

Rain Tree Villas Homeowners Association

Certificate of Resale

130 Allyson Drive

ADDRESS CHANGE FORM

Please complete this form if your mailing address will not be the property address you are purchasing. You can return to melissaa@1cbm.com, by fax at 757-534-7765 or mail at 600 Thimble Shoals Blvd, Ste 200, Newport News, VA 23606.

Association: _____

Address of Lot: _____

Date: ____ / ____ / ____

Time: _____ am/pm

Homeowner Name: _____

New Mailing Address: _____

Phone Number(s): (____) _____ - _____

(____) _____ - _____

(____) _____ - _____

(____) _____ - _____

E-Mail Address(s) _____



Common Interest Community Board

VIRGINIA PROPERTY OWNERS' ASSOCIATION DISCLOSURE PACKET NOTICE

The lot being purchased is in a development subject to the Virginia Property Owners' Association Act. The contract to purchase a lot shall disclose that the lot is located in a property owners' association. The purchaser may have the right to cancel the contract after receiving the disclosure packet and the purchaser may request an update of the disclosure packet pursuant to § 55.509.4 of the Code of Virginia.

Living in a common interest community carries with it certain rights, responsibilities and benefits. Benefits include the right to use common areas, which may include swimming pools, parks, playgrounds and other recreational facilities. In order to finance the operation of the common interest community association, each owner is responsible for and obligated to pay periodic assessments, and if necessary, special assessments to ensure that the financial requirements are met.

Use of common areas, financial obligations of lot owners and other rights, responsibilities and benefits associated with the ownership of a lot in this common interest community are subject to the provisions of governing documents that typically include a declaration, articles of incorporation, bylaws and rules and regulations. These documents are important and should be reviewed carefully prior to purchase.

Some decisions are made by the association board of directors, while other decisions are reserved to a vote of association members. The purchaser is bound by all decisions of the association and the board of directors and the provisions of the governing documents.

Failure to comply with the association governing documents can result in legal action taken against the lot owner. Failure to pay assessments and mandatory fees may result in the association filing a lien and/or lawsuit against the lot owner, foreclosing the lien, and other actions permitted by the governing documents and the Property Owners' Association Act.

Documents and information contained in the disclosure packet describe the basis for living in a common interest community and should be reviewed carefully prior to purchase of the lot.

The Association Disclosure Packet must include the following statements:

- ☐ Association name, and if incorporated, the state of incorporation and the name and address of the registered agent;
- ☐ A statement of any approved expenditures that require an additional assessment during the current year or the immediately succeeding fiscal year;
- ☐ A statement of all assessments and other mandatory fees currently imposed by the association;
- ☐ A statement whether there is any other entity or facility to which the lot owner may be liable for fees or charges;
- ☐ The current reserve study report (or a summary thereof), a statement of the status and amount of any reserve or replacement fund and any portion of the fund allocated by the governing board for a specified project;
- ☐ A copy of the association's current budget (or a summary thereof) and a copy of its statement of income and expenses or financial condition for the last fiscal year available, including a statement of the balance due of any outstanding loans of the association;
- ☐ A statement of the nature and status of any pending suit or unpaid judgment to which the association is a party and that either could or would have a material impact on the association or its members or that relates to the lot being purchased;
- ☐ A statement setting forth the insurance coverage provided for all lot owners by the association, including any fidelity bond maintained by the association, and what additional insurance would normally be secured by each individual lot owner;
- ☐ A statement that any improvement or alteration made to the lot, or uses made of the lot or common area assigned thereto by the prior lot owner, are not in violation of any of the instruments referred to in this disclosure notice;
- ☐ A statement setting forth any restriction, limitation, or prohibition on the right of a lot owner to place a sign on the owner's lot advertising the lot for sale;
- ☐ A statement setting forth any restriction, limitation, or prohibition on the right of a lot owner to display any flag on the owner's lot, including, but not limited to reasonable restrictions as to the size, place and manner of placement or display of such flag and the installation of any flagpole or similar structure necessary to display such flag;
- ☐ Certification, if applicable, that the association has filed with the Common Interest Community Board the annual report required by §55-516.1 of the Code of Virginia including the filing number assigned by the Common Interest Community Board and the expiration date of the filing;
- ☐ The association complaint procedure as required by 18 VAC 48-70-60 and pursuant to 18 VAC 48-70-40 and 18 VAC 48-70-50.

The Association Disclosure Packet must include the following attachments, if any:

- ☐ A copy of the current declaration, the association's articles of incorporation and bylaws, and any rules and regulations or architectural guidelines adopted by the association;
- ☐ A copy of notice given to the lot owner by the association of any current or pending rule or architectural violation;
- ☐ A copy of any approved minutes of the board of directors and association meetings for the six calendar months preceding the request for the disclosure packet;

EXHIBIT 1

Rain Tree Villas Homeowner's Association

2013 Budget

		2012	YTD 5/31/12	2013	Special Notes
	Quarterly Assessment	57.30	57.30	57.30	
	Annual Assessment per Unit	229.20	229.20	229.20	
	Total Annual Assessment	14,898.00	14,898.00	14,898.00	
Acct	Description	Budget	YTD 5/31/12	Draft	
	INCOME:				
6310	ASSESSMENT INCOME	14,898.00	6,207.50	14,898.00	\$57.30 per qtr - 65 homes
6340	LATE FEES INCOME	750.00	393.73	960.00	
6350	LEGAL FEES REIMBURSEMENT	0.00	296.00	0.00	
6380	OWNER ADMIN FEES INCOME	0.00	25.00	0.00	
6390	INTEREST INCOME	400.00	94.38	250.00	
6391	INTEREST INCOME -OPER RESERVE	1.00	0.10	1.00	to account 9925
6392	INTEREST INCOME-REPL RESERVE	12.00	4.58	12.00	to account 9920
	TOTAL INCOME	16,061.00	7,021.29	16,121.00	
	EXPENSES:				
	GENERAL ADMIN. EXPENSES:				
7010	MANAGEMENT & ACCOUNTING FEES	6,807.38	2,783.70	7,033.44	3.5% Increase June 1
7015	BANK CHGS & COUPON PRINTING	170.00	0.00	170.00	coupon books & bank svc charges
7140	AUDIT & TAX PREPARATION	250.00	235.00	250.00	tax return
7280	INSURANCE	920.00	462.71	963.00	Liab, D& O, & Fidelity - 4%estimate increase
7285	INSURANCE PREMIUM FEE	0.00	10.00	0.00	
7160	LEGAL & PROFESSIONAL FEES	275.00	0.00	275.00	attorney fees
7190	LEGAL FEES - OWNER COLLECTION	0.00	214.00	0.00	collection filing and fees
7170	RESERVE STUDY	0.00	0.00	250.00	completed in 2008
7450	LICENSES / PERMITS	70.00	25.00	70.00	\$25 SCC + DPOR\$
7320	OFFICE SUPPLIES	100.00	38.49	100.00	office supplies, envelopes, labels, etc.
7890	MISC GENERAL & ADMINISTRATIVE	0.00	25.00	0.00	
7990	BAD DEBT EXPENSE	0.00	1,865.07	0.00	
7400	PRINTING & REPRODUCTION	280.00	161.36	280.00	copies
7260	POSTAGE & MAIL	180.00	74.52	200.00	postage
	TOTAL GENERAL ADMIN EXPENSES	9,052.38	5,894.85	9,591.44	
	PROPERTY EXPENSES:				
8910	ELECTRICITY	200.00	69.75	200.00	
9110	GEN. MAINT. & REPAIR	200.00	0.00	200.00	
	LANDSCAPE EXTRAS	1,850.00	800.00	1,220.00	field cutting
	BMP POND	0.00	0.00	0.00	BMP dry pond cut
9610	LANDSCAPING CONTRACT	3,996.00	1,998.00	4,200.00	landscaping contract
	TOTAL PROPERTY EXPENSES	6,246.00	2,867.75	5,820.00	
	RESERVE CONTRIBUTIONS:				
9910	REPL./MAINT RESERVE -DEPOSIT	750.00	312.50	700.00	
9920	REPL./MAINT RESERVES - INT	12.37	4.58	9.31	from acct #6392
	OPERATING RESERVE - DEPOSIT	0.00	0.00	0.00	
9925	OPERATING RESERVE - INTEREST	0.25	0.10	0.25	from acct #6931
	TOTAL RESERVES	762.62	317.18	709.56	
	TOTAL EXPENSES	16,061.00	9,079.78	16,121.00	
	TOTAL VARIANCE	0.00	(2,058.49)	0.00	

RESERVES:

	REPLACEMENT RESERVES:		7015.61		actual cash balance
9910	replacement reserve deposits	750.00	562.50	700.00	2012 based upon reserve study
9920	replacement reserve interest	9.00	12.60	9.31	
	replacement reserve expenditures	0.00	0.00	0.00	
	TOTALS:	759.00	575.10	709.31	
	OPERATING PROJECT RESERVES:		258.29		
9912	operating reserve deposits	0.00	0.00	0.00	
9925	operating reserve interest	1.00	0.20	0.25	
	operating reserve expenditures	0.00	0.00	0.00	
	TOTALS:	1.00	0.20	0.25	

2011 expenses from replacement reserves include: NONE BUDGETED

2011 expenses for operating reserves: NONE BUDGETED

2012 budget expenses for replacement reserves: NONE BUDGETED

2012 budget expenses for operating reserves: none

NOTE: PLEASE SEE RESERVE STUDY FOR OUTLINE OF SCHEDULED FUNDING & EXPENDITURES FOR THE REPLACEMENT RESERVES ACCOUNT THE COMPLETE RESERVE STUDY IS AVAILABLE ON-LINE AT WWW.SMARTSTREET.ORG TO ACCESS THE ASSOCIATION'S WEBSITE OR CONTACT THE MANAGEMENT OFFICE AT 757-706-3019

EXHIBIT 2

Run Date: 09/13/13
Run Time: 10:54 AM

Rain Tree Villas Homeowners Assoc., Inc.
Unaudited Working Documents of Board of Directors
As of 08/31/13

Balance Sheet
CURRENT ASSETS

OPERATING CASH:

Operating Deposit - 2141	\$	6,686.80
UB - Operating Checking - 2133		1,288.34
Total Operating Cash	\$	7,975.14

RESERVE CASH:

OPERATING Reserves - 2117	\$	259.65
REPLACEMENT Reserves - 2125		8,440.49
Total Reserve Cash	\$	8,700.14

SUBTOTAL CASH	\$	16,675.28
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OTHER CURRENT ASSETS:

Assessments Receivable	\$	4,290.57
Late Fees Receivable		1,016.92
Legal Fees Receivable		3,700.55
A/R - Fines		2,700.00
Prepaid Insurance		439.92

SUBTOTAL OTHER CURRENT ASSETS	\$	12,147.96
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TOTAL CURRENT ASSETS	\$	28,823.24
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LIABILITIES & EQUITY

CURRENT LIABILITIES:

Accounts Payable	\$	327.11
Disclosure Packages		50.00
Prepaid Owner Assessments		875.14
Pre-Assessed Dues		1,241.50
Accelerated Owner Assmts.		114.60

Subtotal Current Liab.	\$	2,608.35
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RESERVES:

Operating Res Deposit - EQUITY	\$	259.53
Operating Reserve-INTEREST		.12
Replacement Res Deposit-EQUITY		8,433.84
Replacement Reserve-INTEREST		6.65

Subtotal Reserves	\$	8,700.14
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EQUITY:

Prior Year Net Inc./Loss	\$	16,004.99
Current Year Net Income/(Loss)		1,509.76

Subtotal Equity	\$	17,514.75
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Run Date: 09/13/13
Run Time: 10:54 AM

Rain Tree Villas Homeowners Assoc., Inc.
Unaudited Working Documents of Board of Directors
As of 08/31/13

TOTAL LIABILITIES & EQUITY

\$ 28,823.24

Run Date: 09/13/13
Run Time: 10:54 AM

Rain Tree Villas Homeowners Assoc., Inc.
Income and Expense Statement
Period: 08/01/13 to 08/31/13

Description	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance	Yearly Budget
INCOME:							
06310 Assessment Income	1,241.50	1,241.50	.00	9,932.00	9,932.00	.00	14,898.00
06340 Late Fee Income	8.47	80.00	(71.53)	407.24	640.00	(232.76)	960.00
06350 Legal Fees Reimbursement	32.00	.00	32.00	1,007.33	.00	1,007.33	.00
06390 Interest Income	29.65	20.83	8.82	147.41	166.64	(19.23)	250.00
06391 Interest Income-OP Res	.00	.08	(.08)	.12	.64	(.52)	1.00
06392 Interest Income-Rep Res	.69	1.00	(.31)	6.65	8.00	(1.35)	12.00
06915 Fine for Non-Compliance	.00	.00	.00	960.00	.00	960.00	.00
TOTAL INCOME:	1,312.31	1,343.41	(31.10)	12,460.75	10,747.28	1,713.47	16,121.00
EXPENSES:							
Administrative:							
07010 Management/Accounting Fees	596.81	593.31	(3.50)	4,670.68	4,660.18	(10.50)	7,033.44
07015 Bank Charges & Coupon Printin	.00	.00	.00	.00	.00	.00	170.00
07140 Audit & Tax Preparation	.00	.00	.00	240.00	250.00	10.00	250.00
07280 Insurance	78.42	80.25	1.83	627.36	642.00	14.64	963.00
07160 Legal Fees	.00	22.92	22.92	121.00	183.36	62.36	275.00
07190 Legal Fees - Owner Collection	327.11	.00	(327.11)	1,439.44	.00	(1,439.44)	.00
07170 Reserve Study	.00	20.83	20.83	.00	166.64	166.64	250.00
07450 Licenses & Corp. Fees	.00	.00	.00	85.00	70.00	(15.00)	70.00
07320 Office Supplies	6.49	8.33	1.84	50.29	66.64	16.35	100.00
07400 Printing & Reproduction	17.84	23.33	5.49	169.76	186.64	16.88	280.00
07260 Postage & Mail	14.72	16.67	1.95	111.01	133.36	22.35	200.00
07990 Bad Debt Expense	.00	.00	.00	70.16	.00	(70.16)	.00
Total Administrative:	1,041.39	765.64	(275.75)	7,584.70	6,358.82	(1,225.88)	9,591.44
Property Expenses:							
08910 Electricity	11.66	16.67	5.01	92.88	133.36	40.48	200.00
09110 Gen. Maint. & Repair	.00	16.67	16.67	.00	133.36	133.36	200.00
09610 Landscaping Contract	350.00	350.00	.00	2,800.00	2,800.00	.00	4,200.00
09612 Landscaping Additional	.00	101.67	101.67	.00	813.36	813.36	1,220.00
Total Property Expenses:	361.66	485.01	123.35	2,892.88	3,880.08	987.20	5,820.00
Reserve Contributions:							
09910 Replacement Reserves - DEPOSI	58.33	58.33	.00	466.64	466.64	.00	700.00
09920 REPLACEMENT Reserves -INTERES	.69	.78	.09	6.65	6.24	(.41)	9.31
09925 OPERATING Reserves - INTEREST	.00	.02	.02	.12	.16	.04	.25
Total Reserve Contributions:	59.02	59.13	.11	473.41	473.04	(.37)	709.56
TOTAL EXPENSES:	1,462.07	1,309.78	(152.29)	10,950.99	10,711.94	(239.05)	16,121.00
CURRENT YEAR NET INCOME/(LOSS)	(149.76)	33.63	(183.39)	1,509.76	35.34	1,474.42	.00

EXHIBIT 3

**STATEMENT OF PENDING LITIGATION AND/OR THE AMOUNT OF ANY
UNPAID JUDGMENT AGAINST THE ASSOCIATION**

There is no pending litigation and there are no unpaid judgments against
Rain Tree Villas Homeowners Association, Inc.

EXHIBIT 4



Nationwide®
On Your Side™

COM-PAK SUMMARY

PRINTED 09/06/2013

ONE NATIONWIDE PLAZA
COLUMBUS, OH 43215-2220

Number:	ACP 2425272724	Effective from 11/04/2013	to 11/04/2014
Named Insured:	RAINTREE VILLAS HOME OWNERS ASSOCIATION, INC		
Mailing Address:	3705 STRWBERRY PLNS RD STE B WILLIAMSBURG, VA 23188-3423		
Agency Name:	Williamsburg Insurance Agency LLC	45 93150-003	24
Agency Address:	WILLIAMSBURG VA 23188-2691	(757)476-5816	
Producer:	WILLIAMSBURG INSURANCE AGENCY		

Division	Program	Total Premium
A	PREMIER BUSINESSOWNERS - HABITATIONAL (NATIONWIDE)	\$1,050.00

Not a bill. Your bill is sent separately.

NI

Estimated Total Premium: \$ 1,050.00

This Com-Pak is a portfolio of individual policies which serves to combine various insurance coverages written under a group of separate contracts of insurance.

