

WHITE ROCKS
DECLARATION OF COVENANTS, EASEMENTS, RESTRICTIONS AND LIENS
BY
WHITE ROCKS DEVELOPMENT, LLC
SOUTH BURLINGTON, VERMONT

Dated as of the _____ day of December, 2001

DECLARATION OF COVENANTS, EASEMENTS, RESTRICTIONS AND LIENS

THIS DECLARATION, is made by White Rocks Development, LLC, a Vermont corporation with a place of business at Harvest Lane, P.O. Box 907, Williston, Vermont 05495 (hereinafter referred to as "Declarant").

RECITALS

1. Declarant owns, a parcel of unimproved land adjacent off Country Club Drive, South Burlington, Vermont, (the "Property") which is more particularly described as follows:

Being a parcel of land known as White Rocks as shown on "Property Plat North Section (Plat 1 of 2) and Property Plat South Section (Plat 2 of 2), White Rock Country Club Estates, South Burlington, VT" by O'Leary-Burke Civil Associates, PLC dated February 21, 2001 of record in Map Volume 495 at Pages 35-36 of the City of South Burlington Land Records.

Being all and the same land and premises conveyed to White Rocks Development, LLC by Quitclaim Deed of Thomas A. Sheppard and Paul B. Carrier dated January 23, 2001 of record in Volume 492 at Pages 450-452 of the City of South Burlington Land Records.

2. Declarant intends to develop the Property into thirty detached single family residences.

3. Declarant has established a homeowners association to enforce these covenants and any rules and regulations.

ESTABLISHMENT :

Declarant hereby declares that the Property shall be subject to and be held, transferred, sold, conveyed, leased, occupied, and used subject to all of the terms and conditions of this Declaration, which shall run with the land and be binding on all parties, and their respective heirs, successors and assigns.

ARTICLE I

Definitions

Section 1.1. Definitions. The following terms when used in this Declaration shall have the meanings set forth below:

1. "Assessments": The amounts assessed by the Association against the Members or Unit Owners from time to time as provided in the Bylaws.

2. "Association": White Rocks Homeowners Association, Inc. a non-profit corporation.

3. "Bylaws": The Bylaws of the Association as amended from time to time.

4. "Declarant": White Rocks Development, LLC, its successors and assigns.
5. "Declaration": This declaration as amended from time to time.
6. "Development": The White Rocks Development in Colchester, Vermont, as approved by the City of South Burlington Planning Commission and the State of Vermont District Environmental Commission #4, as such approvals may be amended and supplemented from time to time.
7. "First Mortgagee": Any commercial or savings bank, savings and loan association, trust company, mortgage company, insurance company, private mortgage insurance company, pension fund, person, corporation, or business entity, including a corporation of or affiliated with the United States Government or any agency thereof, the Veterans Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Credit Union, and any other entities chartered under federal or state laws or agencies, which is the holder of any first mortgage lien, or the beneficiary under any first deed of trust encumbering a Unit. The term "Mortgage" shall be deemed to include both mortgages and deeds of trust.
8. "Land": So much of the Property as has been made subject to the terms of this Declaration, together with all improvements thereon and appurtenances thereto.
9. "Lot": A single family residential lot, upon which one detached single family residence may be constructed.
10. "Member": The record owner(s) of a Lot.
11. "Required Number of First Mortgagees": The holder of notes which constitute at least sixty percent (60%) of the outstanding balances of all the notes secured by first mortgages on Units, whose prior written approval shall be required before undertaking certain actions by the Association, as more specifically set out in this Declaration and/or the Bylaws.
12. "Rules and Regulations": The provisions, covenants and limitations contained in this Declaration or adopted from time to time by the board of directors of the Association governing the use and occupancy of the Units and Common Areas and Common Facilities, and governing the behavior and obligations of the Unit Owners.
13. "Subdivision Plan": The final site plan approved by the Planning Commission for the City of South Burlington and recorded at Map Volume 495, Pages 35-36 of the South Burlington Land Records, as amended from time to time with the approval of the South Burlington Planning Commission. Sometimes referred to herein as the "Plan of Lands."
14. "Unit": A Lot with a residence constructed thereon which is ready for occupancy.
15. "Unit Owner": The record owner(s) of fee simple title to a Unit.

