall be used to secure the gates in a closed condition. Owners have the right to insist on closure and/or locking of the gates at other times to prevent trespass. Only Owners shall possess keys, codes or other

mechanisms or information associated with ingress to the property. If an Owner intends to permit others to use the Property without their being present they shall notify the other Owners verbally, in advance, so their presence is expected. The Association has the right to require execution of a release form, which indemnifies the Association, prior to use of the Property by any and all non-members/owners. Owners permitting use of the Property by non-members/owners shall be responsible for clearly describing acceptable activities and the limits of common areas on the Property. Non-members are not permitted to use Lot areas of other Owners.

Section 2. Noxious or Offensive Activity. Noxious or offensive activity shall not be permitted on or upon any Lot or any part of the Property, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the Owners or their guests, or which shall in any way interfere with the quiet enjoyment of each of the Owners of his respective Lot. Noxious, offensive, annoyance, and nuisance shall include activities that produce prolonged loud noise at any time, loud noise at night, excessive glare during the day, bright light at night, protracted odor or smoke, physical disturbance of another person or animal by a person or animal, erratic or unruly behavior, behavior indicative of drug use or alcohol intoxication or excessive use of profanity. The Board of Directors by a two-thirds (2/3) majority vote may choose to amend this list.

Section 3. Animals. Of foremost importance is the safety of the Owners, their families, their guests, and their pets. To that end, no Owner shall maintain or permit the presence of any unsecured animal, domestic or otherwise, on the Property that is trained for or, because of species, breed, temperament or lack of training, is commonly known to have or has demonstrated tendencies toward aggressive behavior. If at any time an Owner feels that any animal may potentially cause harm to humans or other animals an Owner may demand that said animal be restrained, placed securely indoors or, in extreme cases where a guest's pet is accountable, removed from the Property. The aforementioned notwithstanding, dogs and cats may be permitted to roam the Property unleashed so long as they prove harmless and are not a nuisance, destructive or an imposition on other Owners and their enjoyment of the Property. Owners are fully responsible for the actions of their pets. Guests may bring pets to the Property, but they are to be kept on an Owner's Lot or leashed and physically secured by, and under the absolute control of, the animal's owner or an authorized guest until it can be determined that the pet's behavior will not compromise the condition of the Property or the safety and enjoyment of the Property by others and their pets.

Section 4. Use of Lots. All Lots shall be used only for those uses permitted under the Rural Estate District of the Louisa County zoning ordinance, and as more specifically limited by proffers recorded as part of the rezoning action for the Property. Primarily Lots are intended for residential purposes. The use of a portion of any Lot for business purposes by the Owner shall be permitted only if such business use (i) does not generate noxious or offensive activity, (ii) is consistent

with zoning and does not violate applicable law; (iii) does not create any excessive customer, client or delivery traffic to and from the Lot. By a two-thirds (2/3) majority vote the Board of Directors may choose to preclude, limit or require termination of a business use. Such action by the Board shall be based upon expectations of industry-standard business activity or the documented performance of a previously permitted business activity. Just cause for preclusion, limitation or termination shall be necessary.

Section 5. Aesthetic and Environmental Considerations. The following shall not be permitted on any Lot unless provided inside a walled structure, but may be deemed acceptable by the Board of Directors by a majority vote in the common areas: long-term outdoor parking of: motor homes, campers, boats, trailers, heavy equipment or non-operable vehicles and storage of building materials. Alternatively, Owners may also request permission from the Board to construct and maintain buildings within the common area for indoor storage of the above listed items. In addition, unanimous Board approval shall be required for the construction and maintenance of towers, except when associated with windmills or water storage, bulk fuel or other hazardous material storage, steel utility buildings, kennels, overhead utility lines and mass clearing or grading anywhere on the Property.