MACHINE

MACH

2013248

INSURED COPY

ACP 2425272724

24 0008961

PAKSUM 01 08



Nationwide®
On Your Side™
NATIONWIDE MUTUAL INSURANCE CO
ONE NATIONWIDE PLAZA
COLUMBUS, OH 43215-2220

45 93150
RENEWAL

PREMIER BUSINESSOWNERS POLICY

PREMIER HABITATIONAL COMMON DECLARATIONS

Policy Number: ACP BPHM 2425272724

Named Insured: RAINTREE VILLAS HOME OWNERS ASSOCIATION, INC

Mailing Address: 3705 STRWBERRY PLNS RD STE B
WILLIAMSBURG, VA 23188-3423

Agency: Williamsburg Insurance Agency LLC

Address: WILLIAMSBURG VA 23188-2691

Agency Phone Number: (757)476-5816

Policy Period: Effective From 11-04-13 To 11-04-14
12:01 AM Standard Time at your principal place of business.

Form of your business entity: ASSOCIATION

Description of your business: HOMEOWNERS ASSOCIATION

IN RETURN FOR THE PAYMENT OF THE PREMIUM AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
WE AGREE TO PROVIDE THE INSURANCE STATED IN THIS POLICY.

CONTINUATION PROVISION: If we offer to continue your coverage and you or your representative do not accept, this policy will automatically terminate on the expiration date of the current policy period stated above. Failure to pay the required premium when due shall mean that you have not accepted our offer to continue your coverage. This policy will terminate sooner if any portion of the current policy period premium is not paid when due.

RENEWAL POLICY NOTICE: In an effort to keep insurance premiums as low as possible, we have streamlined your renewal policy by not including printed copies of policy forms or endorsements that have not changed from your expiring policies, unless they include variable information that is unique to you. Refer to your prior policies for printed copies of these forms. If you have a need for any form, they are available by request from your agent.

FLOOD EXCLUSION: The General Assembly of Virginia mandates we advise you that your property insurance policy does not provide coverage for flood, surface water, waves, tidal water or other overflow of a body of water. You will not have coverage for damage to your property from floods unless you take steps to purchase a separate flood insurance policy. Such a policy, which can also provide contents coverage, may be available from the National Flood Insurance Program. Please contact your agent for information about obtaining flood coverage under the National Flood Insurance Program.

TOTAL POLICY PREMIUM \$ 1,050.00

Previous Policy Number			
ACP BPHM 2415272724	ENTRY DATE	08-20-13	Countersignature _____ Date _____

These Common Policy Declarations, together with the Common Policy Conditions, Coverage Form Declarations, Coverage Forms and any endorsements issued to form a part thereof, complete the Policy numbered above.

PB 81 00 (01-01)

Page 1 of 2

DIRECT BILL MACH

MAC

INSURED COPY

UID 11

24 08965

PREMIER BUSINESSOWNERS POLICY

PREMIER HABITATIONAL PROPERTY DECLARATIONS

Policy Period:

From 11-04-13 To 11-04-14

Policy Number: **ACP BPHM2425272724**

Description of Premises Number: **001** Building Number: **001** Construction: **FRAME**
Premises Address **1 MORETOWN ROAD** **WILLIAMSBURG** **VA** **23188-0000**
Occupancy **00** Classification: **HOMEOWNERS ASSOCIATIONS**

Described as: **HOA**

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".

The Property Coverage provided at this premises is subject to a **\$ 1,000** Deductible, unless otherwise stated.

COVERAGES

LIMITS OF INSURANCE

Building - Replacement cost **\$31,900**
Business Personal Property - Replacement cost **\$2,700**

ADDITIONAL COVERAGES - the Coverage Form Includes other Additional Coverages not shown.

Business Income - ALS - 12 Months - NO Hour Waiting Period - 60 Day Ordinary Payroll Limit **INCLUDED**

Extra Expense - Actual Loss Sustained (ALS) - 12 Months - NO Hour Waiting Period **INCLUDED**

Equipment Breakdown **INCLUDED**

Automatic Increase in Insurance - Building **2%**

Automatic Increase in Insurance - Business Personal Property **2.9%**

Back Up of Sewer and Drain Water (limit shown per Building, subject to \$25,000 policy aggregate) **\$5,000**

Appurtenant Structures - 10% of Building Limit of Insurance - maximum \$50,000 any one structure **INCLUDED**

Increased Cost of Construction **\$25,000**

OPTIONAL INCREASED LIMITS

Included Limit Additional Limit

Account Receivable **\$25,000** **\$25,000**

Valuable Papers and Records (At the Described Premises) **\$25,000** **\$25,000**

Forgery and Alteration **\$10,000** **\$10,000**

Money and Securities - Inside the Premises **\$10,000** **\$10,000**

Outside the Premises (Limited) **\$10,000** **\$10,000**

Outdoor Signs **\$2,500** **\$2,500**

Outdoor Trees, Shrubs, Plants and Lawns **\$10,000** **\$10,000**

Business Personal Property Away From Premises **\$15,000** **\$15,000**

Business Personal Property Away From Premises - Transit **\$15,000** **\$15,000**

Electronic Data **\$10,000** **\$10,000**

Interruption of Computer Operations **\$10,000** **\$10,000**

Building Property of Others **\$10,000** **\$10,000**

OPTIONAL COVERAGES - Other frequently purchased coverage options.

Employee Dishonesty \$15,000 Policy Occurrence **INCLUDED**

Ordinance or Law - 1 - Loss to Undamaged Portion **NOT PROVIDED**

2 - Demolition Cost and Broadened Increased Cost of Construction **NOT PROVIDED**

Virginia (Broad) **NOT PROVIDED**

Ordinance or Law Broadened **NOT PROVIDED**

PROTECTIVE SAFEGUARDS

This premise has Protective Safeguards identified by symbols below. Insurance for Fire or Burglary and Robbery at this premise will be excluded if you do not notify us immediately if any of these safeguards are impaired.

See **PB 04 30** for a description of each symbol. APPLICABLE SYMBOLS: **NOT APPLICABLE**

PREMIER BUSINESSOWNERS POLICY

PREMIER HABITATIONAL

LIABILITY DECLARATIONS

Policy Period:

From 11-04-13 To 11-04-14

Policy Number: **ACP BPHM2425272724**

LIMITS OF INSURANCE

Each Occurrence Limit of Insurance	Per Occurrence	\$1,000,000
Medical Payments Coverage Sub Limit	Per Person	\$5,000
Tenants Property Damage Legal Liability Sub Limit	Per Covered Loss	\$300,000
Personal and Advertising Injury	Per Person Or Organization	\$1,000,000
Products— Completed Operations Aggregate	All Occurrences	\$2,000,000
General Aggregate	All Occurrences	\$2,000,000
(Other than Products — Completed Operations)		

AUTOMATIC ADDITIONAL INSURED STATUS

The following persons or organizations are automatically insureds when you and they have agreed in a written contract or agreement that such person or organization be added as an additional insured on your policy.

Co-Owners of Insured Premises
Controlling Interest
Grantor of Franchise or License
Lessors of Leased Equipment
Managers or Lessors of Leased Premises
Mortgagee, Assignee or Receiver
Owners or Other Interest from Whom Land has been Leased
State or Political Subdivisions - Permits Relating to Premises

PROPERTY DAMAGE DEDUCTIBLE

NONE

OPTIONAL COVERAGES

Hired Auto Liability Coverage	Included in Each Occurrence Limit of Insurance
Nonowned Auto Liability Coverage	Included in Each Occurrence Limit of Insurance
Directors & Officers Liab-Retro Date 09/30/11	Per Occurrence \$1,000,000
	Aggregate \$1,000,000

EXHIBIT 5

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION
COMMONWEALTH OF VIRGINIA

EXPIRES ON

03-31-2014

9960 Mayland Dr., Suite 400, Richmond, VA 23233
Telephone: (804) 367-8500

NUMBER

0550 002870

COMMON INTEREST COMMUNITY BOARD
COMMON INTEREST COMMUNITY ASSOCIATION
CERTIFICATION OF ANNUAL REPORT

RAIN TREE VILLAS HOMEOWNER'S ASSOCIATION
MEGAN GETKIN
CHESAPEAKE BAY MANAGEMENT, INC.
3705 STRAWBERRY PLAINS ROAD STE. C

WILLIAMSBURG VA 23188



Gordon N. Dixon
Gordon N. Dixon, Director

ALTERATION OF THIS DOCUMENT, USE AFTER EXPIRATION, OR USE BY PERSONS OR FIRMS OTHER THAN THOSE NAMED MAY RESULT IN CRIMINAL PROSECUTION UNDER THE CODE OF VIRGINIA.

(SEE REVERSE SIDE FOR NAME AND/OR ADDRESS CHANGE)

COMMONWEALTH OF VIRGINIA

COMMON INTEREST COMMUNITY BOARD

COMMON INTEREST COMMUNITY ASSOCIATION

NUMBER: 0550 002870 EXPIRES ON: 03-31-2014

RAIN TREE VILLAS HOMEOWNER'S ASSOCIATION INC
MEGAN GETKIN
CHESAPEAKE BAY MANAGEMENT, INC.
3705 STRAWBERRY PLAINS ROAD STE. C
WILLIAMSBURG VA 23188



(DETACH HERE)

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION
9960 Mayland Dr., Suite 400, Richmond, VA 23233

ALTERATION OF THIS DOCUMENT, OR USE BY PERSONS OR FIRMS OTHER THAN THOSE NAMED MAY RESULT IN CRIMINAL PROSECUTION UNDER THE CODE OF VIRGINIA.

EXHIBIT 6

ARTICLES OF INCORPORATION

OF

RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of Chapter 10 of Title 13.1 of the Code of Virginia, the undersigned have associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I

The name of the corporation is the RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC., hereafter called the "Association".

ARTICLE II

The registered office of the Association is located at 1200 Old Colony Lane, Williamsburg, Virginia 23185 (County of James City).

ARTICLE III

Gregory R. Davis, who is a resident of Virginia and a member of the Virginia State Bar and whose address is 1200 Old Colony Lane, Williamsburg, Virginia 23185 (County of James City), is hereby appointed the initial registered agent of this Association.

ARTICLE IV

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property located in James City County, Virginia known as Rain Tree Villas, and more particularly described as follows (the "Property"):

Sections III and IV, Rain Tree, being developed by Old Stage Manor Development Corporation and more fully described as: All that certain tract or parcel of land lying situate and being in James City County, Virginia, and more particularly shown and described as 47.55 acres on that certain plat of survey entitled "A SURVEY OF 47.55 ACRES, MORE OR LESS, FOR CONVEYANCE FROM NICOLE, LTD. TO OLD STAGE MANOR DEVELOPMENT CORPORATION, POWHATAN DISTRICT, JAMES CITY COUNTY, VA.," dated January 30, 1984, made by AES, a Professional Corporation, Architects, Engineers, Surveyors and Planners, and recorded in the Clerk's Office of the Circuit Court for the City of Williamsburg and County of James City, Virginia, in Deed Book 243, page 581.

LESS AND EXCEPT: All those certain lots, pieces and parcels of land known and designated as Rain Tree Sections I and II as shown on those certain plats entitled "PLAT OF SUBDIVISION, RAIN TREE, SECTION I, POWHATAN DISTRICT, JAMES CITY COUNTY, VA." dated June, 1984, made by AES, a Professional corporation, Architects, Engineers, Surveyors and Planners, and recorded in the Clerk's Office aforesaid, in Plat Book 39, page 61, and "PLAT OF SUBDIVISION, RAIN TREE, SECTION II, OWNER/DEVELOPER: OLD STAGE MANOR DEVELOPMENT CORPORATION, POWHATAN DISTRICT, JAMES CITY COUNTY, VIRGINIA," made by AES, a Professional corporation, Engineering, Planning, Surveying, dated April 22, 1986, and duly recorded in the parcel or tract of land containing 17 acres, more or less, and being intended to be developed as Rain Tree Sections III and IV.

and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association and for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Office of Clerk of the Circuit Court for, Virginia, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) borrow money, and with the assent of two-thirds (2/3) of each class of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(d) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to each conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by more than two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(e) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Virginia by law may now or hereafter have or exercise.

ARTICLE V

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant. Each Owner shall be entitled to the number of votes specified in the Declaration. When more than one person holds an interest in any Lot, all such persons shall be members. The votes for such Lot shall be exercised as they determine, but in no event shall the vote for any Lot be divided.

Class B. The Class B member(s) shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership or

(b) on January 1, 1999.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

Richard Epstein

1443 East Pembroke Avenue
Hampton VA 23663

Leonard M. Epstein

1443 East Pembroke Avenue
Hampton VA 23663

Gregory R. Davis

1200 Old Colony Lane
Williamsburg VA 23185

At the first annual meeting the members shall elect one half (or one half minus one if there be an odd number, but in no event less than one) of the directors for a term of one year and the balance of the directors for a term of two years; and at each annual meeting thereafter the members shall elect directors to fill vacancies for a term of two years.

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ARTICLE VII

INDEMNIFICATION OF DIRECTORS

Each person now or hereafter a director or officer of the Corporation (and his heirs, executors and administrators) shall be indemnified by the Corporation against all claims, liabilities, judgments, settlements, costs and expenses, including all attorneys' fees, imposed upon or reasonably incurred by him in connection with or resulting from any action, suit, proceeding or claim to which he is or may be made a party by reason of his being or having been a director or officer of the Corporation (whether or not a director or officer at the time such costs or expenses are incurred by or imposed upon him), except in relation to matters as to which he shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of his duties as such director or officer. In the event of any other judgment against such director or officer or in the event of a settlement, the indemnification shall be made only if the Corporation shall be advised, in case none of the persons involved shall be or have been a director, by the Board of Directors of the Corporation, and otherwise by independent counsel to be appointed by the Board of Directors, that in its or his opinion such director or officer was not guilty of gross negligence or willful misconduct in the performance of his duty, and in the event of a settlement, that such settlement was or is in the best interest of the Corporation. If the determination is to be made by the Board of Directors, it may rely as to all questions of law on the advice of independent counsel. Such rights of indemnification shall not be deemed exclusive of any rights to which he may be entitled under any by-law, agreement, vote of stockholders, or otherwise.

ARTICLE VIII

DISSOLUTION

The Association may be dissolved pursuant to and in accordance with Chapter 10 of Title 13.1 of the Code of Virginia. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

DURATION

The corporation shall exist perpetually.

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ARTICLE X

AMENDMENTS

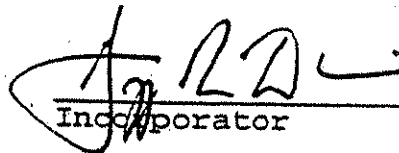
Amendment of these Articles shall require the assent of 75 percent (75%) of the entire membership.

ARTICLE XI

FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: mergers and consolidation, mortgaging of Common Area, dedication of Common Area and dissolution.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Virginia, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this February 3, 1995.


Incorporator

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EXHIBIT 7

004583

RAIN TREE VILLAS
DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by Leonard M. EPSTEIN, hereinafter referred to as "Declarant"; (to be indexed as Grantor).

W I T N E S S E T H

WHEREAS, Declarant is the owner of certain property in the County of James City, State of Virginia, which is more particularly described on the attached Schedule A (the "Property");

AND WHEREAS, Declarant has subdivided the Property so as to create a development commonly referred to as RAIN TREE VILLAS, as was particularly shown on that certain plat entitled "PLAT OF SUBDIVISION RAIN TREE VILLAS PHASE I, LOTS 1-35 & 59-65 OWNER/DEVELOPER: LEONARD M. EPSTEIN POWHATAN DISTRICT, JAMES CITY COUNTY, VIRGINIA" made by AES Consulting Engineers, dated August 9, 1994 and recorded March 6, 1995 in the Clerk's Office of the County of James City in Plat Book 61, pages 12-14;

AND WHEREAS, Declarant now desires to create and impose these Covenants, Conditions and Restrictions for purposes of maintaining uniformity, value and habitability of the Property.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above 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 in the Property and all lots subdivided therein, or any part thereof, their heirs, successors and assigns, shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to RAIN TREE VILLAS ASSOCIATION, INC., a Virginia corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner whether one or more persons or entities, of a fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Leonard M. Epstein, his successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and rights to use of the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer is signed by 2/3rds of each class of members.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) January 1, 1999.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not 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, 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 lien upon the property 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. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area situated upon the Properties.