ARTICLE II
Declarant's Reserved Rights

Section 2.1. Reservation of Rights by Declarant.

Declarant reserves the following:

1. Such easements as the Declarant deems necessary: to modify and/or enlarge existing utilities, roadways, walkways, and other improvements; to construct and install additional utilities, roadways, walkways and other improvements on, above, under, or through the Land which the Declarant deems necessary or desirable for the benefit and use of the Units.

2. The right to display signs, to use any Unit as a model and/or sales office, and the right to rent any Unit which Declarant owns and which has not been sold subject to state law and local ordinance.

3. The right, prior to sale thereof, to change, alter or modify the number, location, configuration, materials, architectural and engineering design, or size of Units and/or other improvements comprising part of the Development; provided, however, that no such change, alteration or modification shall be permitted to the extent that it would cause or authorize the construction of incompatible Units or Units or other improvements of inferior workmanship and quality.

4. The right to approve any change, addition, alteration or construction of any improvements on any lot. This right shall terminate upon the sale of the last lot.

Section 2.2. Notice to Unit Owners. A Unit Owner, by acceptance and recordation of any instrument conveying or transferring title or any interest in a Unit, and a First Mortgagee by holding a mortgaged secured by a Unit, shall be deemed to have been given notice and to have consented to all the rights and privileges reserved by Declarant in this Article II.

ARTICLE III
The Association

Membership in the Association, and the rights and duties of Owners and Members shall be as set forth in the Bylaws of the Association as in effect from time to time.

ARTICLE IV
Covenant for Operating, Maintenance, Repair and Replacement Assessments

Section 4.1. Creation of a Lien and Personal Obligation for Assessments. Each Unit Owner, by the acceptance and recordation of a deed or other instrument transferring title to or any interest in a Unit, whether or not it be so expressed in such deed or instrument, shall be deemed to covenant and agree to pay to the Association all Assessments assessed in accordance with this Declaration and the Bylaws. Assessments, together with interest, costs and reasonable attorneys' fees, shall be a lien upon the Unit against or with respect to which each such Assessment was made, allocated,

or apportioned in accordance with the Bylaws, subordinate only, as to a Lot, to the lien of a first mortgage thereon. Each Assessment, together with interest, costs and reasonable attorneys' fees, shall also be the obligation of the Member against whom the Assessment was made.

Section 4.2. No Exemption. No Unit Owner shall be exempt from liability for Assessments by abandonment of a Unit, or by any other reason.

Section 4.3. Liability for Liens. Prior to or at the time of any conveyance of a Unit, all Assessments with respect to that Unit shall be paid in full to the Association. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid Assessments against or on account of the Unit through the time of recording of the instrument transferring ownership of the Unit. Any purchaser or holder of a mortgage on a Unit shall be entitled to a statement setting forth the amount of the unpaid Assessments against the selling Unit Owner within five (5) days following a written request therefor directed to the Association. Each First Mortgagee who comes into possession of a Unit through foreclosure (or by deed or assignment in lieu of foreclosure), or any purchaser at a foreclosure sale, shall take ownership of the Unit free and clear of all unpaid Assessments or charges against said Unit which had become due or were delinquent prior to the acquisition of title to such Unit by such First Mortgagee or foreclosure sale purchaser.

Section 4.4. Penalty. Any Assessment not paid within ten (10) days of its due date shall bear interest from the due date at the rate of one percent (1%) per month, or at such other rate as may be fixed by the board of directors from time to time, or in either event, at such lesser rate as is the maximum rate permitted by applicable law.