Section 6. Fire Insurance, Extended Coverage and Demolition. Each Owner shall be responsible for securing insurance policies for fire and extended coverage for the structure on each individual Lot, in an amount equal to 100% of the then current replacement cost of the property (excluding land, foundations, excavations and other items that are usually excluded from such coverage) without deduction for depreciation. Copies of all policies and any renewals shall be filed with the Board within thirty (30) days after written request by the Board. The Board reserves the right to approve all policies. If any structure is destroyed by fire or any other externality the Owner of said structure shall be required to demolish and remove from the Lot the remaining portions of said structure, such that a safety hazard, attractive nuisance or aesthetic liability does not exist on the Lot.

Section 7. Rentals. No rental units may be constructed on the Property. Lots and their improvements may be leased only if the Owner will not be residing on the Lot. For the purposes of this Declaration, a lease must exist and rent must be collected for the activity to be considered "rental activity." The activities of a bed and breakfast are not considered "rental" activity.

Section 8. Addition of Lands. The Board is hereby authorized to add land to the Property. However, any land added to the Property shall be set aside as Common Area and shall not result in an increase in the number of Lots permitted.

Section 9. Board as Agent. The Board is hereby irrevocably appointed as the agent for each Owner of a Lot and for each mortgagee of a Lot to

adjust all claims arising under any insurance policy or policies purchased by the Board, provided, however, that no adjustment shall be deemed binding until concurred in by any mortgagee affected thereby.

Section 10. Insurance Trustee. The Board may from time to time designate as an insurance trustee, a bank, trust company, savings and loan association, insurance company, or any financial institution to discharge the duties and responsibilities of the Board and the Association relating to insurance proceeds. The Board shall pay the fees and disbursements of any insurance trustee and such fees and disbursements shall constitute a common expense of the Owners to be included as part of the annual assessment provided in Article III hereof.

ARTICLE VII ARCHITECTURAL REVIEW

Section 1. Purpose. The Owners and Members of the Association desire to have certain control and purview over the proposed construction and installation of buildings and other related improvements on the Property. To that end, an Architectural Review process shall be established through which all proposed development on the Property shall undergo to acquire required approval before construction may commence.

Section 2. Composition of the Board. One member of each Owner entity shall be a member of the Architectural Review Board (ARB), resulting in a board of at least one (1) member, but no more than three (3) members. An Owner entity may choose to change the member representing them on the board at their discretion provided written notification has been given two weeks in advance of the change.

Section 3. Review Process. Any Owner wishing to construct or install a building or other facilities on their property or within the common area of the Property shall submit to the ARB one or a series of applications for review and approval. Owners are encouraged to request a pre-application conference with the ARB to inform themselves of the review process and to discuss and receive guidance on their proposal.

Preliminary and Final Applications will be considered by the ARB and forms supporting these applications that describe the general requirements of each submission shall be available to applicants. The ARB shall also make available guidelines for development within the Property, including standards, requirements, as well as limitations or exclusions of materials or activities.

For simple proposals, after review, the ARB may decide, at their discretion, to approve for construction applications based solely upon a Preliminary Application.

For construction of homes, other sizeable structures or proposals that would be readily visible from other lots, highly-used common areas or roadways a more detailed series of applications may be necessary. Applicants are required to submit Preliminary Applications for review and comment before investing considerable time and expense in a detailed Final Application.

The ARB shall undertake review of all application submissions and issue written comments to the applicant within fourteen (14) days of filing. Approval of Preliminary Applications is required prior to submission of a Final Application. The ARB shall be required to render their decision on any application within sixty (60) days of filing. Applicants may request an extension of that deadline if they feel that they need more time to address the concerns of the ARB. Granting of such requests shall not be unreasonably withheld. Applications shall expire after a period of six (6) months. Approvals of Preliminary Applications where Final Applications are required shall expire after two (2) years. Approvals of Final Applications expire after five (5) years and are not transferable between Ownership entities.

Section 4. Contents of Submissions. Each application shall be accompanied by an executed application form and shall include a description and graphic representation of the development proposal. The ARB shall maintain and provide standard application forms that outline the requirements of each submission. Failure to complete the application or to provide the required information may result in rejection of the application.