Section 3. Maximum Annual Assessment. Until January 1, 1996, the maximum annual assessment shall be SIX HUNDRED AND NO/100 DOLLARS (\$600.00) per Lot. 4700

(a) From and after January 1, 1996, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1, 1996, the maximum annual assessment may be increased by more than 5% per year by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum specified above.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, 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 construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. 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 basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of the first Lot to an Owner other than Declarant. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. 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 on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 12 percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any institutional first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure or any proceeding in lien 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 10. Affirmative Obligation of Association to Maintain Common Area. The Association shall maintain the Common Area in reasonable condition.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced erected or maintained upon the Properties, nor shall any exterior addition or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, paint color(s), materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after

said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

PARTY WALLS

Section 1. Definition of Party Walls. The side wall of each dwelling constructed along the side line of any Lot abutting the side line of another Lot shall be a party wall, and the owners of each such abutting Lot shall have an easement to use such wall as support for the dwelling constructed or to be constructed on his respective Lot. Declarant, and any assignee to whom such easement of support is expressly assigned, reserves the right, whether or not such easement is expressly reserved in any deed of conveyance of any Lot to grant such easement of support to the purchaser of any Lot. The cost of maintaining any such party wall shall be borne equally between the abutting Lot owners using such party wall for support and so long as such wall is so used.

Section 2. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 3. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 4. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 5. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 6. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE VII

USE RESTRICTIONS

Section 1. Each Lot shall be used exclusively for residential purposes and no building shall be erected, altered, placed or permitted to remain thereon other than one single-family dwelling (hereinafter referred to collectively as "dwellings" or severally as "dwelling").

Section 2. There shall be no out door open airing or drying of any clothing, bed linens, blankets, rugs, etc on the Properties except at such locations and on such terms and conditions as may be prescribed by the Association.

Section 3. No obnoxious or offensive activity shall be conducted or permitted on any of the Properties, and nothing shall be done thereon which may be or become an annoyance or a nuisance to the neighborhood. No business or profession of any kind or nature shall be carried on or practiced in any dwelling.

Section 4. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of the Properties, except that dogs, cats and other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes and provided that they do not become a nuisance to other owners or occupants. No permitted animal shall be allowed to run at large unless under the owner's control and in his presence.

Section 5. No sign of any kind shall be displayed to the public view on any of the Properties, except contractors signs during construction period and one professional real estate sign of not more than six square feet, advertising a lot, and any dwelling constructed thereon, for sale or for rent. The sign(s) of any lender providing development and/or construction financing may likewise be displayed.

Section 6. The Properties shall not be used or maintained as a dumping ground for rubbish or scrap. Trash, garbage or other waste shall not be kept on any of the Properties except in covered sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

Section 7. No owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, satellite dishes, machines or air conditioning units, etc. on the exterior of any building or structure or in a way that causes same to protrude through the walls or the roof of any building or structure except as authorized by the Association.

Section 8. Inoperative or unlicensed cars, trucks or motor homes, recreational vehicles or other vehicles shall not be parked or stored on streets or parking areas. Motor homes and/or recreational vehicles may be stored on any Lot so as not to be parked on any

street and/or obscure the front of any dwelling. No vehicle which does not bear a current inspection sticker shall be parked or stored on any Lot.

Section 9. The respective lots shall not be rented by the Owners thereof for transient or hotel purposes, which shall be defined as (a) rental for any period less than thirty days, or (b) any rental if the occupants are provided customary hotel services, such as room service for food and beverage, maid service, furnishing laundry and linen, and bellboy service. Other than the foregoing obligations, the Owners of the respective lots shall have the absolute right to lease same provided that said lease is made subject to the covenants and restrictions contained in this Declaration and further subject to the By-Laws of the Association.

Section 10. The Common Area shall not be used for any purpose prohibited in this Article. The Common Area and any portion of the Property set aside for open space may not be developed or used for any purpose in the future. The Association shall not dispose of any portion of the Common Area or any open space set aside by the Association by sale or otherwise except to an organization conceived and organized to own and to maintain the Common Area and/or open space set aside without first offering to convey the same to the County of James City or other appropriate governmental agency in exchange for compensation in an amount not exceeding the appraised value established by a mutually acceptable land appraiser.

ARTICLE VIII MISCELLANEOUS

Section 1. Enforcement. 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. Any Owner determined by court of competent jurisdiction to be in violation hereof/default hereunder shall bear all costs of enforcement of this Declaration, including reasonable attorney's fees. Failure by the Association or by any Owner 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. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than eighty percent (80%) of the Lot Owners (the Declarant shall be considered the owner of any lot(s) owned by the Declarant for purposes of amendments hereto) and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any Amendment must be recorded.

Section 4. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members.

Section 5. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 6. No Negative Reciprocal Covenant/Easement. The provisions hereof shall not apply to any property other than that explicitly described herein; including adjacent property now owned or hereafter acquired by the Declarant.

In Witness Whereof, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 24th day of March, 1995.

Leonard M. Epstein
LEONARD M. EPSTEIN

State of Virginia

County of James City, to-wit:

The foregoing Declaration of Covenants, Conditions and Restrictions was acknowledged before me this 24 day of March, 1995, by Leonard M. Epstein.

Linda C. Smith
NOTARY PUBLIC

My commission expires: March 31, 1999

PARCEL I

Sections III and IV, Rain Tree, being developed by Old Stage Manor Development Corporation and more fully described as: All that certain tract or parcel of land lying situate and being in James City County, Virginia, and more particularly shown and described as 47.55 acres on that certain plat of survey entitled "A SURVEY OF 47.55 ACRES, MORE OR LESS, FOR CONVEYANCE FROM NICOLE, LTD. TO OLD STAGE MANOR DEVELOPMENT CORPORATION, POWHATAN DISTRICT, JAMES CITY COUNTY, VA.", dated January 30, 1984, made by AES, a Professional Corporation, Architects, Engineers, Surveyors and Planners, and recorded in the Clerk's Office of the Circuit Court for the City of Williamsburg and County of James City, Virginia, in Deed Book 243, page 581.

LESS AND EXCEPT: All those certain lots, pieces and parcels of land known and designated as Rain Tree Sections I and II as shown on those certain plats entitled "PLAT OF SUBDIVISION, RAIN TREE, SECTION I, POWHATAN DISTRICT, JAMES CITY COUNTY, VA." dated June, 1984, made by AES, a Professional corporation, Architects, Engineers, Surveyors and Planners, and recorded in the Clerk's Office aforesaid, in Plat Book 39, page 61, and "PLAT OF SUBDIVISION, RAIN TREE, SECTION II, OWNER/developer: OLD STAGE MANOR DEVELOPMENT CORPORATION, POWHATAN DISTRICT, JAMES CITY COUNTY, VIRGINIA," made by AES, A PROFESSIONAL CORPORATION, ENGINEERING, PLANNING, SURVEYING, dated April 22, 1986, and duly recorded in the Clerk's Office aforesaid, in Plat Book 43, page 1, to which plats reference is hereby made. Said parcel or tract of land containing 17 acres, more or less, and being intended to be developed as Rain Tree Sections III and IV.

VIRGINIA: City of Williamsburg and County of
 In the Clerk's Office of the
 City of Williamsburg, Virginia
21 March 1985 The Real
 estate was received, annexed and
 administered at 3:47 o'clock
 Test: Henry L. Ward, Clerk
 by Nicole Smith
 Deputy Clerk

RAINTREE VILLAS

014193

PHASE II

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by Leonard M. EPSTEIN, hereinafter referred to as "Declarant", (to be indexed as Grantor).

WITNESSETH

WHEREAS, Declarant is the owner of certain property in the County of James City, State of Virginia, which is more particularly described on the attached Schedule A (the "Property");

AND WHEREAS, Declarant has subdivided the Property so as to create a development commonly referred to as RAIN TREE VILLAS, as was particularly shown on that certain plat entitled "PLAT OF SUBDIVISION RAIN TREE VILLAS PHASE II, LOTS 36-58 OWNER/DEVELOPER: LEONARD M. EPSTEIN POWHATAN DISTRICT, JAMES CITY COUNTY, VIRGINIA" made by AES Consulting Engineers, dated 4/96 and recorded in the Clerk's Office of the County of James City simultaneously herewith

AND WHEREAS, Declarant now desires to create and impose these Covenants, Conditions and Restrictions for purposes of maintaining uniformity, value and habitability of the Property.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above 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 in the Property and all lots subdivided therein, or any part thereof, their heirs, successors and assigns shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to RAIN TREE VILLAS ASSOCIATION, INC., a Virginia corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner whether one or more persons or entities, of a fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Leonard M. Epstein, his successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and rights to use of the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer is signed by 2/3rds of each class of members of the Association.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) January 1, 1999.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not 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, 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 lien upon the property 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. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area situated upon the Properties.

Section 3. Maximum Annual Assessment. The maximum annual assessment shall be Two Hundred AND No/100 DOLLARS (\$200.00) per Lot until January 1, 1997.

(a) From and after January 1, 1997, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1, 1997, the maximum annual assessment may be increased by more than 5% per year by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum specified above.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, 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 construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. 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 basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of the first Lot to an Owner other than Declarant. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. 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 on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 12 percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any institutional first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure or any proceeding in lien 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 10. Affirmative Obligation of Association to Maintain Common Area. The Association shall maintain the Common Area in reasonable condition.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced erected or maintained upon the Properties, nor shall any exterior addition or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, paint color(s), materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after

said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

PARTY WALLS

Section 1. Definition of Party Walls. The side wall of each dwelling constructed along the side line of any Lot abutting the side line of another Lot shall be a party wall, and the owners of each such abutting Lot shall have an easement to use such wall as support for the dwelling constructed or to be constructed on his respective Lot. Declarant, and any assignee to whom such easement of support is expressly assigned, reserves the right, whether or not such easement is expressly reserved in any deed of conveyance of any Lot to grant such easement of support to the purchaser of any Lot. The cost of maintaining any such party wall shall be borne equally between the abutting Lot owners using such party wall for support and so long as such wall is so used.

Section 2. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 3. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 4. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 5. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 6. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE VII

USE RESTRICTIONS

Section 1. Each Lot shall be used exclusively for residential purposes and no building shall be erected, altered, placed or permitted to remain thereon other than one single-family dwelling (hereinafter referred to collectively as "dwellings" or severally as "dwelling").

Section 2. There shall be no out door open airing or drying of any clothing, bed linens, blankets, rugs, etc on the Properties except at such locations and on such terms and conditions as may be prescribed by the Association.

Section 3. No obnoxious or offensive activity shall be conducted or permitted on any of the Properties, and nothing shall be done thereon which may be or become an annoyance or a nuisance to the neighborhood. Home offices or businesses shall be permitted, provided no other provision of these restrictions is violated and provided that such home office or business use shall not create excessive noise, traffic, storage of material, equipment or inventory on any Lot, or any other activity inconsistent with residential use of a Lot or prohibited by applicable zoning ordinances.

Section 4. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of the Properties, except that dogs, cats and other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes and provided that they do not become a nuisance to other owners or occupants. No permitted animal shall be allowed to run at large unless under the owner's control and in his presence.

Section 5. No sign of any kind shall be displayed to the public view on any of the Properties, except contractors signs during construction period and one professional real estate sign of not more than six square feet, advertising a lot, and any dwelling constructed thereon, for sale or for rent. The sign(s) of any lender providing development and/or construction financing may likewise be displayed.

Section 6. The Properties shall not be used or maintained as a dumping ground for rubbish or scrap. Trash, garbage or other waste shall not be kept on any of the Properties except in covered sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

Section 7. No owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, satellite dishes, machines or air conditioning units, etc. on the exterior of any building or structure or in a way that causes same to protrude through the walls or the roof of any building or structure except as authorized by the Association.

Section 8. Inoperative or unlicensed cars, trucks or motor homes, recreational vehicles or other vehicles shall not be parked or stored on streets or parking areas. Motor homes and/or recreational vehicles may be stored on any Lot so as not to be parked on any street and/or obscure the front of any dwelling. No vehicle which does not bear a current inspection sticker shall be parked or stored on any Lot.

Section 9. The respective lots shall not be rented by the Owners thereof for transient or hotel purposes, which shall be defined as (a) rental for any period less than thirty days, or (b) any rental if the occupants are provided customary hotel services, such as room service for food and beverage, maid service, furnishing laundry and linen, and bellboy service. Other than the foregoing obligations, the Owners of the respective lots shall have the absolute right to lease same provided that said lease is made subject to the covenants and restrictions contained in this Declaration and further subject to the By-Laws of the Association.

Section 10. The Common Area shall not be used for any purpose prohibited in this Article. The Common Area and any portion of the Property set aside for open space may not be developed or used for any purpose in the future. The Association shall not dispose of any portion of the Common Area or any open space set aside by the Association by sale or otherwise except to an organization conceived and organized to own and to maintain the Common Area and/or open space set aside without first offering to convey the same to the County of James City or other appropriate governmental agency in exchange for compensation in an amount not exceeding the appraised value established by a mutually acceptable land appraiser.

ARTICLE VIII MISCELLANEOUS

Section 1. Enforcement. 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. Any Owner determined by court of competent jurisdiction to be in violation hereof/default hereunder shall bear all costs of enforcement of this Declaration, including reasonable attorney's fees. Failure by the Association or by any Owner 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. Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than eighty percent (80%) of the Lot Owners (the Declarant shall be considered the owner of any lot(s) owned by the Declarant for purposes of amendments hereto)

and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any Amendment must be recorded.

Section 4. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members.

Section 5. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 6. No Negative Reciprocal Covenant/Easement. The provisions hereof shall not apply to any property other than that explicitly described herein; including adjacent property now owned or hereafter acquired by the Declarant.

In Witness Whereof, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 25th day of September, 1996.

Leonard M. Epstein
LEONARD M. EPSTEIN

State of Virginia

County of James City, to-wit:

The foregoing Declaration of Covenants, Conditions and Restrictions was acknowledged before me this 25th day of September, 1996, by Leonard M. Epstein.

PLAT RECORDED IN

P.B. NO. 65 PAGE 13+14

James M. Hatcher
NOTARY PUBLIC

My commission expires: 8-31-97

VIRGINIA: City of Williamsburg and County of James City, to Wit:

In the Clerk's Office of the Circuit Court of the City of Williamsburg and County of James City the

file day of September, 1996. This Declaration of Covenants was presented with certificate annexed and admitted to record at 3:33 o'clock

Teste: Helene S. Ward, Clerk

Prepared By:
Anderson, Frank & Davis
P.O. DRAWER Q
1111 1111 1111 1111

BOOK 734 PAGE 331

005534

RAINTREE VILLAS
AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

This amended Declaration made this 17th day of April, 1995 by Leonard M. EPSTEIN ("Declarant"), to be indexed as Grantor, provides as follows:

Recitals:

A. The Declarant is the owner of certain property located in the County of James City, Virginia commonly known as Raintree Villas, as more particularly shown on that certain plat entitled "PLAT OF SUBDIVISION RRAINTREE VILLAS PHASE I, LOTS 1-35 & 59-65 OWNER/DEVELOPER: LEONARD M. EPSTEIN, POWHATAN DISTRICT, JAMES CITY COUNTY, VIRGINIA" made by AES Consulting Engineers, dated August 9, 1994, and recorded in the office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City in Plat Book 61, pages 12-14;

B. The Declarant has imposed certain covenants, conditions and restrictions upon the said Raintree Villas subdivision by Declaration dated March 24, 1995, of record in the aforesaid Clerk's office in Deed Book 731, page 783 (the "Declaration");

C. The Declarant now desires to amend the Declaration pursuant to Article VIII, Section 3, permitting the Declarant (as present owner of 100% of the lots within Raintree Villas subdivision) to amend the Declaration.

NOW THEREFORE, this Amendment to the Declaration provides as follows:

Provisions:

1. **Maximum Annual Assessment.** The Maximum Annual Assessment shown in Article IV, Section 3 of the Declaration shall be amended to be Two Hundred Dollars (\$200.00) per lot per year until January 1, 1996.

2. **Businesses in the Home.** Article VII, Section 3 of the Declaration shall be amended to read as follows:

Section 3. No obnoxious or offensive activity shall be conducted or permitted on any of the Properties, and nothing shall be done thereon which may be or may become an annoyance or a nuisance to the neighborhood. Home offices or businesses shall be permitted, provided no other provision of these restrictions is violated and provided that such home office or business use shall

not create excessive noise, traffic, storage of material, equipment or inventory on any lot, or any other activity inconsistent with residential use of a lot or prohibited by applicable zoning ordinances.

WITNESS the following signature and seal:

Leonard M. Epstein
LEONARD M. EPSTEIN

STATE OF VIRGINIA

CITY/COUNTY OF James City to-wit:

The foregoing instrument was acknowledged before me this 17 day of April, 1995 by Leonard M. Epstein.

Kenton E. Amundson
NOTARY PUBLIC

My commission expires: 3/31/99



VIRGINIA: City of Williamsburg and County of James City, to Wit:

In the Clerk's Office of the Circuit Court of the City of Williamsburg and County of James City the

18 day of April, 1995. This instrument +
presented with certificate annexed and
admitted to record at 10:33 o'clock

Teste: Helene S. Ward, Clerk

by [Signature]
Deputy Clerk

EXHIBIT 8

BY-LAWS
OF
RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION.