Section 4.5. Use of Assessments. Assessments levied and collected by the Association shall be used: to promote the recreation, health, safety and welfare of the Unit Owners; to meet all requirements for capital repairs, replacements and improvements; and to meet all other expenses and obligations incurred by the Association, including but not by way of limitation, management fees, administrative expenses, corporate fees, taxes, insurance premiums, and costs of monitoring and other demands imposed or required by existing permits or approvals, or by subsequent amendments thereto.

Section 4.6. Maintenance of Landscaping. The board of directors from time to time shall impose or assess such Assessments as may be required for the replacement of diseased trees, bushes or other landscaping required and approved as part of any Land Use Permit or other governmental permit or approval applicable to the Development.

ARTICLE V

Water Supply System, Sewage Disposal, Detention Basin

Section 5.1. Installation and Maintenance of Water System. The Declarant shall install and provide in accordance with all applicable governmental permits and approvals, and shall convey to the City of South Burlington, the water supply system for the Property.

Section 5.2. Sewage System. The Declarant shall install and provide in accordance with all applicable governmental permits and approvals and shall convey to the City of South Burlington the sewer system for the property.

Section 5.3. Maintenance Plan for Detention Pond. The extended duration detention pond easement shall be owned by a Homeowners Association. Maintenance of the detention pond shall be the responsibility of the Association. The following storm maintenance plan shall be followed by the Association.

System maintenance is important for treatment and detention of storm runoff from the impervious surfaces (road, parking and walkway). During construction the Declarant shall be responsible for maintenance of the detention pond. After construction is complete and vegetation is established. The Homeowners Association shall be responsible for maintenance. The following elements form the minimum requirements:

1. Inspections shall be performed bi-annually by a professional engineer. The following items shall be reviewed: condition of the vegetation, condition of the pond embankments and ditch surfaces, depth of accumulated sediment (if any), presence of erosion (if any), condition of the storm pipes, condition of the pipe inlets and outlets, and condition of erosion control matting. Any observable degradation of the storm system shall be noted:

2. Repairs of any items shall be performed as required to maintain optimal system operation. At a minimum, the following items shall be included:

- (a) Any erosion gullies 6 inches or deeper shall be filled and vegetation established in the disturbed area.
- (b) Sediment accumulated to a depth of more than 6 inches in the road ditches and 12 inches in the pond shall be removed and disposed of in an upland area that is not within 100 feet of waters of the State. Vegetation shall be established in all disturbed areas.
- (c) Vegetation shall be established as needed, in areas of bare soil. This is particularly important in flow areas where vegetation provides sediment removal.
- (d) The erosion riprap at the pipe outlets shall be repaired and/or replaced as

needed to maintain its performance as an erosion prevention device.

- (e) Haybale dams and/or silt fences shall be used if needed to prevent erosion and in the establishment of vegetation. These temporary measures shall be removed after the site is stabilized and the risk of erosion is reduced.
- (f) The grassed areas shall be mowed as needed to prevent the establishment of woody vegetation.

3. The engineer shall provide a written letter report of the above inspection shall be forwarded to the State of Vermont in accordance with the stormwater discharge permit requirements and copied to the City's Director or Public Works. Any corrective measures shall be implemented immediately.

Section 5.3. Signage. The Declarant shall erect a sign for the Development in the easement area as depicted on the Plan of Land if any. The Association shall be responsible for maintenance, upkeep, repair and replacement of the sign and for landscaping around the sign.

ARTICLE VI **Permit Compliance**

The Association shall take such steps as may be reasonably necessary to ensure continuing compliance with applicable provisions of the state and municipal permits and approvals issued in connection with the Development and relating to use and occupancy of the Units, the Land, as such permits and approvals are amended from time to time. Reference is specifically made to the terms and conditions of Land Use Permit 4C0643-6R-EB and 4C0643-6-3, as may be amended, and Subdivision Permit EC-4-1333 and EC-4-1333-1, as may be amended, which on the date hereof provide in part as follows:

1. Temporary Pollution Permit. All Unit Owners and their successors and assigns in interest, including the Association, shall comply with all of the terms and conditions of any Temporary Pollution Permit or any other permit issued by the Agency of Natural Resources, affecting the Property.

