

RECEIPT

I RECEIVED THE PUBLIC OFFERING STATEMENT OF HIGHLAND
RIDGE, WITH ATTACHMENTS ON THE _____ DAY OF
_____, 2000_____.

X: _____
PURCHASER

X: _____
PURCHASER

Receipt, Agent Certification and Cancellation Page

PURCHASER RECEIPT

IMPORTANT: READ CAREFULLY

NAME OF SUBDIVISION: Highland Ridge

DATE OF REPORT: November 10, 2005

We must give you a copy of this Public Offering Statement and give you an opportunity to read it before you sign any contract or agreement. By signing this receipt, you acknowledge that you have received a copy of our Public Offering Statement.

Received by: _____

Date: _____

Street Address: _____

City: _____

State: _____ Zip: _____

AGENT CERTIFICATION

Lot: _____

Name of Salesperson: _____

Signature: _____

Date: _____

PURCHASER CANCELLATION

If you are entitled to cancel your purchase contract and wish to do so, you may cancel by personal notice or in writing. If you cancel in person or by telephone, it is recommended that you immediately confirm the cancellation by certified mail. You may use the form below.

Name of Subdivision: Highland Ridge

Date of Contract: _____

This will confirm that I/we wish to cancel our purchase contract.

Purchaser(s): _____

Signature: _____

Date: _____

Signature: _____

Date: _____

Reason for Cancellation: _____

**DECLARATION OF PROTECTIVE AND RESTRICTIVE
COVENANTS AND RESERVATIONS
REGARDING LOTS LOCATED IN
HIGHLAND RIDGE, FLEMINGTON DISTRICT,
TAYLOR COUNTY, WEST VIRGINIA**

THIS DECLARATION, dated and made effective this _ 10th_ day of November, 2005, by Greenwood Land, Inc., a West Virginia corporation, hereinafter referred to as ADeclarant.@"

WHEREAS, Declarant is the owner of certain real property located in Flemington District, Taylor County, West Virginia, which property has been named AHighland Ridge@" and is shown in detail on that certain plat or map (Athe Plat@) of said planned community which is of record in the Office of the Clerk of the County Commission of Taylor County, West Virginia, in Large Plat Cabinet No. __294__, at envelope or page __16__, to which said Plat reference is hereby made for all purposes, a copy of which Plat is attached hereto as Exhibit I;

WHEREAS, Greenwood Land Inc., a West Virginia Corporation, (the "Declarant") is engaged in the development for residential ownership certain lots or parcels of land situate in a Development known as Highland Ridge located in Flemington District, Taylor County, West Virginia;

WHEREAS, Declarant has laid out and subdivided into lots and streets a certain portion of the total acreage of said Development to be known as AHighland Ridge@ - Phase I & II

WHEREAS, Declarant desires to sell the lots located within Highland Ridge@ - according to a general plan of development as hereinafter set forth;

WHEREAS, the Declarant has established a general plan for the improvement and development of Highland Ridge described and shown in the aforesaid plat, and now desires to

establish certain covenants, conditions, reservations, restrictions, easements, liens and charges (hereinafter sometimes referred to collectively as the ACovenants@) on the use of the aforesaid property by the Declarant and its successors in title;

WHEREAS, Declarant deems it desirable and necessary to impose the Covenants upon the said property in order to protect and insure the preservation of the values and amenities of the said planned community for the benefit and complement of all the lots contained therein and all owners thereof, now and in the future;

WHEREAS, Declarant has determined it advisable and necessary to establish an entity to which shall be delegated the power and duty to maintain and administer community properties and facilities located within said planned community, and to administer and enforce the Covenants, and to collect, hold, manage and expend all assessments and charges collected as hereinafter provided, and to otherwise do all things proper and necessary to ensure compliance with the Covenants for the mutual benefit of all Owners; and

WHEREAS, Declarant has organized, pursuant to the laws of the State of West Virginia a non-profit association to be known as AHighland Ridge Home Owners Association@ (hereinafter AAssociation@), which such company shall be charged with the duty of administering and enforcing the provisions of this Declaration as aforesaid and as set forth herein.

NOW, THEREFORE, WITNESSETH: Declarant hereby declares that the real estate together with all roadways, improvements and other permanent fixtures now and later situate thereon and all rights and privileges pertaining thereto known and designated as AHighland Ridge@ the real property comprising the Development is located in Flemington District, Taylor County, West Virginia as shown more fully on the Plat herein referred to is a Planned Community

in accordance with Chapter 36B of the West Virginia Code, as amended and said Lots shall be held, sold and conveyed as a Common Interest Community as provided for in Chapter 36 B of the Code. Said Development shall be subject to the following covenants, conditions, reservations, restrictions, easements, liens and charges, all of which are intended and designed for the purpose of enhancing and protecting the value, desirability and attractiveness of the real property subject thereto. Said covenants, conditions, reservations, restrictions, easements, liens and charges, and the right to enforce the same, shall be deemed to run with the land thereby affected, and the same shall be binding upon all persons having or acquiring any right, title or interest in and to the subject property or any part thereof, and their heirs, administrators, executors, successors and assigns, and shall inure to the benefit of each Owner thereof, and his or her heirs, administrators, executors, successors, and assigns.