The name of the corporation is RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 1200 Old Colony Lane, Williamsburg, Virginia 23185 (James City County, Virginia), but meetings of members and directors may be held at such places within the State of Virginia as may be designated by the Board of Directors.

ARTICLE II

Section 1. "Association" shall mean and refer to the RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property (including the improvements thereto and all streets, parking areas and easements), owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Leonard M. Epstein, his successors or assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of covenants, conditions and Restrictions applicable to the Properties recorded in the Office of the clerk of the circuit Court for the City of Williamsburg and County of James City.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, as least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of five (5) directors, who need not be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect two directors for a term of one year and three directors for a term of two years; and at each annual meeting thereafter the members shall elect directors to fill vacancies for a term of two years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointments shall be announced at each annual meeting. The Nominating committee shall make as many nominations for election to the board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members of non-members.

Section 2. Election. Election to the board of Directors shall be by secret written ballot. At such election the members of their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the board of directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly hold meeting at which a quorum is present shall be regarded as the act of the board.

ARTICLE VII

POWER AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the common area and facilities, and the personal conduct of the members and their guest thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and rights to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for any infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its actions and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) take any action deemed advisable to foreclose the lien against any property for which assessments are not paid within ninety (90) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certification shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of directors following each annual meeting of the members.

Section 3. term. The officers of this Association shall be elected annually by the board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the board of Directors; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice-President. The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the board.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the board.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the board of directors; shall sign all checks and promissory notes of the Association; keep proper books of accounts; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 10 percent per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waiver or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC.

ARTICLE XIII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

EXHIBIT 9

RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC. **ARCHITECTURAL GUIDELINES, POLICIES & PROCEDURES**

According to Article V (five) of the Declaration of Covenants, Conditions and Restrictions for Rain Tree Villas, no addition, alteration, repair, change of paint color, excavation, construction, or other work which in any way alters the exterior appearance of any property within Rain Tree Villas is permitted without prior written approval of the ARC, except as otherwise provided in the Declaration and Architectural Guidelines, Policies & Procedures. A homeowner intending to change the exterior of his/her property must first submit a plan with specifications showing the method of construction, design/style, color, dimensions, materials, location in relationship to the home and neighboring properties and expected duration until completion. This plan must be reviewed by the Rain Tree Villas Homeowners' Association Architectural Review Committee (ARC). The ARC is composed of at least three or more representatives appointed by the Board of Directors (BoD) for Rain Tree Villas Homeowners Association. Based on the ARC review, the BoD will then either approve, approve with changes, or disapprove of the reviewed plan and the homeowner will be notified in writing. It is also strongly suggested that neighbors be consulted about plans, because changes in the appearance of a home or property may significantly affect adjacent properties. The BoD will seriously consider the opinions voiced by other homeowners regarding any proposed changes.

The homeowners in Rain Tree Villas are required to adhere to the standards for maintenance of existing structures and property, which are laid out in detail in the following document, pages 4-12. The Association (and/or an authorized representative) will conduct regular inspections in order to assure that structures, landscaping and properties within Rain Tree Villas adhere to these architectural guidelines, policies and procedures. In addition, the BoD (or an authorized representative) reserves the right to inspect specific properties individually, if a complaint is filed against that property. A management company employed by the Association may fill the role of inspector to verify compliance with Rain Tree Villas Association rules and Architectural Guidelines. The judgment of disrepair, good condition, adequate paint, as stated in the Architectural Guidelines, Policies & Procedures, shall be left to the discretion of the BoD.

The ARC and the BoD hope that all homeowners understand that the purpose of the Covenants and these Architectural Guidelines, Policies and Procedures is to help to maintain property values and to keep Rain Tree Villas an attractive and desirable community in which to live.

WHEN SHOULD A HOMEOWNER SUBMIT PLANS AND SPECIFICATIONS?

Before a homeowner makes any change that will affect the exterior appearance of his/her property (except those specifically exempted in these guidelines), the homeowner is responsible for submitting a complete plan, in the form of an architectural review application to the ARC for review. The application will be sent to the BoD after review by the ARC. The homeowner must wait for written approval of the plan from the BoD before beginning any construction or exterior changes to the property.

Once the ARC has received complete plans for the alterations of a homeowner's property, the BoD must provide written approval or disapproval to the homeowner within 30 days. An application will not be acted-upon, and the 30-day period will not begin until the application is deemed complete.

It is the responsibility of the applicant to ensure compliance with applicable state and/or county codes and to secure any required permits. Information on James City County Building Regulations and permitting can be found in Sections (a.k.a. Chapters) 4 and 8 of the County Codes. Permits should not be obtained until after approval is granted by the BoD for the proposed project.

STEPS TO APPLY FOR APPROVAL OF EXTERIOR ALTERATIONS:

1. The homeowner shall submit complete plans and specifications, to the Rain Tree Villas ARC, or directly to any BoD member. Plans may also be submitted to the Association's management company. The ARC will then review the plan and submit it to the BoD for a decision. The ARC may return the applicant's plan to the homeowner if the plan is not complete or if the ARC has suggestions that will help the homeowner to obtain written approval from the BoD.
2. The homeowner shall receive written notification from the BoD of approval or disapproval within thirty (30) days of receipt of complete plans. The BoD realizes that there may be times when more rapid review is preferred; such situations should be brought to the attention of the BoD upon homeowner's application for exterior alterations to his/her property. When possible, the BoD will attempt to expedite the architectural review and decision process in situations which are time sensitive.
3. In the event that the ARC or the BoD fails to review, approve, or disapprove the homeowner's plans/application within thirty (30) days of the date of receipt, and the provisions of Article V (five) of the Rain Tree Villas Covenants, Conditions and Restrictions will be deemed to have been fully complied with by the homeowner.
4. Construction/work on all projects must begin within six (6) months of written approval from the BoD. Applicant is responsible for obtaining necessary permits from local & state government before construction or disturbance of land begins. If construction does not begin within six (6) months of the approval date, the homeowner must request and wait for written extension from the BoD. Once construction begins, completion of the project should be within ninety (90) days of the start date of the project.

WHAT MAKES A PLAN COMPLETE?

1. A full description of any alteration is required. This description must be in writing and should be accompanied by a scale drawing and/or photograph. Please include a paint sample if changes in paint color are proposed. The detail of the description and drawing will vary depending on the complexity of the alteration planned and the number of supporting documents required.
2. A copy of the physical survey plat of the property is required when any of the following is proposed: addition of new structures, relocation of existing structures, and major landscaping changes. This copy will allow the ARC and the BoD to see how the proposal will affect neighboring properties.
3. A description of construction/landscaping materials is necessary so that the ARC and BoD can ensure uniformity within the neighborhood according to the Rain Tree Villas Architectural Guidelines, Policies & Procedures. The plans should state specifically the types (brands, colors, sizes, composition) of materials (including paints).
4. A contractor's proposal is not a requirement, but is suggested and would likely provide the ARC and the BoD with the maximum amount of information.

WHAT IF A PLAN IS DISAPPROVED?

If a plan is disapproved, the homeowner has a right to appeal the decision to the BoD. Before filing the appeal, however, the homeowner should first consider the reason(s) for the disapproval of the plan. If the homeowner is willing to accept the changes recommended by the ARC and the BoD, the homeowner can submit an amended plan. The original plan would then be used as a supporting document, with indications of the changes/contingencies which must be made to make the plan approvable. If information is missing from the plans, the homeowner should resubmit the plans with the required information. Once plans have been disapproved and resubmitted, the thirty (30) day review period will begin again.

WHAT IF ALTERATIONS ARE MADE TO A PROPERTY WITHOUT APPROVAL?

If construction/alterations to a homeowner's property are started without first submitting a plan to the ARC or BoD, and/or without waiting to obtaining written approval of plans submitted to the ARC and BoD, the homeowner is subject to fines and penalties, as outlined in the Virginia Property Owners' Association Act. In addition, the homeowner may also face the costs for returning the property to its original state, as well as assessment of legal fees if Rain Tree Villas Homeowners Association, Inc. has to employ legal counsel to restore the property to its state before unauthorized alterations were begun.

HOW CLOSELY MUST A HOMEOWNER ADHERE TO THE GUIDELINES?

The BoD has the responsibility to set and enforce rules and procedures for architectural conformity, and has the power to interpret the Covenants and allow exceptions to their restrictions. Approval or disapproval of an architectural alteration plan specifically applies to the property of the homeowner who submitted the plan to the ARC for a decision. A plan that has been approved for one homeowner is not automatically approved for other homeowners' properties. There may be reason(s) for the ARC and BoD to deny the same proposal for a second homeowner's property, based on differences in circumstances, including consideration of neighbors and neighboring properties. In this way, BoD decisions regarding architectural and property changes are not to be taken as precedence in future decisions.

ARCHITECTURAL GUIDELINES, POLICIES AND PROCEDURES

GENERAL MAINTENANCE

No building, structure, or portion of a building or structure upon any property within Rain Tree Villas shall be permitted to fall into disrepair. Each such building or structure shall at all times be kept in good condition and repair, including but not limited to, adequate paint covering or otherwise finished exterior according to these guidelines, and siding and roofs must be maintained free of mold, algae, and other stains and dirt. Regular inspections will be conducted by the association to ensure that structures are maintained and kept in good condition.

PAINTING

To ensure a continued attractive neighborhood appearance, exteriors of all homes and accompanying structures (sheds, fences, etc.) must be kept neat, clean, and adequately painted. There are controls that regulate the acceptable neutral paint colors and darker accent paint colors allowed for Rain Tree Villas. Any repainting that does not comply with the original or approved color scheme shall be returned to the last approved color by the homeowner.

SIDING AND ROOFS

All siding and roof shingles must be well-maintained and kept in good repair. (See "General Maintenance" section.) If siding or shingles are to be wholly or partially replaced, a plan for review and approval is not required, as long as the replacement siding is identical to the original being replaced, with respect to materials and dimensions and style. Any deviation from the existing color schemes would require that the homeowner submit a plan for review by the ARC and written approval from the BoD.

DOORS, SHUTTERS, WOODEN TRIM

All doors, including storm doors and garage doors, shutters, and wooden trim areas are to be kept in good, painted condition. All items should be maintained in their original style and original or BoD-approved current colors in order to maintain the intended uniformity within the neighborhood. Any alterations to current paint colors, on any portion of the home, require a plan be submitted to the ARC and written approval from the BoD. All exterior, front-facing doors (garage and front) must be painted in the same solid color, to match the shutters, unless they are a neutral color matching the siding or door frames.

STORM DOORS, SCREEN DOORS, WINDOW SCREENS, AND EXTERIOR DOORS

The addition of storm doors and windows, provided they match the existing neutral trim or door color of the home, does not require a plan to be submitted to the ARC for review, and BoD approval is not required. If storm windows are installed in front-facing windows, all front-facing windows must be altered in the same way, so that the house maintains uniformity from the street-view. Any change in color or design of these items requires the homeowner submit an architectural review plan to the ARC and await written approval from the BoD. Barred windows and doors are prohibited.

AIR CONDITIONING (see Heating and Air Conditioning)

ANIMALS AND ANIMAL HOUSING

All doghouses (or structures for other animals) must be located behind the rear foundation line of each home and within the confines of a privacy fence. Under no circumstances are these structures allowed to be placed in the common area. They should be positioned as not to create a nuisance, and preferably not within sight of neighboring homes. All doghouses and animal shelters should be built to provide adequate protection for the animal, and must be kept in good condition and be of a neutral color.

According to James City County Codes, Section 3-23, all dogs must be leashed or under direct control of the owner when within platted subdivisions (such as Rain Tree Villas). Rain Tree Villas requires that pets' owners clean-up after their animals' excrement, in the case that a pet relieves itself when within the neighborhood. Excessive noise (for instance: incessant barking) falls under the headings of "Animal Control," and "Nuisances" in James City County Code, Section 3-6, and shall be dealt with through official county means.

BASKETBALL BACKBOARDS

The use of the basketball backboards produces excessive noise and vibrations that are a particular nuisance in a compact community like Rain Tree Villas. For this reason, free-standing basketball backboards, are not allowed unless specifically approved by the BoD. Requests for approval of basketball backboards must be accompanied by letters of agreement from all adjacent Rain Tree Villas neighbors. Use is only permitted during daylight hours. Additional review of placement or presence of a basketball backboard may be required if noise complaints are received from Rain Tree Villas residents. Basketball backboards are not permitted to be attached to the property's structures (homes, sheds, etc.).

CLOTHES LINES

Clothes lines or the open air drying of any clothing, bed linens, rugs, etc., must be done so that it is not visible from the street.

COMMON AREA LANDSCAPING

It is the responsibility of the Rain Tree Villas Homeowners Association, Inc. to maintain all common areas of Rain Tree Villas through the BoD. However, the idea of individual homeowners adopting and beautifying common areas is encouraged. If any homeowner wishes to adopt a common area the homeowner should contact the BoD of this intention. Any plans for alterations to common areas by homeowners will be reviewed by the same process as that of an alteration to an individual property. The exception is that the BoD may be able to fully or partially finance improvements to common areas.

DECKS AND PORCHES

All existing decks and porches must be maintained in good condition. Decks are allowed only behind the rear foundation line of the house or within the confines of a privacy fence, and must be within the property boundaries. The only exception is the Birch model home, because this style lacks a rear exit, and therefore, a side deck or porch will be permitted. Any new deck, porch, or alteration to an existing deck or porch requires submission of an architectural approval form and/or plan for review by the ARC and written approval by the BoD. All decks and porches should be allowed to weather naturally or they must be stained in a natural wood color, or painted clear or to match the siding or trim colors of the existing home.

DRIVEWAYS (see "Parking Pads or Driveways")

ENERGY CONSERVATION/GENERATING EQUIPMENT

No solar energy collector panels or attendant hardware or other energy conservation or generating equipment shall be constructed or installed unless they are an integral and harmonious part of the architectural design of a structure, as determined by the ARC and written BoD approval. Energy generators, or any energy equipment that makes noise, must be placed in a location that will create minimal disturbance to neighbors and adjacent properties.

EXTERIOR LIGHTING

The replacement of existing lighting fixture does not require prior review or approval. If a change in size or positioning of lighting fixtures is desired (an example would be addition of a light post), or if additional lighting structures are to be installed onto existing structures, a plan must be submitted for review and approval. Additional exterior lighting shall also require submission of a plan for review by the ARC and written approval from the BoD. The lighting should be installed so that it does not shine on an adjacent property, common area or public space, and shall be aesthetically planned for each location. Flood lights and various other high output lights fall under this type of lighting, and should be considered carefully because of potential impacts on neighboring properties. The lighting should be carefully aimed so that only the specific target area, such as a doorway, is illuminated. Temporary lighting, such as Christmas holiday lighting, does not require prior approval, but shall not cause undue visual & audible disturbance to neighboring houses. Christmas lighting should not be put-up prior to mid-November and must be fully removed by no later than the end of January of the New Year.

FENCES

Any new fencing, as well as modifications to or additions to existing fencing requires submission of a plan for review by the ARC and written approval by the BoD. No front yard fencing is allowed. All fences must be wholly within the property of the homeowner. No fencing is allowed on the common area, other than those approved by the BoD for the benefit of Rain Tree Villas Homeowners Association, Inc. Repairs to fencing previously reviewed by the ARC and approved in writing by the BoD will not require prior approval, however, damaged fences must be repaired within thirty (30) days of damage and repairs must duplicate the original approved fencing. Any repair or replacement to a fence above 50% shall comply with the existing architectural standards in place for Rain Tree Villas at the time of the damage.

Fences may not extend forward (toward the street) more than eight (8) feet from the rear corners of the foundation line; an exception is the Birch model home because this style lacks a rear exit. On properties with Birch model homes, a fence may be constructed on the side of the house, at the edge of the deck/patio to give privacy to that area. Additionally, homes that are adjacent to Birch model homes may extend their fencing (on the side next to the Birch model home only) up to the front foundation, so as to match the Birch model home's fencing: in the case of this exception, the adjacent home's fencing must closely match the material, color, and style of fencing used by the Birch model home.

All fences must be kept in good condition. All fences shall be constructed of pressure-treated wood, other rot resistant wood (such as cedar or cypress), or wood-colored alternative materials (not including metal). Fences shall be allowed to weather naturally, be stained in a natural wood color, or painted to match the color of the siding of the home. No fence above six (6) feet in height is allowed in accordance with James City County ordinances.