2. Water Conservation. All plumbing fixtures in all Units shall be water-conserving in nature, including but not limited to low-flush toilets, low-flush showerheads, and aerator-type or flow-restricted faucets. Each Unit Owner shall maintain the same in proper condition and repair at all times. Fixtures shall not exceed the following flows: toilets not to exceed 3.5 gallons per minute, faucets with flows not to exceed 3.0 gallons per minute and showerheads not to exceed 3.0 gallons per minute.

3. Outdoor Lighting. All outdoor lighting shall be down casting and installed or shielded in such a manner as to conceal light sources and reflector surfaces from view substantially beyond the perimeter of the area to be illuminated, and shall be mounted on poles not taller than 20 feet high. Other exterior lighting fixtures, including yard lights, are specifically prohibited with the exception of building-mounted entry lights. Spot lights shall be prohibited on the back yards of Lots adjacent to or bordering Country Club Drive, South Burlington, Vermont.

4. Development Landscaping. The Unit Owners and the Association shall continually maintain the landscaping within the Development substantially as approved in the State Land Use Permit, as may be amended, and City of South Burlington Final Plat Approval including replacing any dead or diseased plantings as soon as seasonably possible.

5. Envelope & Structure Insulation; Electric Space Heating Prohibition.

- (a) All heated structures erected within the Development shall be constructed with insulation with an R-Value of at least R-19 in the exterior walls, at least R-32 in the cathedral ceilings and at least R-38 in the remainder of the roof or cap and at least R-10 thermally sealed around the foundation or slab, the doors shall be a minimum of R-10 and with at least double-glazed windows of R-2.75. The installation or use of electric space heating is specifically prohibited.
- (b) Those portions of each structure constructed within the White Rocks Development which are intended for year-round habitation (e.g. excluding garages and outbuildings), shall be designed to achieve to a "Four Star Plus" Rating by Energy Rated Homes of Vermont, Inc., or an equivalent rating using an alternate home energy rating system.

6. Space & Water Heating Measures. All space and water heating measures within heated structures within the Development shall meet the following standards:

- (a) Oil or Gas Heating Systems. Oil or gas heating systems should have a minimum Annual Fuel Utilization Efficiency (AFUE) of 80%.
- (b) Water or Heating Systems. Water or heating systems should have a minimum energy factor (E.F.) of:
 - A: Gas: $E.F. = .62 \text{ minus } (.0019 \times \text{rated storage volume in gallons})$
 - B: Oil: $E.F. = .59 \text{ minus } (.0019 \times \text{rated storage volume in gallons})$
- (c) Thermostats. Installation of automatic thermostats.
- (d) Wood Stoves. Wood stoves should meet the 1990 EPA Phase II standards.
- (e) Fireplaces. Fireplaces should include a means, such as glass doors, to prevent excessive infiltration and exfiltration.

7. Buildings. All residences constructed on lots approved herein shall be white or earthtone with non-reflective roofs. The exterior of any buildings constructed hereunder, including painting or other suitable finish, shall be completed within one year of the beginning of construction so as to present a finished appearance when viewed from any angle. The building area shall be kept reasonably clean during the period of construction.

8. Burning. Open burning within the Development is prohibited.

ARTICLE VII
Covenants and Restrictions
Applicable to Lots

Section 7.1. General Covenants. In order to insure the use of the Lots for attractive residential purposes only, to prevent nuisances, and to secure to each owner of a Lot the full benefit of a planned Development, Declarant does hereby declare the following protective covenants, conditions, and restrictions shall apply to each and every Lot.