Section 5. Voting and Notification. Each application shall be reviewed by the ARB and a vote shall be taken to approve or disapprove the application. Each Ownership entity shall be entitled to one vote, resulting in a total of three votes on each application. The verdict of the vote shall be provided to the applicant in writing and recorded in the minutes of the Association. A notification of disapproval shall include the reasons for the disapproval. The ARB has the right to disapprove any and all applications for whatever reason, not the least of which shall be aesthetics. It is entirely incumbent upon the applicant to satisfy the ARB.

There shall be no waiting period for reapplication, however, any reapplication must address the reasons for previous disapproval or it shall be rejected without consideration. There shall be no submittal fee associated with the initial submission of a Preliminary or Final Application or the first two resubmissions thereof. However, any subsequent resubmission of a Preliminary Application or resubmission of a Preliminary Application that has expired or was disapproved shall be accompanied by a non-refundable submission fee of \$5,000.00 made to the Whetstone Property Owner's Association. Similarly, any subsequent resubmission of a Final Application or resubmission of a Final Application that has expired or was disapproved shall be accompanied by a non-refundable submission fee of \$10,000.00 made to the Whetstone Property Owner's Association.

ARTICLE VIII
ENFORCEMENT

Section 1. Enforcement. Declarant, the Association or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. If, in any litigation for the enforcement of these covenants, conditions and restrictions, the Declarant, the Association or any Owner bringing suit prevails, such Person shall be entitled to be reimbursed for reasonable attorney's fees incurred in seeking such enforcement. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Invalidation. Invalidation of any of these covenants by judgment or court order shall in no way affect any of the other provisions hereof which shall remain in full force and effect.

ARTICLE IX
TERM AND AMENDMENT

Section 1. Term. These covenants shall run with the land and shall be binding on all parties and all Persons claiming under them for a period of twenty (20) years from the date these covenants are recorded, after which time they shall automatically be extended for additional ten (10) year periods, unless an instrument signed by at least two-thirds (2/3) of the then Owners of the Lots has been recorded, agreeing to change the covenants in whole or in part.

Section 2. Amendment. This Declaration may be amended by an instrument approved by at least a two-thirds (2/3) vote of the Membership; provided, however, that no approval of the Owners shall be required (i) to make any technical amendment to this Declaration as requested by any government agency, mortgagee or insurer which does not materially or adversely affect the rights of the Owners, or (ii) to amend any easement agreement entered into by Declarant and affecting the Property. Any amendment must be recorded in the Clerk's Office of the Circuit Court of Louisa County, Virginia and must either be signed by at least two-thirds (2/3) of the Owners or have appended to it an acknowledged certificate of the secretary of the Association that the Amendment has been approved as required hereby.

ARTICLE X
GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions which shall remain in full force and effect.

Section 2. Liability and Indemnification of Declarant, Officers and Directors. Liability and Indemnification of Declarant, Officers and Directors shall be in accordance with the Bylaws.

Section 3. Indemnification of Others. Indemnification of Others shall be in accordance with the Bylaws.

IN WITNESS WHEREOF, the undersigned have duly executed this Declaration:

DECLARANT: VA FJORD, LLC, a Virginia limited liability company

By: _____
Mark E. Keller

COMMONWEALTH OF VIRGINIA
COUNTY/CITY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2010, by Mark E. Keller of Virginia Fjord, LLC, a Virginia limited liability company, on behalf of the company.

My commission expires:

Notary Public

EXHIBIT A

Property

ALL that certain property with all improvements thereon and appurtenances thereunto, belonging, lying and being in the Patrick Henry Magisterial District, Louisa County, Virginia, designated as Tax Map 53, Parcel 15A, containing 34.66 acres, as more particularly shown on plat made by Lincoln Surveying, dated August 6, 2008, and last revised May 20, 2009, entitled "Subdivision Plat Showing Lots 1 Through 3 Whetstone Located on State Route 607, Patrick Henry District Louisa County, Virginia, which is recorded in the Clerk's Office of the Circuit Court of the County of Louisa, Virginia, Plat Book 8, Pages 2679-2680.