GARBAGE (see "Trash and Recycling Storage and Collection")

GENERATORS (see "Energy Conservation/Generating Equipment")

GRILLS

Any permanent grill requires a plan submission for review by the ARC and written approval by the BoD. All grills must be stored behind the rear foundation line of the home or within the confines of a privacy fence and wholly within the property boundaries. Grills must be kept in good condition, and should not be operated on combustible surfaces (such as wood decks).

GUTTERS AND DOWNSPOUTS

Gutters and downspouts must be kept in good repair. When replacement of existing gutters and/or downspouts is necessary, no prior approval is required, as long as the new gutters/downspouts match the existing system. Any changes or alterations to existing gutters or downspouts require a plan to be submitted to the ARC for review and written BoD approval. Water cannot be diverted to a neighboring property.

HEATING AND AIR CONDITIONING UNITS

If a heating and/or air conditioning unit is to be relocated from its present location, a plan must be submitted to the ARC and written approval from the BoD. The new location of the heating or air conditioning unit must be placed in a location that will create minimal disturbance to neighbors and adjacent properties. Window and wall units are not permitted without written approval from the BoD. Any addition of alternate heating sources requires submission of a plan for review by the ARC and for written approval by the BoD.

HOT TUBS, SPAS, AND SWIMMING POOLS

All requests for hot tubs, spas, or swimming pools shall require submission of a plan for review by the ARC and written approval by the BoD. The hot tub, spa, or pool must be wholly within the property lines of the owner, behind the rear foundation line of the home, and must be in compliance with James City County ordinances. Any adjacent structures, such as in accompanying deck, also require submission of a plan for review by the ARC and written approval by the BoD. Particular consideration should be taken regarding drainage issues, especially if siphoning into the yard will be a means of pool drainage. The hot tub, spa, or pool must be operated as not to become a nuisance to the neighbors or adjacent properties.

HOUSE NUMBERS

No more than two (2) sets of house numbers are permitted on a home. The maximum individual number size shall not exceed six (6) inches. House numbers should be clearly visible from the street, therefore contrast in color with the backdrop on which they're posted. To help in an emergency situation and to aid the police, fire, and rescue personnel in locating a residence, it is required that all house numbers be prominently displayed and recommended that they are adequately illuminated at night.

LANDSCAPING

It is the individual homeowner's responsibility to keep all shrubs, trees, and grass neatly trimmed, properly cultivated, and free from all trash, weeds, and other unsightly materials. The addition of materials such as shrubs, flowers, trees, landscape timbers, mulch, gravel or wood chips does not require submission of a plan. Landscaping changes do not require approval as long as there is no adverse drainage onto adjacent properties and as long as the landscaping consists of plant materials. The widening of driveways by use of gravel and border material is not considered landscaping for purposes of this document. Widening of the driveway by any means is considered an improvement or alteration and requires an architectural review.

Care of common area landscaping is the responsibility of the Association, but interested homeowners are encouraged to contact the BoD to volunteer for help with neighborhood beautification. See more detail in the section labeled, "Common Area Landscaping."

LIGHTING (see "Exterior Lighting")

MAILBOXES

All mailboxes shall be kept in good repair and identified with house numbers. It is recommended that mailboxes be USPS approved style and placement. Ornaments to the mailbox are permitted, but if found to be conflicting with the architectural style of the neighborhood, may be requested to be removed at the discretion of the BoD.

PARKING PADS OR DRIVEWAYS

All homeowners in Rain Tree Villas are responsible for maintaining their respective parking pads or driveways. This includes getting rid of unsightly weeds and grass growing between cracks in driveways or in stones of parking pads. Any replacement or repairs will be required to match the current pads in material, color and finish. Any alteration of the dimensions, material, color, or finish of the parking pad or driveway shall require homeowner to submit a plan for review by the ARC and written approval from the BoD. Any new parking pad or driveway shall also require the submission of a plan to the ARC and written approval from the BoD.

Cars are not permitted to be parked on any grass/landscaped area not expressly for the purpose of parking. If a homeowner intends to extend his/her driveway/parking pad, a detailed plan must be submitted to the ARC, and written approval obtained from the BoD before alterations commence.

POOLS (see "Hot Tubs, Spas & Pools")

PORCHES (see "Decks and Porches")

PORTABLE STORAGE UNITS

Portable storage units may be placed temporarily on a property for loading/unloading for a period not to exceed sixteen (16) days. In extenuating circumstances, homeowners may appeal to the ARC and BoD for extensions to the loading/unloading time period.

In the event of a natural disaster or similar circumstance, the above limit may be extended during a period of reconstruction as authorized by James City County.

RECYCLING BINS (see "Trash and Recycling Storage and Collection")

SATELLITE DISHES AND ANTENNAS

Satellite dishes up to 39-inches (1-meter) in diameter may be installed on roofs without prior approval of the BoD. Within this size limit, the preferred method of satellite dish installation is roof-mounting by a professional installer, for reasons of safety and aesthetics. The preference is for satellite dishes to be located on the chimney, or the rear portion of the roof, but specific positioning on the roof may ultimately be decided by the judgment of the installer, to yield acceptable signal strength. Satellite dishes and antennas are not permitted to be installed on the ground in front yard.

Antennas larger than 1-meter in diameter, ground/pole-mounted antennas, and any antennas used for any type of broadcast radio require review by the ARC and written approval from the BoD before installation. The ARC may restrict placement of these antennas to the back yard, may require planting or screening landscaping, and may impose other requirements that do not conflict with Federal, State or local law or with Federal Communications Commission regulations.

SHEDS AND TOOL STORAGE

A shed or other storage structure requires a detailed plan to be submitted by the homeowner for review by the ARC and for written approval by the BoD. The plans must include details specifying the placement, dimensions, and materials to be used. The shed must be wholly within the property line of the homeowner. It must be placed behind the rear foundation line of each home and conform with all county requirements and have minimal visual and physical impact on neighboring residents or property. All sheds shall be maintained in a neutral color that matches the color scheme of the house. Sheds shall be kept in good condition.

SOLAR COLLECTORS (see “Energy Conservation Equipment”)

STATUES, FOUNTAINS, AND ORNAMENTS

Any statue, fountain, or ornament does not require review by the ARC or written approval from the BoD. Proposed statues, fountains, and ornaments must blend in with the architectural style of the neighborhood and should total no more than 10 items, and have minimal visual and physical impact on neighboring residents or property.)

SWING SETS, SANDBOXES, AND OTHER PLAY EQUIPMENT

If a homeowner wants to add any large, permanent or semi-permanent play equipment to his/her property, the homeowner must submit a plan for review by the ARC and for written approval by the BoD. All play equipment must be located behind the home's rear foundation line or within the confines of a privacy fence. Wood equipment shall be allowed to weather naturally. All equipment should be kept in good repair at all times. If the play equipment will be entirely concealed by the approved fenced area in which it is located, it is not necessary to submit a plan. For any type of pools, including baby pools, see the section of the Architectural Guidelines labeled, “Hot Tubs, Spas, and Swimming Pools. See section labeled “Basketball Backboards” for details on their restrictions.

TRASH AND RECYCLING STORAGE AND COLLECTION

In any neighborhood, concealed storage of garbage/trash and recyclables is particularly important. Improper storage can lead to a shabby-looking appearance, as well as health and odor problems. Storage of any kind of personal property, including trash, is prohibited on common areas at all times. As soon as possible, all trash and recyclables receptacles shall be returned from curbside to their place behind the home after trash pickup. Under no circumstances should a trash receptacle be allowed to remain in the street overnight. The pre-approved locations that homeowners may store trash receptacles are 1) behind the rear foundation line of the home, or 2) in a garage, if the property has this feature, or 3) within a privacy fence. If the trash and recyclable receptacles cannot be stored in one of the three pre-approved locations, homeowner must submit an Architectural Review Application to the ARC for written approval from the BoD for storage of such receptacles at the side of the

house, screened by an approved structure. Deciduous shrubs/trees do not provide sufficient cover, and will not be approved as screening for storage of garbage or recyclable receptacles.

It is prohibited to use Rain Tree Villas common area trash cans for household garbage or lawn refuse disposal. Conspicuous storage of unsightly refuse items on a homeowner's property is likewise prohibited. James City County Codes, Section 10-3 prohibits disposal of any garbage or waste matter (liquid or solid) on public and private property "other than grounds designated by governmental authority for such purpose and then only in the manner provided by governmental regulations relating thereto."

TREE REMOVAL

It is the desire of the Rain Tree Villas community to preserve as much of the existing natural woodlands as possible. Most of the forested areas are common properties owned collectively by the Rain Tree Villas Homeowners Association. Removal of trees from common areas by homeowners is not permitted, unless approved in writing by the BoD for reasons of disease or damage to the tree. Upon approval, the homeowner who applied shall bear any expense of removal, and may be required to plant a replacement tree for each tree removed. In the event of an incident or accident beyond the reasonable control of the homeowner/resident, the ARC and BoD may, at their sole discretion, suspend any or all of the provisions of this section, and may waive enforcement measures on an individual basis.

VEGETABLE GARDENS

Vegetable gardens do not require approval by the BoD through the architectural review process, as long as all plantings are behind the house's rear foundation line or within the confines of a privacy fence. Neither vegetable gardens, nor conspicuous food crops are allowed to be grown in the front yard. The garden must not be planted on a grade so as to cause erosion of any kind to adjacent properties.

WALKWAYS

Homeowners must submit an Architectural Review Application to the ARC and wait for written approval from the BoD before installing any new walkways constructed of concrete or similar paving material. A gravel walkway, or the addition of stepping stones in a yard, shall be considered landscaping (see "Landscaping" section of Architectural Guidelines).

WOODPILES/FIREWOOD

Woodpiles do not require approval from the BoD through the architectural review process, as long as they are wholly located within the homeowner's property line, behind the rear foundation line of the house, and not visible from the street. If the homeowner has an approved fence, the woodpile should be within the fenced area. The woodpile should not exceed five (5) feet in height.

ENFORCEMENT AND PENALTIES

1. The BoD of Rain Tree Villas Homeowners Association, Inc. has the authority under the Rain Tree Villas Covenants, Conditions, and Restrictions, and the Virginia Property Owners' Association Act to assess fines against any owner for all violations of the rules described in the aforementioned documents and the Rain Tree Villas Architectural Guidelines, Policies & Procedures.
2. Any homeowner within Rain Tree Villas has the right to file a complaint regarding a violation of the Rain Tree Villas Covenants, Conditions, and Restrictions and Architectural Guidelines, Policies & Procedures. Such complaints must be in writing and should specifically refer to the violation in question and specific to naming the address of the property with violation(s). The complaint should be filed first with the BoD for investigation. The BoD will take action on all legitimate complaints. The BoD, or a contracted management company, may also place warning notices on homeowners' doors in Rain Tree Villas while conducting property inspections. Copies of violation notices/letters will also be mailed to each homeowner.
3. If the violation is not corrected within sixty (60) days after the homeowner has been notified in writing of the violation, fines may be assessed against the homeowner. According to the Virginia Property Owners' Act, before any such charges may be imposed, the homeowner shall be given an opportunity to be heard and to be represented by counsel before the BoD. Notice of a hearing, including the charges or other sanctions that may be imposed, shall be hand delivered, or mailed by registered or certified mail, return receipt requested, to the homeowner at the address of record with the association at least fourteen days prior to the hearing. The hearing result shall be hand delivered or mailed by registered or certified mail, return receipt requested, to the member at the address of record with the association within seven days of the hearing.
4. If the violation is corrected prior to the hearing date, it is the homeowner's responsibility to notify the BoD. Another inspection will take place to ensure that the violation has been remedied. Homeowners may still be liable for fines under the Virginia Property Owners' Association Act and will be notified in writing by the BoD if such a fine is forthcoming. Failure to appear at such a hearing may result in assessments being placed against the homeowner as called for under the Virginia Property Owners' Association Act and the Covenants, Conditions, and Restrictions of Rain Tree Villas Homeowners Association, Inc.

**ARCHITECTURAL REVIEW APPLICATION
FOR CHANGES OR ADDITIONS TO LOT/HOME**

(FOR OFFICE USE ONLY)
DATE RECEIVED:

Mailing address: Rain Tree Villas Homeowners Association, c/o Chesapeake Bay Management,
600 Thimble Shoals Blvd, Suite 200 Newport News, VA 23606 FAX: 757-534-7765

1. **Date of Request:** _____
2. **Name of Homeowner:** _____
3. **Address:** _____
4. **Phone #:** _____
5. **Change or Addition to Property Planned:** _____

6. **Kinds of Material to be Used:** _____

7. **Color/Size/Specifications:** _____

8. **Use the space below and on the back of this sheet and/or attach a detailed drawing and/or photo to show construction/addition/landscaping, including shape(s), paint colors (must include a paint sample), setback measurements, height, location on lot, and any other information needed for the Architectural Review Committee to properly review this application.**

Please attach another sheet for more detailed descriptions or drawings, if necessary.

Revised 11/19/2009

Revised Architectural Guideline Policies & Procedures
Trash Storage and Collection
Adopted by the Board of Directors
Effective November 22, 2011

Trash Storage and Collection: In any neighborhood, garbage and trash storage is particularly important. Improper storage can lead to not only a shabby appearance, but also to health and odor problems. Storage of personal property on common areas is prohibited. Homeowners should place trash receptacles behind their homes; in their garages, or to the side of their home, so long as the lid is closed, receptacle is upright and trash is contained within the receptacle. Trash containers are allowed to be at curbside no more than one day before the scheduled trash collection day, and must be returned to their storage location no later than the morning after collection day.

EXHIBIT 10

**RAIN TREE VILLAS
HOMEOWNERS ASSOCIATION, INC.
ADMINISTRATIVE RESOLUTION NO. 99-01**

PROCEDURES RELATING TO COLLECTION OF ASSESSMENTS

WHEREAS, Article IV, Section 1 of the Declaration of Rain Tree Villas Homeowners Association, Inc. (the "Association") and Article XI of the Bylaws of the Association create an assessment obligation for lot owners;

WHEREAS, Article IV of the Declaration and Article VII of the Bylaws empower the Association's Board of Directors (the "Board") to make and enforce assessments against lot owners to defray the common expenses of the Association and to establish the means and methods of collecting assessments from lot owners;

WHEREAS, Article IV, Section 2 of the Declaration further provides that the purpose of the assessments is "to promote the recreation, health, safety, welfare, of the residents in the Properties and for the improvement and maintenance of the Common Area situated upon the Properties";

WHEREAS, Article VII, Section 1(a) of the Bylaws and Section 55-513(A) of the Virginia Property Owners' Association Act (hereafter, "Act") provide the Board with the authority to adopt rules and regulations;

WHEREAS, it is the intent of the Board of Directors to assess a late fee in the amount of \$10.00 against each lot owner for each installment of any annual or special assessment which is more than ten (10) days past due;

WHEREAS, Article IV, Section 8 of the Declaration, Article VII, Section 2(c)(3) of the Bylaws and Section 55-515(A) of the Act provide the Association, through its Board of

Directors, with the authority to pursue any remedy in law or equity available to it to enforce collection of a debt;

WHEREAS, Article IV, Section 7 of the Declaration provides the Board with the authority to establish the due dates and rate of the annual assessment;

WHEREAS, Article IV, Section 8 of the Declaration provides that "[a]ny assessment not paid within thirty (30) days after the due date shall bear interest from the due date at 12 percent per annum";

WHEREAS, Article IV Section 1 of the Declaration and Article VII of the Bylaws provide the authority for the Association to charge the delinquent lot owner personally and through the filing of a lien against the lot owner's property, the costs of collection, including reasonable attorneys' fees and interest;

WHEREAS, it is the intent of the Association to be made financially whole with respect to its costs to pursue collection of any past due assessment;

WHEREAS, it is the intent of the Association that the lot owner responsible for the delinquency shall be fully liable for all of the Association's costs and attorneys' fees incurred as a result of the Association taking any action to enforce payment of the assessment delinquency;

WHEREAS, there is a need to establish orderly procedures for the billing and collection of assessments to achieve this objective of the Association; and

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT the Board, pursuant to the authority set forth in the Declaration and Bylaws duly adopts the following assessment collection procedures as follows:

I. ROUTINE COLLECTIONS

A. The Association, whose fiscal year is the calendar year, will allow annual assessments to be paid in equal quarterly installments which will be collected on a quarterly basis and shall be due and payable on the first days of January, April, July and October of each year. However, at any time during the year, a lot owner may pay in advance any unpaid portion of the annual assessment for that year. The rate and method of billing for the annual assessment shall be determined annually by the Board of Directors.

B. All special assessments, unless otherwise provided for by the Board in a separate resolution, shall be due and payable on the first day of the next month after delivery to the lot owner of the notice of special assessment, so long as at least ten (10) days written notice is provided.