1. Residential Use. Each Lot is to be for permanent single-family purposes only. This covenant in no way restricts an Owner's right to rent a Unit as a single family residence except that all such rentals shall be evidenced by a written lease which must be for a minimum term of thirty (30) days. No building or structure intended for or adapted to business, commercial or industrial purposes, and no apartment house, lodging house, rooming house or other multiple family (two units or more) dwelling shall be erected, placed, permitted or maintained on a Lot or any part thereof. This paragraph shall not prohibit customary home occupations, except that no wholesale or retail sale of any products of a home occupation shall be conducted on any Lot. No improvements or structures whatsoever, other than a private dwelling house, patio, walls and fences, swimming pool, customary outbuildings, and garage may be erected, placed or maintained on any Lot. Each Lot shall have not more than one outbuilding exclusive of the garage.

2. Size Restrictions. The minimum ground floor living area, exclusive of one story porches and garages for a one story dwelling, shall be 1,800 square feet. Two story homes shall have a minimum ground floor living area of 1,000 square feet. Each dwelling shall have an attached garage at least 18 x 24 attached on either end. The long dimension of all dwellings shall be parallel to the street, unless otherwise approved in writing by the Architectural Committee.

3. Limitation On Habitation. No outbuilding, garage, shed, tent, trailer, mobile home or temporary building of any kind shall be erected, constructed, permitted or maintained prior to commencement of the construction of the residence, and no outbuilding, garage, shed, tent, trailer, mobile home, basement or temporary building shall be used for permanent or temporary residence purposes. This covenant shall not prohibit the use of a construction trailer on a Lot during construction of the residence.

4. Occupancy. No permitted private or single family dwelling house erected upon any Lot shall be occupied during the course of construction, nor at any time prior to its being fully completed as herein required; nor shall any residence when completed be in any manner occupied unless in complete compliance with all covenants, conditions, reservations and restrictions herein set forth. All construction shall be completed within six (6) months from the start thereof except in the instance where construction cannot be completed within said time frame due to strikes, delays occasioned by Declarant, material shortages, casualties or acts of God. This paragraph shall not require that all interior finishing must be completed within the aforementioned six month time period, but all exterior work, including but not limited to shell, chimney, roof, porches, steps, decks, windows, doors, garages, siding and landscaping must be completed within such period. If the application of said time frame to landscaping is inappropriate because of weather conditions, then the landscaping shall be completed as soon as practicable during the subsequent spring season.

5. Grading and Drainage. The grading and/or drainage patterns of any Lot in the subdivision shall not be altered.

6. Offstreet Parking. At the time a permanent dwelling is built on a lot, adequate off-street parking for at least three cars shall be provided on the lot. Only registered vehicles are allowed on the lots. Any boats or recreational vehicles have to be parked either in a garage or in the back of the house out of sight from the street.

7. Garages. Garages shall be for the use only of the occupants of the residence to which they are appurtenant, and shall be attached to such residence.

8. Tanks, Etc. No elevated tanks of any kind shall be erected, placed or permitted on any part of any Lot. Any tanks for use in connection with any residence constructed on such premises, including tanks for the storage of fuels, must be buried or screened sufficiently to conceal them from the view of neighboring Lots, roads or streets.

9. Garbage and Rubbish. All garbage and rubbish shall be kept in sanitary containers and there shall be no dumping on any part of a Lot and no incineration. Sanitary containers shall be stored in the garage of all units.