C. All documents, correspondence, and notices relating to assessments shall be mailed to the address which appears on the books of the Association or to such other address as is designated in writing by the owner to the Association and shall constitute proper notice for the purposes of this resolution. Non-receipt of an invoice for assessments, whether billed annually, quarterly or monthly, shall in no way relieve the lot owner of the obligation to pay the amount due by the established due date. All addresses provided in accordance with the Declaration and the Bylaws shall be deemed to be the address of record for all Association business and the last known residential address of the lot owner, and shall remain so until notification has been provided to the Board of Directors in writing by the lot owner.

II. REMEDIES FOR NONPAYMENT OF ASSESSMENT

A. If payment of the total assessments, or of any installment thereof, including special assessments, is not made within thirty (30) days from the due date, the entire balance of assessments due on the account for the lot for the remainder of the fiscal year shall be accelerated and due in full.

B. If payment of the total assessments, or of any installment thereof, including special assessments, and returned check charges, are not received by the Association by the tenth (10th) day of the month when such installment or assessment is due, the account shall be deemed late and a late fee in the amount of ten dollars (\$10.00) shall be added to the amount due and shall be a part of the continuing lien for assessments, as provided for in the Declaration and Bylaws.

C. If a check is returned and an assessment, or any installment thereof, is not otherwise received in the applicable time period, as provided in paragraph II.B. above, the account shall be deemed late and a late charge shall be added, in addition to a returned check charge in an amount to be determined by the Board of Directors and not exceeding the amount prescribed by law.

D. A "Late Notice" may be sent by the Association to owners who have not paid assessments or charges, in full, by the eleventh (11th) day after the due dates set forth herein. The late notice may set forth the amount currently in arrears and may warn the owner that the account may be sent to legal counsel for legal collection proceedings.

E. If a default in any amounts owed to the Association continues for a period in excess of thirty (30) days, interest at the rate of twelve percent (12%) per annum shall be added to the assessment account and shall accrue from the due date thereof until paid in full.

F. If a default in any amounts owed to the Association continues for a period in excess of

thirty (30) days, the Association may turn the account over to legal counsel. If turned over to counsel, all costs and reasonable attorneys' fees actually incurred by the Association from the inception of counsel's involvement with the account through resolution, if any, regardless of whether litigation has been initiated to enforce payment of the delinquent assessments, shall be added to the delinquent account.

G. If payment in full of the amounts due is not received by legal counsel or the Association within ten (10) days after the notice of legal action has been sent, a Memorandum of Lien may be filed against the lot owner's lot and may include: any and all applicable late fees, interest, costs, reasonable attorneys' fees actually incurred and accelerated assessment amounts through the end of the fiscal year. The attorneys' fees and costs secured by the Memorandum of Lien shall be separate and independent of any costs and attorneys' fees actually incurred by the Association in any effort by the Association taken personally against a delinquent lot owner to enforce payment of any past due assessments. Non-receipt or lack of notice claimed by the delinquent owner shall not prevent the Association from filing a lien within the statutory deadline.

H. If payment in full of all amounts due is not received by legal counsel or the Association within sixty (60) days after the due date, a civil suit may be filed against the delinquent lot owner and the Association may initiate any available foreclosure remedy to enforce payment of the debt.

I. If an account remains delinquent after the filing of a lien or civil suit, legal counsel for the Association shall take other appropriate legal action to collect the amounts due unless

directed otherwise by the Board.

J. If the Association receives from any unit owner, in any accounting year, two or more checks returned for insufficient funds for payment of assessments or other charges, the Board may require all future payments to be made by certified check, cashier's check or money order for the remainder of the fiscal year.

K. The Association is not restricted by any election of remedies and may simultaneously proceed with legal action against a delinquent owner's property, including foreclosure, and the delinquent owner personally, as well as initiate any restrictions against a lot owner as may be initiated by the Board in accordance with the Declaration and Bylaws.

L. Any payment that is received by legal counsel or the Association and does not pay the lot owner's account balance with the Association in full, shall be credited first to the oldest debt in each category described below until each category is paid in full, in the following order:

- 1) Charges for the actual costs and reasonable attorneys' fees incurred by the Association subsequent to the delinquent account being turned over to legal counsel for the prosecution of an action to enforce payment of the debt, regardless of the results of litigation or whether litigation has been initiated against the delinquent lot owner;

- 2) all returned check charges;

- 3) all late fees;

- 4) interest;

- 5) unpaid installments of the annual assessments or special assessments

which are not the subject matter of suit in the order of their coming due; and

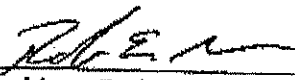
6) unpaid installments of the annual assessment or special assessments which are the subject matter of suit in the order of their coming due.

M. In the event of a delinquency by a lot owner, the Board may reject any offer of partial payment and demand payment in full of all amounts owed to the Association.

N. Any waiver by the Board granted specifically to any lot owner's assessment account of any of the fees and costs established by this Resolution, the Declaration or Bylaws, shall be on a case by case basis, if at all, and in no way shall it constitute a waiver of the Board's authority to enforce payment of all amounts owed in accordance with this Resolution.

This Resolution shall become effective on JUNE 18TH 1999

1999.



President, Rain Tree Villas Homeowners
Association, Inc.

RAIN TREE VILLAS
HOMEOWNERS ASSOCIATION, INC.
ADMINISTRATIVE RESOLUTION NO. 99-01

RESOLUTIONS ACTION RECORD

Resolution Type Administrative No. 99-01

Pertaining to: procedures relating to assessments

Duly adopted at a meeting of the Board of Directors of the Rain Tree Villas Homeowners Association, Inc. held JUNE 17TH, 19 99.

Motion by: WILLIAM SAUNDERS Seconded by: CORALIE HARTUNG

VOTE:
YES NO ABSTAIN ABSENT

<u>TIM SCHEIBEL</u> , Member	<u>X</u>		
<u>CORALIE HARTUNG</u> , Member	<u>X</u>		
<u>CHRIS JONES</u> , Member	<u>X</u>		
<u>WILLIAM SAUNDERS</u> , Member	<u>X</u>		
<u>BOB GOSETT</u> , Member	<u>X</u>		

ATTEST:

Gini Walker
Secretary

July 1, 1999
Date

RESOLUTION
of the
Board of Directors
of
RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC.
(Association Complaint Procedures)

WHEREAS, the Code of Virginia, 1950, as amended (the "Virginia Code"), was amended by statute effective July 1, 2008, to create a Common Interest Community Board ("CIC Board") and the Office of the Common Interest Ombudsman ("CICO"); and

WHEREAS, Section 55-530.E states the CIC Board "shall establish by regulation a requirement that each association shall establish reasonable procedures for the resolution of written complaints from the members of the association and other citizens"; and

WHEREAS, for the benefit and protection of the Association and of its individual Members, and with a goal of reducing and resolving conflicts among and/or between the Association and its Members, the Board of Directors hereby establishes these Association Complaint Procedures to meet the requirements of Sections 55-530.E and F of the Virginia Code and regulations of the Common Interest Community Ombudsman regarding Association Complaint Procedures effective July 1, 2012; and

WHEREAS, the Board of Directors will provide notice of this policy to all current Owners by mailing a copy of this Resolution to current Owners and to all future Owners by including the Resolution in resale certificates prepared pursuant to Virginia's Condominium Act and/or Property Owners' Association, as applicable; and

WHEREAS, this Resolution shall remain in full force and effect until amended by further resolution of the Board.

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NOW THEREFORE, the Board of Directors of Rain Tree Villas Homeowners Association, Inc. does hereby adopt this Resolution in order to adopt the following Association Complaint Procedures:

1. Right to Submit Association Complaint. When any Association Member ("Member" or "Complainant") observes or reasonably believes the Board of Directors ("Board"), the Association's Common Interest Community Manager ("Association Manager") or any individual Board Member has or is continuing to violate any provision of the Association's Declaration, Architectural Guidelines, Articles of Incorporation, Bylaws, and/or Rules and Regulations ("Governing Documents"), the Member shall have the right to acquire, complete and submit an Association Complaint Form.
2. Association Complaint Form.
 - a. The Association Complaint Form shall comport substantially with the Association Complaint Form attached to this Resolution as Exhibit A, or with any form required by regulation duly promulgated by Virginia's Common Interest Community Board ("CIC Board").
 - b. The Association Complaint Form shall be submitted to Powhatan Village Homeowners Association, Inc., c/o Chesapeake Bay Management, Inc., Attn: Megan Getkin, Manager, 3705 Strawberry Plains Road, Suite C, Williamsburg, VA 23188, 757-706-3019, Fax: 757-345-6534, mgetkin@1cbm.com. The Association Complaint may be submitted to the Association:
 - (i) By U.S. Mail, registered or certified, return receipt requested;
 - (ii) By hand delivery, *provided, however*, the method of hand delivery must provide a means to prove delivery;
 - (iii) By facsimile to the Association's Managing Agent; and/or
 - (iv) By email to the Association's Manager.
 - c. The Association Complaint Form must be submitted at least fourteen (14) days prior to the next scheduled regular Board Meeting to insure review at that meeting. If the Association Complaint Form is received less than fourteen (14) business days prior to the next scheduled regular Board Meeting, the Association Complaint Form shall be reviewed at the next subsequent regular Board Meeting.

3. Association Complaint Receipt.

- a. The Association shall provide written acknowledgment of receipt of the Association Complaint ("Association Complaint Receipt") to the Complainant within seven (7) days of receipt of the Association Complaint. Such acknowledgment shall be hand delivered or mailed by registered or certified mail, return receipt requested, to the Complainant at the address provided in the Association Complaint, or if consistent with established Association procedure, by electronic means provided the sender retains sufficient proof of the electronic delivery.
- b. Notice of the date, time and location that the Association Complaint will be considered shall be included in the Association Complaint Receipt required by Association Complaint Provision 6 above. If such Notice is not included in the Association Complaint Receipt, such Notice shall be hand delivered or mailed by registered or certified mail, return receipt requested, to the Complainant at the address provided in the Association Complaint, or if consistent with established Association procedure, by electronic means provided the sender retains sufficient proof of the electronic delivery. Such Notice shall be mailed within a reasonable time prior to review of the Association Complaint but shall be mailed not less than three (3) days prior to the date set for review of the Complaint.

4. Review of the Association Complaint.

- a. The Board shall review any Association Complaint Form received and shall, if necessary, consult with the Association's attorney and/or any other vendor or professional providing services to the Association to provide as complete a review as possible to arrive at its decision.
- b. The Board may, but shall not be required to, consult with the Member who submitted the Association Complaint Form to understand more fully the substance and/or basis of the Member's Complaint.
- c. In the event the Board determines the Association Complaint is incomplete or contains insufficient information to render a decision, the Board shall cause a written request for additional information that identifies with specificity the information needed to complete the Association Complaint to be sent to the Complainant at the address provided in the Association Complaint. Such written request shall be hand delivered or mailed by registered or certified mail, return receipt requested, to the Complainant at the address provided in the Association Complaint, or if consistent with established Association procedure, by electronic means provided the sender retains sufficient proof of the electronic delivery.

5. Final Determination Letter. The Board shall render a written decision and/or review of the Complaint ("Association Complaint Final Determination Letter" or "Final Determination Letter") to the Member within seven (7) days of the regular Board Meeting during which the Association Complaint was reviewed.

The Final Determination Letter shall:

- a. Be hand delivered or mailed by registered or certified mail, return receipt requested, to the Complainant at the address provided in the Association Complaint, or if consistent with established Association procedure, by electronic means provided the sender retains sufficient proof of the electronic delivery.
 - b. Be dated as of the date of issuance and include specific citations to applicable Association Governing Documents, laws or regulations that led to the Final Determination.
 - c. Include the Registration Number of the Association and the name and License Number of the Common Interest Community Association Manager.
 - d. Include the Complainant's right to file a Notice of Final Adverse Decision with the Common Interest Community Board via the Common Interest Community Ombudsman, along with the applicable contact information.
6. Appeal. The determination of the Board as reflected in the Final Determination Letter shall be the final decision of the Board. The Board has not adopted an appeal process and shall not hear an appeal of the Final Determination Letter.
7. Should any Member need assistance in understanding the Member's rights and the processes available to common interest community Members, the Member may contact Virginia's Office of the Common Interest Community Ombudsman ("CICO") for assistance. The CICO may be reached at the Department of Professional and Occupational Regulation, 9960 Mayland Drive, Suite 400, Richmond, Virginia 23233. The CICO's current telephone number is (804) 367-8510. The CICO's current email address is cic@dpwr.virginia.gov.
8. **Complainant's Rights Description required by Section 55-530-E.2 of the Code of Virginia, 1950, as amended.** In accordance with Section 55-530.F of the Code of Virginia, as amended, an Association Complainant may give notice to Virginia's Common Interest Community Board (the "Board") of any final adverse decision in accordance with regulations promulgated by the Board. The notice shall be filed within 30 days of the final adverse decision, shall be in writing on forms prescribed by the Board, shall include copies of all records

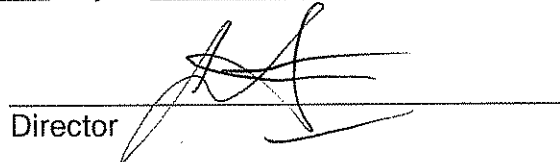
pertinent to the decision, and shall be accompanied by a \$25 filing fee. The fee shall be collected by the Director of Professional and Occupational Regulation and paid directly into the state treasury and credited to the Common Interest Community Management Information Fund, § 55-530.1. The Board may, for good cause shown, waive or refund the filing fee upon a finding that payment of the filing fee will cause undue financial hardship for the member. The Director shall provide a copy of the written notice to the Association that made the final adverse decision.

9. The Association Complaint Form, all attachments thereto and a copy of the Final Determination Letter ("Complaint File") shall be retained by the Association for not less than one (1) year after the Board renders a decision on the Complaint. The Complaint File shall be eligible for review and duplication solely by the Association's Board of Directors, the Association Manager and the Lot Owner(s) who submitted the original Complaint Form, *provided, however*, the Complaint File shall be produced upon order of an appropriate judicial or administrative body having jurisdiction over the Association.
10. The Board shall amend and restate this Association Complaint Procedures Resolution each time the name, address, telephone number and email address of the Association's Manager changes to remain compliant with Section 55-530.E.2 of the Virginia Code.


IN WITNESS WHEREOF the Board of Directors of Rain Tree Villas Homeowners Association, Inc. has set their hands on this 3rd day of October, 2012.



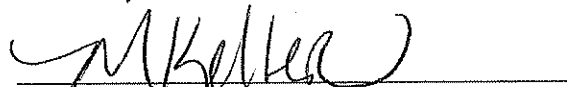
Director



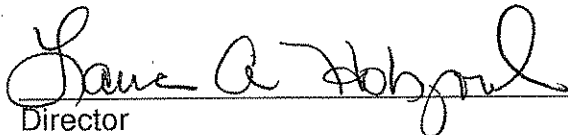
Director



Director



Director



Director

**RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC.
ASSOCIATION COMPLAINT FORM**

This Form is available to all Association Owners as required by Section 55-530.E of the Code of Virginia, 1950, as amended ("Virginia Code"). Please complete and return this Form to the Association's Manager at least fourteen (14) days prior to the next scheduled regular Board of Directors Meeting to insure review at that Meeting. The Board will provide a written response to any submitted Association Complaint Form within seven (7) days of the Board Meeting during which the Complaint is reviewed.

Member Name (Printed): _____

Member Name (Signature): _____

Address: _____

Date: _____

Please outline and/or address your specific complaint and attach to this Form. Please include copies of all applicable provisions of the Association's Declaration, Architectural Guidelines, Articles of Incorporation, Bylaws and/or Rules and Regulations to assist the Board in understanding your complaint. Please be sure to identify and/or attach the provisions of all specific provisions of the Virginia Code you believe may apply.

Forward the completed Association Complaint Form and all attachments to:

Chesapeake Bay Management, Inc
Attn: Megan Getkin, Manager
3705 Strawberry Plains Road, Suite C
Williamsburg, VA 23188
Telephone: 757-706-3019/Facsimile: 757-345-6532
Email: mgetkin@1cbm.com

Your signature on this form acknowledges you have received and reviewed the Association's Complaint Procedures Resolution.

Should you need assistance in understanding your rights and the processes available to common interest community Members, you may contact Virginia's Office of the Common Interest Community Ombudsman ("CICO") for assistance. The CICO may be reached:

Department of Professional and Occupational Regulation
9960 Mayland Drive, Suite 400
Richmond, Virginia 23233
Telephone: (804) 367-8510
Email: cic@dpor.virginia.gov

=====

This Block for Association Use Only:

Date Complaint Received by the Association's Manager: _____

Printed Name of Association Manager who received Complaint:

Signature of Association Manager to certify Date Complaint Received:

Date Complaint Reviewed by the Board of Directors: _____

Date Final Determination Letter forwarded to Complainant: _____

Printed Name of Person who prepared Response:

Signature of Person who prepared Response:

Please attach a copy of the Response to this Association Complaint Form.