10. Landscaping.

- (a) A minimum of \$2,000.00 must be spent for landscaping on each lot.
- (b) Grading, seeding and planting on each Lot shall be extended to the rear line and sidelines of such Lot and in the front to the street line. Maintenance of the property between the street line and the front line of a Lot shall be the responsibility of the owner of the Lot. All Lots shall be mowed and kept in a neat, trimmed manner regardless of whether the Lot is vacant or has a house constructed upon it. If a Lot is vacant and the owner fails to mow and maintain same, the Association shall have the right, but not the duty, to cause such mowing or maintenance to be performed and to be promptly reimbursed by the Owner of such Lot for the costs thereof, plus a reasonable charge for the administrative and managerial efforts of the Association.
- (c) Before cutting trees in development areas, each tree proposed to be saved shall be individually marked and tagged by Declarant. It is not necessary or feasible to preserve all the trees on the individual lots due to the significant number of trees but the Declarant shall identify the most healthy and aesthetically pleasant and protect them. Declarant shall follow these guidelines for cutting and protection of worthy trees during construction:
 - (1) Individual trees should be clearly marked with vinyl flagging for

those not to be cut.

- (2) On site supervision of cutting can protect aesthetic quality for current and future residents.
- (3) The retention of white birch and evergreen species will provide visual diversity.
- (4) Tree species which produce colorful fall foliage should be reserved from cutting where possible.
- (5) The maintenance of thick softwoods will provide great privacy and noise buffer. Especially along property lines.
- (6) All plans for construction of a home on a lot shall include a landscaping plan, including planting, walks, etc., for approval by Declarant. The landscaping costs shall include the costs for site cleaning, grubbing, planting, walks, etc. The estimated cost of landscaping shall be placed in an escrow account to ensure such landscaping improvements are completed as soon as seasonably possible, after completed construction.

11. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats and other household pets may be kept provided they are not kept, bred or maintained for any commercial purposes, and do not become a nuisance, annoyance, or danger to any Unit Owner. No dog kennels shall be allowed. All dogs must be on leash at all times and in compliance with the leash laws of the City of South Burlington.

12. Utility Lines. All electrical, telephone, cable TV and other utility or transmission lines shall be placed underground.

13. Nuisances. No Lot shall be used in whole or in part for the storage of rubbish, trash or scrap of any character whatsoever; nor shall any substance, item or material be kept upon any Lot that will emit foul or noxious odors or cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding Units. This paragraph shall not prohibit the storage of one pleasure vehicle (such as a vacation trailer or boat) outside a dwelling, outbuilding or garage.

14. Signs. No billboards or advertising signs of any character shall be erected, placed, permitted or maintained on any Lot or on the residence or other structures located thereon, except that an Owner of a Lot or his agent may erect or display one sign of not more than six square feet advertising the Lot for sale. All signs must comply with applicable State law and regulation and local regulation.

15. Commercial Vehicles. No commercial vehicles, construction, or like equipment of any kind shall be maintained on any Lot, other than in the course of construction, unless kept in a completely enclosed garage.

16. Clotheslines. No clotheslines shall be allowed.

17. Swimming Pools. Any swimming pool constructed on a Lot shall be completely enclosed by a minimum four feet high self closing and latching fence with locked gate. Swimming pools shall be located no closer to the front lot line than the back wall of the residence on said Lot. No above ground pools shall be allowed. Prior to installation of any swimming pool, the Declarant must approve, in writing, the location of the pool and the type of fencing surrounding the pool.

18. Reception Antennas. No owner of property shall install or have located on said premises any satellite TV reception dish with a diameter in excess of two (2) feet, nor shall any owner erect any base station reception antennas for the reception of short wave or CB unless specifically approved by Declarant.

19. Basketball Hoops. No basketball hoops shall be allowed on any of the lots. Movable basketball hoops which be stored inside may be allowed with the written approval of the Architectural Committee.

20. Mailboxes. No individual mailboxes are to be located on the lots. Community mailboxes will be built in a location depicted on the Plans.

Section 7.2. Enforcement. Should the Association employ counsel in order to enforce any of the foregoing covenants, conditions, reservations, restrictions or obligations, all costs incurred in such enforcement, including a reasonable fee for counsel, shall be paid by the owner of such Lot or Lots found to be in violation by a court of competent jurisdiction. No delay or omission on the part of the Association in exercising any right, power or remedy herein provided for in the event of any breach of the covenants, conditions, restrictions and obligations herein contained shall be construed as a waiver thereof or acquiescence therein. No right of action shall accrue, nor shall any action be brought or maintained by any Unit Owner against Declarant for or on account of its failure to bring an action on account of any breach of these covenants and condition, nor for imposing covenants and restrictions which may be found or determined to be unenforceable at law.

ARTICLE VIII
Architectural Control

Section 8.01. Architectural Control.

1. No building, fence, wall, swimming pool or other structure shall be commenced, erected or maintained upon a Lot, nor shall any addition to or external change or alteration therein be made until the plans, elevations and specifications showing the nature, kind, shape, height, materials, floor plan, location and grading changes shall have been submitted to and approved in writing by the Architectural Committee.

2. The Architectural Committee will have the unrestricted right to refuse to approve any such plans, specifications or grading plans which in its opinion do not conform with the provision or intent of this Declaration. The Architectural Committee shall have the further right, in passing upon such plans, to consider the continuity of the proposed building, fence, wall or other structure and site plan with adjacent or neighboring structures and the materials of which it is to be constructed.

3. The Architectural Committee shall have three members. The initial members shall be appointed by the Declarant. When all the lots are sold by the Declarant, the Architectural Committee will be appointed by the Association.

4. Approval or disapproval by the Architectural Committee as required by these covenants will be in writing. In the event the Architectural Committee fails to approve or disapprove within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and the related covenants will be deemed to have been fully complied with. Conveyance by Declarant of a lot with house constructed thereon by Declarant shall be deemed approved by the Architectural Committee.

5. Any written approval by the Architectural Committee shall be presented to the City of South Burlington Zoning Administrator simultaneously when applying for a City Zoning Permit.

ARTICLE IX
Amendment to or Termination of the Declaration

Section 9.1. General. The terms and provisions of this Declaration shall run with the land and be binding upon Declarant and all subsequent Unit Owners. Except as limited hereinafter, this Declaration may be amended by the Declarant or, after the Members have acquired voting rights in accordance with the Bylaws, upon the affirmative vote of at least two-thirds (2/3) of the voting power of the Members of the Association. No amendment shall alter any duty or restriction existing under any applicable governmental permit or approval unless the authority issuing such permit or approval shall consent thereto in writing.

Section 9.2. Right Reserved in Declarant. Declarant, for so long as Declarant retains ownership

of any portion of the Development, may unilaterally amend this Declaration in accordance with the provisions of Article II, and also may unilaterally amend this Declaration to satisfy and meet any requirement of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the District Environmental Commission or the City of South Burlington.

Section 9.3. First Mortgagee Approval Required as to Certain Amendments. With respect to certain proposed amendments to this Declaration which could have significant impact upon the rights and security of First Mortgagees, in addition to such an amendment receiving the approval of Unit Owners required in Section 9.1, the amendment also shall require the approval in writing of the Required number of First Mortgagees. The amendments which would be deemed to have a significant impact upon the rights and security of a First Mortgagee are as follows: (i) a change in voting rights of Unit Owners other than provided for in this Declaration; (ii) a change in the manner Assessments are allocated or an alteration in the existing priority of first mortgage liens over Assessments; (iii) change in responsibility for maintenance and repairs; (iv) changes in boundaries of any Lot; (v) changes in any insurance of fidelity bonds; (vi) changes in the terms required for leasing a Unit; (vii) removal of Land from the Development; (viii) imposition of restrictions on a Unit Owner's rights to sell, transfer or alienate a Unit; (ix) restoration of the Development after casualty damage or partial condemnation in a manner other than restoring or repairing the Development to its condition existing prior to said casualty or condemnation; (x) any amendment or action that would effectively terminate this Declaration; (xi) any decision by the Association to establish self-management when professional management had been previously required by a First Mortgagee; or (xii) change in any provision of this Declaration which expressly benefits First Mortgagees.