=====

Complainant's Rights Description required by Section 55-530-E.2 of the Virginia Code

In accordance with Section 55-530.F of the Code of Virginia, as amended, an Association Complainant may give notice to Virginia's Common Interest Community Board (the "Board") of any final adverse decision in accordance with regulations promulgated by the Board. The notice shall be filed within 30 days of the final adverse decision, shall be in writing on forms prescribed by the Board, shall include copies of all records pertinent to the decision, and shall be accompanied by a \$25 filing fee. The fee shall be collected by the Director of Professional and Occupational Regulation and paid directly into the state treasury and credited to the Common Interest Community Management Information Fund, § 55-530.1. The Board may, for good cause shown, waive or refund the filing fee upon a finding that payment of the filing fee will cause undue financial hardship for the member. The Director shall provide a copy of the written notice to the Association that made the final adverse decision.

Rain Tree Villas Homeowners Association, Inc.

Policy for Records Inspections and Cost Schedule

Adopted by the Board of Directors of the Association on: March 13, 2012

1. In accordance with §55-510(D) of the Virginia Property Owners Association Act, prior to allowing inspection and/or providing copies of any books and records to a member of the Association who requested the same in accordance with the provisions of §55-510 and §13.1-933 of the Code of Virginia, as amended, the Association shall impose and collect a charge for both of the following:

a. for the labor costs associated with the Association's employees and/or agents complying with such copying and production:

- i. Administrative staff at \$30.00 per hour
- ii. Junior Manager at \$35.00 per hour
- iii. Senior Manager at \$50.00 per hour
- iv. Bookkeeper at \$35.00 per hour

b. for the costs of materials, \$.08 cents per page, for the cost of black and white copies, and \$.95 per page, for the cost of color copies. Copies of documents larger in width and/or length than standard (8 1/2 x 11) copy paper and/or legal-sized paper shall be charged at a rate that shall be determined by the Association in its discretion, but in no case shall the rate be greater than the actual copying cost thereof.

2. This cost schedule shall apply equally to all members of the Association in good standing and this schedule shall be provided to a requesting member at the time a request is made.

3. Inspection and/or copy services shall be commenced only after an owner has complied with the requirement of Section 55-510 B which requires that the request is for a proper purpose related to membership in the Association

4. The right of examination may be exercised only during business hours at the office of the association and upon at least five (5) days written notice reasonably identifying the purpose for the request and the specific books and records requested.

5. The furnishing of records is subject to the right of the Association to withhold certain records pursuant to Section 55-510(C) of the Act. The following records may be withheld from examination or copying by owners and contract purchasers:

a. drafts not yet incorporated into the owners' association's books and records or if such books and records concern;

b. personnel matters relating to specific, identified persons or a person's medical records;

c. contracts, leases, and other commercial transactions to purchase or provide goods or services, currently in or under negotiation;

d. Pending or probable litigation where there has been a specific threat of litigation from a party or the legal counsel of a party;

e. matters involving state or local administrative or other formal proceedings before a government tribunal for enforcement of the Declaration, Bylaws, Articles of Incorporation or rules and regulations;

f. communications with legal counsel which relates to subdivisions a through d or which is protected by the attorney-client privilege or the attorney work product doctrine;

g. disclosure of information in violation of law;

h. meeting minutes or other confidential records of an executive session of the executive organ;

i. documentation, correspondence or management or executive organ reports compiled for or on behalf of the owners' association or the executive organ by its agents or committees for consideration by the executive organ in executive session; and

j. individual owner or member files, other than those of the requesting owner, including any individual owner's files kept by or on behalf of the owners' association.

This Resolution is the property of the Board of Directors ("Board") of "Rain Tree Villas Homeowners Association, Inc. This document may not be copied, edited, modified or reproduced without the Board's prior written permission. Original revision dated March 13, 2012.

**RESOLUTION of the Board of Directors
Of the
RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC.**

(Policy for Records Inspection and Cost Schedule)

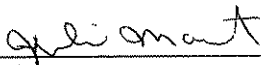
WHEREAS, Section 55-510(D) of the Code of Virginia of The Virginia Property Owners' Association Act provides that associations shall establish a Policy for Records Inspection and a Cost Schedule; and

WHEREAS, a copy of this resolution shall be provided to all current Owners using the association's established reasonable, effective and free method, which is appropriate to the size and nature of the association and to all future owners by including the Resolution in resale disclosure packages prepared pursuant to section 55-509.5 of Virginia Code; and

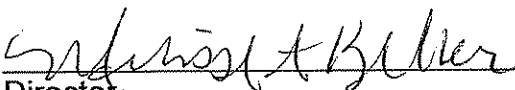
WHEREAS, the Board of Directors of Rain Tree Villas Homeowners Association, Inc. desires to create and establish a policy and procedure by which association members in good standing may access association books and records for predetermined fees in accordance with state and local regulations; and

THEREFORE, BE IT RESOLVED that the Board of Directors of the Association does hereby adopt the attached Policy for Records Inspections and Cost Schedule adopted by the Board of Directors of the Association on March 13, 2012.

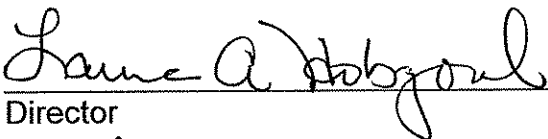
IN WITNESS WHEREOF the Board of Directors of Rain Tree Villas Homeowners Association, Inc. has set their hands on this 13th day of March, 2012.


Director


Julie Martin
Director (print name)


Director

Melissa Keller
Director (print name)


Director

Laura A. Hobgood
Director (print name)


Director

MIKKI CINER
Director (print name)

Director

Director (print name)

EXHIBIT 11

Reserve Study for
Raintree Villas

Date: October 23, 2008

Prepared by:



P.O. Box 2069
Newport News, VA 23609
757-833-6317/Fax 833-6318

Physical Description/Summary

Raintree Villas is a complex of single family homes built around 1995.

The homeowner joint property consists of signs, playground, storage shed, picnic area, basketball court, parking for recreation area, community bulletin board stand, trash receptacles, picnic shelters and a BMP. Free-standing lights, transformers, cable and phone doghouses, mailboxes and water/sewer lines are provided and cared-for by the relevant utility. Aside from some asphalt reinforcement of the entrance, the running trail appears to be rustic, so no funds are allocated for its physical condition.

Visual inspections were conducted: September 14 and October 6.

Reserve Fund Current State

As of September 2008, the fund was at \$4898 with \$57 added annually.

Reserve 20 Year Cash Flow Projection

Component Inventory

Recreation Areas

Component: Asphalt Recreation Parking Area

Quantity: 4380sf = 487sy

Description: Asphalt parking areas with concrete curbs/gutters.

Condition Assessment: Good

Useful Life: 23 years

Remaining Useful Life: 10years

Current Replacement Cost: Wear Coat \$3/sy = 1461

Current Seal Cost (ea. 6 years) \$0.75/sy = \$365

Re-surface: in 10 years \$2266, in 33 years \$6961

Re-seal: in 4 years \$154, in 16 years \$277, in 22 years \$371

Parking used by non-residents only, parking area to be closed off once it deteriorates.

Component: Concrete Curb & Gutter for Parking Area

Quantity: 247lf

Description: 6" concrete curb and gutter.

Condition Assessment: Fair.

Useful Life: 30 years

Remaining Useful Life: Indefinite

Current Replacement Cost: \$7.50/lf=\$1852

Small area with light use, place in repair budget when needed.

Parking used by non-residents only, parking area to be closed off once it deteriorates.

Component: Asphalt Basketball Court

Quantity: 2160sf=180sy

Description: Asphalt Basketball Court

Condition Assessment: Resurfaced in 2006.

Useful Life: 30 years

Remaining Useful Life: Indefinite is sealing is kept up and vehicles kept off court

Current Replacement Cost: \$3/sy= \$972

Resealing cost: \$0.75/sy = \$135

Reseal in 4 years \$156, in 10 years \$209, in 16 years \$280, in 20 years \$376

Component: Basketball Hoops

Quantity: 2

Description: metal poles with hoops.

Condition: Good – new in 2006

Useful life: 20 years

Remaining Useful life: 18 years

Current Replacement Cost: \$1800

In 18 years \$4125, in 38 years \$10946

Component: Trash Containers

Quantity: 3

Description: Heavy exterior containers for trash.

Condition: Fair

Useful Life: 20 years

Remaining Useful Life: 3 years

Current Replacement Cost: \$500

In 3 years \$2480, in 23 years \$6581

Only making residents responsible to empty containers – to be removed as they deteriorate.

Component: Bulletin Board Stand

Quantity: 1

Description: 8'x4' plywood on (2) 6x6 posts with 50sf asphalt shingles.

Condition: Fair

Remaining Useful Life: 3 years

Current Replacement Cost: \$3000

Not used, not placed in Reserve.

Component: Picnic Shelters

Quantity: 1 single and 1 double

Description: 8'x12' concrete pads with asphalt shingle tops supported on 6x4 posts., 140sf of shingle on each section (3 total sections)

Condition: Fair

Useful Life: 20 years

Remaining Useful Life: 5 years

Current Replacement Cost: \$4000/section (\$12000 total)

Trees provide shade, shelters being graffiti tagged. Replacement unlikely, left out of reserve.

Playground Equipment

Quantity: 1 Fun Tower and 1 Swingset

Description: Treated Wood Fun Tower with Plastic Slide, Galv. Steel Swingset with three swings and one trapeze bar

Condition: Good

Useful Life: 18 years

Remaining Useful Life: 16 years for Tower, 5 years for Swingset

Current Replacement Cost: \$1200 Tower, \$800 Steel Swingset

In 5 years \$972, in 16 years \$2494, in 23 years 2340

Other Site Elements

Component: Entry Sign

Quantity: 2

Description: 36x30 laminated sign on wood backing, (2) 60" poles with ball caps

Condition Assessment: Fair.

Useful Life: 18 years

Remaining Useful Life: 9 years except post toppers which are decaying

Current Replacement Cost: \$1200

In 9 years \$1772, in 27 years \$4266

Component: Other Signs

Quantity: 10 signs on posts

Description: Private, No Parking and BMP signs around property.

Condition Assessment: Fair.

Useful Life: 18 years

Remaining Useful Life: 5 years

Current Replacement Cost: \$1000

In 5 years \$1215, in 23 years \$2925

Component: BMP – dry, at base of natural ravines

Quantity: 1 – 30,000sf approximately with two passive overflows

Description: Surface retention pond

Condition Assessment: Fair. Installed circa 1995.

Useful Life: Unlimited with proper maintenance and periodic dredging and repair

Current Dredging Cost: \$8000 including access repair

\$15839 in 15 years, \$42026 in 35 years

This item also requires maintenance and repair periodically.

Component: Shed

Quantity: 1 - 12 foot x 12 foot

Description: Vinyl siding, 2 windows, dbl wood doors, 180sf asphalt roof, wrapped trim.

Condition Assessment: Good – like new except doors

Useful Life: 25 years

Remaining Useful Life: 20 years

Current Replacement Cost: \$2500 for exterior materials, door will need replacement earlier

In 20 years \$6317, but put door replacement under repair items – door will need frequent replacements, as may windows.

Component: Concrete Apron for Shed

Quantity: 120sf

Description: Concrete pull up

Condition Assessment: new looking.

Useful Life: 30 years

Remaining Useful Life: Indefinite depending on use.

Current Replacement Cost: $\$3.47/\text{sf} = \416

Small ticket and improbably replacement – place under repair items when needed.

Methods Used to Compute Fund Status

The current fund was analyzed dividing the replacement cost of each element by the number of remaining years. The funding was then analyzed by simple cash flow methods and an even payment was computed. Items closer to replacement were inserted as straight expenses to allow ease of movement if required. Inflation was calculated at 5%.

Sources of Repair/Replace Cost Estimates

Replacement costs came from the R.S. Means Cost Estimate Books – an Industry Standard. Additional information came from Association Cost Records.

Level of Service:

The reserve study was conducted as a Full Reserve Study.

Fiscal Year:

The current year is 2008, reserve year runs January to December.

Raintree Villas Reserve 20 Year Expense Projection

Expenditure By Element - 20 years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Element	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Baseball Court Seal				156						209						280				376
Baseball Hoop					972															
Playground Equip									1,772											
Entry Sign					1,215										15,839					6,317
Other Sign																				
Blue Drivage																				
Shed				156	2,107	0	0	0	1,772	209	0	0	0	0	15,839	2,774	0	4,125	0	6,693
Expenses	0	0	0	156	2,107	0	0	0	1,772	209	0	0	0	0	15,839	2,774	0	4,125	0	6,693

Raintree Villas Reserve Cash Flow

Reserve Cash Flow	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Reserve Assessment	57	63	1,500	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	4,000
Reserve Fund	4,898	5,104	5,322	7,026	9,138	9,218	11,554	13,981	16,440	17,068	18,528	22,174	22,899	27,706	30,597	32,597	34,281	35,881	37,601	21,383
Total Assets	4,955	5,161	6,822	9,026	11,138	11,218	13,554	15,981	18,440	19,168	21,528	24,174	24,899	29,706	32,597	34,281	35,881	37,601	39,321	25,383
Total Expenses	0	0	0	156	2,187	0	0	0	1,172	208	0	0	0	0	15,838	2,714	0	4,125	0	6,693
Net Reserve	4,955	5,161	6,822	8,870	8,949	11,218	13,554	15,981	17,268	18,960	21,528	24,174	24,899	29,706	32,597	34,281	35,881	37,601	39,321	18,690
Reserve Due	2,274	2,274	2,274	2,274	2,274	2,222	2,222	2,222	2,222	2,222	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	3,761
Reserve Due	\$2,274	\$4,548	\$6,822	\$8,949	\$11,218	\$13,440	\$15,662	\$17,884	\$19,168	\$20,452	\$22,726	\$25,000	\$27,274	\$29,548	\$31,822	\$34,096	\$36,370	\$38,644	\$40,918	\$17,859
Reserve Difference	\$2,681	\$519	\$0	\$70	\$74	\$27	\$87	\$172	\$328	\$161	\$1,062	\$1,434	\$1,685	\$2,418	\$3,055	\$3,718	\$4,381	\$5,044	\$5,707	\$831

Raintree Villas Reserve 20 Year Reserve Investment

Reserves by Element, 20 years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Element	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Residual Cost Seed	39	39	39	39	35	35	35	35	35	35	47	47	47	47	47	47	63	63	63	63
Residual Crop Seed	228	228	228	228	228	227	227	227	227	227	229	229	229	229	229	229	228	229	229	229
Residual Crop	195	195	195	195	195	197	197	197	197	197	237	237	237	237	237	237	334	334	334	334
Energy Seed	197	197	197	197	197	197	197	197	197	197	237	237	237	237	237	237	334	334	334	334
Energy Crop	243	243	243	243	243	163	163	163	163	163	183	183	183	183	183	183	183	183	183	183
Energy Storage	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	2,101	2,101	2,101	2,101
Energy Storage	316	316	316	316	316	316	316	316	316	316	316	316	316	316	316	316	316	316	316	316
Shed	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	3,443	3,443	3,443	3,443
Reserves	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	3,443	3,443	3,443	3,443

EXHIBIT 12

DRAFT
Rain Tree Villas Homeowners Association, Inc.
2013 Annual Meeting
Tuesday, February 19, 2013

Call to Order: The meeting was called to order at 7:00 p.m.

Certification of Quorum: A quorum was established with 7 owners in person or by proxy.

Proof of Notice: The proof of notice rule was read, and the Managing agent attested that proof of notice was sent to the membership on February 5, 2013.

Minutes: The minutes from the 2012 Annual Meeting were reviewed, and motion was made, seconded, and approved by the members in attendance to accept the minutes as presented.

President's Report: None

Explanation of Nomination and Election Process: The regulations governing the process were read.

Nominations: No nominations had been submitted prior to the meeting. Nominations were asked from the floor. Anthony Pica, and Mikki Ciner were nominated from the floor.

Instructions for Casting Ballots: Instructions for the members to cast the ballots were given at this time.

Unfinished (OLD) Business: None

New Business: The membership was asked if there was any New Business to be discussed from the floor.

Announce Election Results: The voting results were announced. Anthony Pica and Mikki Ciner were elected to the Board of Directors for a 2 year term.

Director positions will be decided at the subsequent Board of Directors meeting to be held prior to next scheduled Board Meeting.

Adjournment: A Motion to adjourn the annual meeting was made, seconded and approved by the members in attendance.

Submitted By:

Melissa Keller
Secretary

Rain Tree Villas Homeowners Association
2nd Quarter Board Meeting
Wednesday, 11 July 2012
CBM Co Office, Williamsburg, VA

MINUTES

Present: **Board Members:** Anthony Pica, Laura Hobgood, Melissa Keller
 Homeowners: none
 Assoc. Managers: Dori Kiraly, Megan Getkin

Homeowners Forum

No homeowners present.