Section 9.4. Conditions to Termination. No termination of this Declaration will be effective unless adequate substitute arrangements have been made to ensure compliance with the terms and provisions of all applicable permits and approvals issued by the State of Vermont District Environmental Commission and the City of South Burlington. Termination also shall require the written approval of the Required Number of First Mortgagees.

Section 9.5. Illegal or Unenforceable Term. If any covenant, condition, restriction or obligation of this Declaration, or this Declaration itself, is determined to be illegal and/or unenforceable because of its perpetual nature, then such covenant, condition, restriction or obligation, or this Declaration itself, shall be deemed to run with and bind the Land for a term of forty (40) years from the date of execution of this Declaration, and shall thereafter be deemed to automatically be extended for successive periods of ten (10) years each unless terminated as provided in this Section 9.5.

Section 9.6. Compliance. Each Unit Owner shall be governed by and shall comply with the terms of this Declaration, the Bylaws of the Association, and any resolution, Rules and Regulations or other restrictions promulgated by the Association. A Unit Owner shall be liable for any expense incurred for maintenance, repair or replacement rendered necessary by a Unit Owner's act, negligence or carelessness, or by the act of any member of a Unit Owner's family, guests, invitees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance

carried by the Association. In addition to any and all remedies provided by law, this Declaration, or the Bylaws, the Association, acting through its board of directors, shall be entitled to the following relief:

1. The right to impose a reasonable fine for any violation of the Declaration or the Bylaws, which fine shall be a continuing lien against the Unit of the defaulting Unit Owner and shall be enforceable in the manner provided by the laws of the State of Vermont, this Declaration and the Bylaws.

2. The right to abate, enjoin or remedy the continuance of any violation of this Declaration, by appropriate legal proceedings either in law or in equity, including, without limitation, an action to recover any sums due for money damages, injunctive relief, or foreclosure of the lien for payment of Assessments, or any combination thereof. Said remedies shall be cumulative and shall not constitute an election of remedies.

ARTICLE X
Rights of First Mortgagees

Section 10.1. General Rights to Notice. Any First Mortgagee may send the Association a written request pursuant to this Section 10.1, identifying the First Mortgagee's name and address and the Unit against which it holds a first mortgage lien. Thereafter, the Association shall be obligated to send said First Mortgagee timely written notices as to any of the following: (i) any condemnation loss or casualty loss which materially affects the financial condition of the Development or any Unit; (ii) any delinquency in the payment of Assessments or other charges by a Unit Owner of a Unit subject to a first mortgage which delinquency remains uncured for a period of sixty (60) days; (iii) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and (iv) any proposed amendment or termination which needs the approval of the Required Number of First Mortgagees.

ARTICLE XI
Miscellaneous

Section 11.1. Conflict. In the event of any conflict between the terms of this Declaration and the terms of the Bylaws, the provisions of this Declaration shall control.

Section 11.2. Severability. In the event any provision of this Declaration is deemed invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provision hereof.

Section 11.3. Waiver. No restriction, condition, obligation, or provision of this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce it.

Section 11.4. Captions. The captions in this Declaration are for purposes of reference only and shall not limit or otherwise affect the meaning thereof.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of the ____ day of December, 2001.

"Declarant"

IN THE PRESENCE OF:

Whites Rocks Development, LLC

Witness

By: _____
Thomas A. Sheppard, Member
and Duly Authorized Agent

STATE OF VERMONT
CHITTENDEN COUNTY, SS.

At South Burlington, in said County, this _____ day of December, 2001, personally appeared THOMAS A. SHEPPARD, Member and Duly Authorized Agent of **WHITE ROCKS DEVELOPMENT, LLC**, and he acknowledged this instrument, by him sealed and subscribed, to be his free act and deed and the free act and deed of **WHITE ROCKS DEVELOPMENT, LLC**.

Before me, _____
Notary Public
My commission expires: _____ 2/10/03