Agenda Review and Adoption

Agenda unanimously approved as submitted.

Minutes Review and Approval

November 2011 Board meeting, February 2012 Organizational meeting, and March 2012 Board meeting

Minutes unanimously approved as submitted.

Reports

(a) Treasurer Report

1) October 2011	Total Operating Cash	\$7,409.93
	Total Reserve Cash	7,337.38
2) November 2011	Total Operating Cash	\$6,174.49
	Total Reserve Cash	7,400.78
3) December 2011	Total Operating Cash	\$7,300.05
	Total Reserve Cash	7,464.21
4) January 2012	Total Operating Cash	\$7,921.84
	Total Reserve Cash	7,465.15
5) February 2012	Total Operating Cash	\$8,284.15
	Total Reserve Cash	7,591.03
6) March 2012	Total Operating Cash	\$7,382.83
	Total Reserve Cash	7,654.48
7) April 2012	Total Operating Cash	\$9,052.11
	Total Reserve Cash	7,717.91
8) May 2012	Total Operating Cash	\$8,307.38
	Total Reserve Cash	7,781.39

Motion made, seconded and unanimously passed to approve Treasurer reports from Oct. '11 through May '12.

(b) Managing Agents Report

Motion made, seconded and unanimously passed to approve managing agents report as submitted

Unfinished Business

(a) BMP Clean Up

Ms. Kiraly will obtain proposals for cleanup of BMP.

New Business

(a) 2013 Draft Budget

Decision on item is tabled until more information is obtained by Ms. Kiraly.

(b) Landscaping Contract

Ms. Kiraly will obtain proposals from landscaping companies.

(c) Establish Formal Hearing

Board has decided to resend violation notifications to properties, allowing 30 days before the board begins the formal hearing process.

Next Meeting

Next Board Meeting scheduled for Wednesday, 3 October 2012 at 7 pm

Formal Hearings, if necessary, will be scheduled for 6:30 pm on the same day.

Adjournment

Motion made, seconded and unanimously approved to adjourn meeting at 8:45 pm.

New Business**(a) Records/Cost Schedule Resolution**

Motion made to adopt policy for records inspection by Ms. Martin, seconded by Ms. Keller, unanimously approved.

(b) BMP

Ms. Kiraly will receive proposals for maintenance of BMP; Item tabled till next meeting.

(c) Emergency Directory

The proposal of a directory will be added to the summer newsletter; homeowners may choose to participate; item will be removed from next agenda.

Adjourn

Meeting adjourned at 7:53.

MINUTES OF THE ORGANIZATIONAL MEETING
BOARD OF DIRECTORS
RAIN TREE VILLAS HOMEOWNERS ASSOCIATION, INC.
FEBRUARY 21, 2012

CALL TO ORDER

Anthony Pica, Association President, called the Organizational Meeting of the Board of Directors of Rain Tree Villas Homeowners Association, Inc. to order at 7:25

ESTABLISHED A QUORUM

A quorum was established.

Members Present: Anthony Pica, Mikki Ciner, Julie Martin and Melissa Keller

Also Present: Dori Kiraly, Association Manager, Chesapeake Bay Management, Inc.

AGENDA REVIEW & ADOPTION

Agenda was unanimously approved and adopted.

NEW BUSINESS

ELECTION OF OFFICERS

The following officers were elected until the next annual meeting.

President:	Anthony Pica	Term ends 2013
Vice President:	Mikki Ciner	Term ends 2013
Treasurer:	Laura Hobgood	Term ends 2014
Secretary:	Melissa Keller	Term ends 2014
Member at Large:	Julie Martin	Term ends 2014

NEXT BOARD MEETING

Next meeting planned for Tuesday, March 13, 2012-7 pm at the CBM office, 3705 Strawberry Plains Rd, Ste C, Williamsburg, VA 23188

ADJOURN

There being no further business, the meeting was adjourned at 7:30.

**Rain Tree Villas Homeowners Association
1st Quarter Board Meeting
24 January 2012
Chesapeake Management Co. Office, Williamsburg, Virginia**

MINUTES

Present: Board Members: Anthony Pica, Mikki Ciner, Laura Hobgood
Melissa Keller, Julie Martin
Association Manager: Dori Kiraly

Call to Order/Establish Quorum

The meeting was called to order at 7:00 by Board President, Anthony Pica. Quorum of Board was established.

Homeowners' Comments OPEN

Julie Martin informed Board of dysfunctional street light at 156 Allyson Drive. Ms. Martin will contact Dominion Virginia Power about light. Laura Hobgood informed Board of sinkholes around storm drains at 135 Allyson, 140 Allyson, 124 Raintree Way. Melissa Keller will contact VDOT about repairs.

PROCEEDINGS

Agenda Review & Adoption

Agenda accepted with addition of signs and playground area to unfinished business. Motion made, seconded and unanimously approved to adopt revised agenda.

Minutes Review & Adoption

Approval of Nov 2011 minutes tabled till next meeting.

Reports

- (a) Treasurers Report: Nov '11, Dec '11
Tabled reports review and acceptance until next Board meeting
- (b) Managing Agents Report
Motion made, seconded and unanimously approved to accept managing agents reports as submitted.

Unfinished Business

- (a) Signs
Mikki Ciner agreed to take down handicap sign and look for replacement signs. Board will review the remaining park signs.
- (b) Playground
Anthony Pica will inspect swing set.

New Business

(a) 2012 Annual Meeting

Meeting date set for February 21, 2012. Proposed date was unanimously accepted.

(b) Winter Newsletter

Newsletter will be prepared by Melissa Keller and sent to Dori Kiraly by Feb. 3.

(c) Inspection Update/Formal Hearing

Board agreed to follow through with the rules & regulation violation process.

(d) Meeting Calendar

Board decided to hold meetings at 7 pm on the second Tuesday of every other month starting in March.

Motion made, seconded and unanimously approved to accept new business as decided.

Convene to Executive Session

Anthony Pica motioned to convene to executive session at 8:37. Seconded by Melissa Keller

Reconvene to Open Session

Open session reconvened at 8:43. Mr. Pica called for motion to write off bad debt in the amount of \$1,861.06. Motion made by Ms. Hobgood, seconded by Ms. Ciner.

Mr. Pica asked for motion to write off balances under \$2.00 on select Rain Tree accounts. Motion made by Ms. Hobgood, seconded by Ms. Martin.

Adjournment

Motion made, seconded and unanimously approved to adjourn meeting.

Minutes submitted by Melissa Keller, secretary.

**Rain Tree Villas Homeowners Association
4th Quarter Board Meeting
Tuesday, 22 November 2011
Chesapeake Management Co. Office, Williamsburg, Virginia**

MINUTES

Present: Board Members: Anthony Pica, Laura Hobgood, Julie Martin,
Melissa Keller
Homeowners: Helen Goens
Association Manager: Dori Kiraly

Call to Order/Establish Quorum

Mr. Pica called the meeting to order at 6:00 pm. A quorum of Board members was established.

Homeowner Forum **OPEN**
No comments.

PROCEEDINGS

Agenda Review and Adoption

Motion made, accepted and unanimously passed to accept the agenda as submitted.

Minutes Review and Approval

Motion made, seconded and unanimously passed to accept the September 19, 2011 minutes as submitted.

Reports

(a) Treasurer's Report for May '11, June '11, July '11, August '11, September '11, October '11

Motion made, seconded and unanimously passed to accept treasurer's report.

(b) Managing Agent

Motion made, seconded and unanimously passed to accept the managing agent's report.

Unfinished Business

(a) Common Area Maintenance

Board approved landscape company to mow area behind houses on RTW adjacent to playground area.

(b) Playground Equipment

Item tabled till next meeting.

New Business

(a) 2012 Revised Draft Budget

Motion made, seconded and unanimously passed to accept revised draft budget as submitted.

(b) Rules Revision

Motion made, seconded and unanimously approved to accept rules and regulations revision concerning trash containers as stated below,

“Trash storage and collection: In any neighborhood, garbage and trash storage is particularly important, Improper storage can lead to not only a shabby appearance, but also to health and odor problems. Storage of personal property on common areas is prohibited. Homeowners should place trash receptacles behind their homes; in their garages, or to the side of their home, so long as the lid is closed, receptacle is upright & trash is contained within the receptacle. Trash containers are allowed to be at curbside no more than one day before the scheduled trash collection day, and must be returned to their storage location no later than the morning after collection day.”

Executive Session

Motion made, seconded and unanimously passed to convene to closed session for the purpose of discussing:

(a) Violations/Inspection Result

(b) Proposal review

Reconvene to Open Session

Motion made, seconded and unanimously passed to reconvene to open session.

Vote of Executive Items

(a) Violations/Inspection Result

Board approved to follow through with violation penalties.

(b) Proposal Review

Board approved to accept 2011 tax proposal prepared by Desroches.

Adjournment

Motion passed to adjourn meeting.

Minutes submitted by
Melissa Keller, secretary.

Rain Tree Villas Homeowners' Association
3rd Quarter Board Meeting
19 September 2011
Chesapeake Management Co. Office, Williamsburg, Virginia

MINUTES

Present: Board Members: Anthony Pica, Melissa Keller, Julie Martin
 Homeowners: Helen Goens
 Association Manager: Dori Kiraly

Call to Order/ Establish Quorum

The meeting was called to order at 7:15 by Board president, Anthony Pica. Quorum of the Board was established.

Homeowners' Comments OPEN

Ms. Goens informed Board of nonworking sensor light on shed at playground; Anthony Pica agreed to replace light bulb. Ms Goens questioned Board about Smart Street website, <http://www.smartstreet.org>; she wanted to know why it was not being utilized. Board agreed to work on updating website.

PROCEEDINGS

Agenda Review & Adoption Mr. Pica

Motion made, seconded and unanimously passed to accept the agenda as submitted.

Minutes Review & Approval Ms. Keller

Motion made, seconded and unanimously passed to accept the May 16, 2011 minutes as submitted.

Reports

A. Treasurer's Report May '11, June '11, July '11, August '11 Ms. Kiraly

Report tabled till next meeting while Dori Kiraly researches some items.

B. Managing Agent's Report Ms. Kiraly

Motion made, seconded and unanimously passed to accept the managing agent's report as submitted.

C. Rules & Regulations Committee Mr. Pica

Anthony Pica proposed to remove Rules & Regulations Committee from future agendas.

Motion made, seconded and unanimously approved.

Old Business

Mr. Pica

A. Closed Item

B. Landscape proposal

Taproot never honored their contract with RT HOA. Anthony Pica proposed hiring US Lawns.

Motion made, seconded and unanimously approved.

Dori Kiraly agreed to contact US Lawns about area behind playground. Item tabled till next meeting.

C. Parking

Mr. Pica proposed to remove issue from further agendas.

Motion made, seconded and unanimously approved.

D. Storage Shed

Melissa Keller agreed to wash shed.

Motion made, seconded and unanimously approved

E. Park Equipment

Expense of upkeep to be put in 2012 budget.

Motion made, seconded and unanimously approved

F. Parking Signs

Melissa Keller agreed to assess signs in park and along the Allyson Dr.

Motion made, seconded and unanimously approved.

New Business

Mr. Pica

A. Speed Bump

Mr. Pica proposed to remove item from further agendas.

Motion made, seconded and unanimously approved.

B. 2012 Initial Draft Budget

Mr. Pica proposed changing insurance to Nationwide.

Motion made, seconded and unanimously approved.

C. Playground

Item tabled till next meeting.

Motion made, seconded and unanimously approved.

D. ARC applications

ARC application reviewed for 134 Rain Tree Way, fence.

ARC application reviewed for 118 Rain Tree Way, propane generator.

Motion made to accept both applications, seconded and unanimously approved.

E. Insurance

See new business item B. Unanimous approval of changing to Nationwide insurance.

Executive Session CLOSED

9:15

Mr. Pica

Motion made, seconded and unanimously passed to convene to Executive Session.

Continuation of Open Session

9:30

Mr. Pica

Motion made, seconded and unanimously passed to reconvene to Open Session.

Vote of Executive Items

Motion made, seconded and unanimously passed to accept payment plan for resident discussed in Executive Session.

Date of Next Meeting

The 4th quarter Board meeting for Rain Tree Villas HOA scheduled for Tuesday, October 25, 2011, 7 pm at CBM Strawberry Plains office.

Adjournment

Mr. Pica

Motion made, seconded and unanimously passed to adjourn the meeting.

Minutes submitted by Melissa Keller, secretary.

EXHIBIT 13

Rain Tree Villas Homeowners Assoc., Inc.

3705 Strawberry Plains Road, Suite C
Williamsburg, VA 23188
757-706-3019 / Fax: 757-345-6532

FRIENDLY REMINDER

October 22, 2013

Horace and Patricia Smith**
290 Patriot Lane, Apt H
Williamsburg VA 23185-2064

RE: 130 Allyson Drive

Dear Owner/Resident:

A recent site inspection/report revealed that conditions exist on your property at Rain Tree Villas that is in violation of the Governing Documents.

The Architectural Guidelines state: "No building or structure upon any property within Raintree Villas shall be permitted to fall into disrepair; and each such building or structure shall at all times be kept in good condition and repair and should be adequately painted or otherwise finished according to these guidelines."

The following action(s) should be taken to bring your property into compliance:

Please clean/paint the mailbox and mailbox post.

To help us in our effort to preserve the appearance of the neighborhood and promote community harmony, we ask your cooperation in bringing this property into compliance **within thirty (30) days from the date of this letter**. Please contact our office with your intentions to comply or if you have already complied with this action. We thank you in advance for your assistance in helping us to maintain the Rain Tree community.

Should you have any questions, please feel free to contact our office at 757-706-3019.

Sincerely,



Megan Getkin,
Managing Agent

ON BEHALF OF THE BOARD OF DIRECTORS OF
RAIN TREE VILLAS HOMEOWNERS ASSOCIATION

cc: Owner File

Rain Tree Villas Homeowners Assoc., Inc.

3705 Strawberry Plains Road, Suite C
Williamsburg, VA 23188
757-706-3019 / Fax: 757-345-6532

FRIENDLY REMINDER

October 22, 2013

Horace and Patricia Smith**
290 Patriot Lane, Apt H
Williamsburg VA 23185-2064

RE: 130 Allyson Drive

Dear Owner/Resident:

A recent site inspection/report revealed that conditions exist on your property at Rain Tree Villas that is in violation of the Governing Documents.

The Architectural Guidelines state: "No building or structure upon any property within Raintree Villas shall be permitted to fall into disrepair; and each such building or structure shall at all times be kept in good condition and repair and should be adequately painted or otherwise finished according to these guidelines."

The following action(s) should be taken to bring your property into compliance:

Please maintain and fix the landscape stones around the front landscape beds.

To help us in our effort to preserve the appearance of the neighborhood and promote community harmony, we ask your cooperation in bringing this property into compliance **within thirty (30) days from the date of this letter**. Please contact our office with your intentions to comply or if you have already complied with this action. We thank you in advance for your assistance in helping us to maintain the Rain Tree community.

Should you have any questions, please feel free to contact our office at 757-706-3019.

Sincerely,



Megan Getkin,
Managing Agent

ON BEHALF OF THE BOARD OF DIRECTORS OF
RAIN TREE VILLAS HOMEOWNERS ASSOCIATION

cc: Owner File

Rain Tree Villas Homeowners Assoc., Inc.

3705 Strawberry Plains Road, Suite C
Williamsburg, VA 23188
757-706-3019 / Fax: 757-345-6532

FRIENDLY REMINDER

April 17, 2013

Horace and Patricia Smith
290 Patriot Lane, Apt H
Williamsburg VA 23185-2064

RE: 130 Allyson Drive

Dear Owner/Resident:

A recent site inspection/report revealed that conditions exist on your property at Rain Tree Villas that is in violation of the Governing Documents.

The Architectural Guidelines state: "No building or structure upon any property within Raintree Villas shall be permitted to fall into disrepair; and each such building or structure shall at all times be kept in good condition and repair and should be adequately painted or otherwise finished according to these guidelines."

The following action(s) should be taken to bring your property into compliance:

Please clean/power wash the siding on your home.

To help us in our effort to preserve the appearance of the neighborhood and promote community harmony, we ask your cooperation in bringing this property into compliance **within thirty (30) days from the date of this letter**. Please contact our office with your intentions to comply or if you have already complied with this action. We thank you in advance for your assistance in helping us to maintain the Rain Tree community.

Should you have any questions, please feel free to contact our office at 757-706-3019.

Sincerely,



Megan Getkin,
Managing Agent

ON BEHALF OF THE BOARD OF DIRECTORS OF
RAIN TREE VILLAS HOMEOWNERS ASSOCIATION

cc: Owner File