The real property held by the Development known as Highland Ridge is owned by Greenwood Land, Inc. and is assessed as 185.29 acres, more or less, in the Office of the Assessor of Taylor County as Map 1 Parcel 7 and conveyed to Greenwood Land, Inc. by deeds of record in the Office of the County Commission of Taylor County, West Virginia as set forth on Exhibit II attached hereto and made a part hereof and more particularly described on the Plat as Phase I, II and III of Highland Ridge. Phase I shall consist of a maximum of 32 separate Lots.

The Declarant retains Special Declarant Rights herein. The real property set forth on the Plat as Phase II and Phase III may be developed by Declarant. Declarant may develop Phases II or III but makes no assurances as to whether or not Phases II and III will be developed, when they will be developed or the order of development thereof; provided, however, if Declarant develops Phases II and III each Lot will be not less than one acre in size and will be subject to all

restrictions and obligations of this Declaration. Declarant retains the right to withdraw real estate in Phases II and III from the Common Interest Community.

ARTICLE 1 - DEFINITIONS

1.01 AAssociation@ shall mean and refer to Highland Ridge Homeowners= Association, a copy of the Certificate of a Voluntary Association is attached hereto as Exhibit III, and any wholly owned subsidiary thereof, and its successors and assigns.

1.02 ACommon Interest Community@ means real estate with respect which a person by virtue of his ownership of a Lot is obligated to pay for real estate taxes, insurance premiums, maintenance or improvements of other real estate described in the Declaration.

1.03 ADeclaration@ shall mean any instrument that create a Common Interest Community including any amendments thereto.

1.04 ADeclarant@ shall mean and refer to Greenwood Land Inc., a West Virginia corporation, its successors and assigns. It is not the intent of this Section 1.02 that any Owner or creditor of any Owner be at any time deemed to be ADeclarant.@

1.05 ADevelopment@ shall mean and refer to the Property in Phase I of Highland Ridge.

1.06 ADevelopment Rights@ means any right or combination of rights reserved by Declarant in Declaration to (i) add real estate to a Common Interest Community, (ii) create Lots, Common Elements or Limited Common Elements within a Common Interest Community, (iii) convert Lots into Common Elements or (iv) withdraw real estate from Phases II and III of the Common Interest Community.

1.07 ACommon Elements@ - The real property owned by the Association for use and all Members consisting of roadways, streets and rights of way.

1.08 ALot@ shall mean and refer to any parcel of land shown upon the Plat of Highland Ridge - Phase I, and duly numbered therein, and all recorded revisions thereof.

1.09 ALot Owner@ shall mean and refer to the record owner, whether one or more persons or entities, of a fee interest in any Lot, excluding those having such interest merely as security for the performance of an obligation.

1.10 AMember@ shall mean and refer to any and every person or entity holding membership in the Association in accordance with Article II hereof.

1.11 AProperty@ shall mean and refer to that certain real property more particularly described as Highland Ridge - Phase I, as the same is shown upon that certain Plat recorded as aforesaid.

1.12 ARestrictions@ shall refer to the covenants, agreements, easements, restrictions, charges and liens set forth in this Declaration.

1.13 AWritten Approval@ shall mean a regularly approved resolution of the membership of the Association at a regular or special meeting called pursuant to the Association=s By-Laws.

ARTICLE II - HIGHLAND RIDGE HOMEOWNERS ASSOCIATION

2.01 Every person or entity who is an Owner of a Lot in Highland Ridge shall, by reason of such ownership, automatically be a member of the Association and subject to the rules, regulations and restrictions of this Declaration and the By-Laws of the Association, a copy of which is attached hereto as Exhibit IV, and further subject to assessment by the Association. Ownership of a Lot shall be the sole qualification for membership in the Association and Owner shall be entitled to (1) vote for each Lot owned by Owner in Highland Ridge.

2.02 The acceptance of a deed for any Lot shall constitute the legally binding and enforceable agreement of the Owner to become a member of the Association which shall be governed by the Executive Board.

ARTICLE III - MANAGEMENT AND DECLARANT=S RESERVED RIGHTS

3.01 Subject to other restrictions contained in this Declaration, the Association shall have the authority to take any action described by West Virginia Code Section 36B-3-102, as amended, so that the Association may satisfy it=s general responsibility of governing, maintaining, and managing the Development.

3.02 The Association shall have all additional powers granted by the terms and conditions of this Declaration.

3.03 The Association shall have a three (3) member Executive Board who shall be generally responsible for the day to day management of the Association. The Executive Board shall have all of the powers, duties and responsibilities as described by West Virginia Code Section 36B-3-103, as amended.

3.04 (a) There shall be an initial period of Declarant=s control of the Association during which Declarant or persons designated by it, may appoint and remove Association officers and members of the Board. The period of Declarant=s control terminates no later than the earlier of: (i) Sixty days after conveyance of seventy-five percent (75%) of all Lots that may be created to Lot Owners other than Declarant; (ii) Two years after Declarant has ceased to offer Lots for sale in the ordinary course of business; or (iii) Two years after any right to add new Lots was last exercised. Declarant may voluntarily surrender the right to appoint and remove officers and members of the board before termination of that period, but in that event, Declarant may require, for the duration of the period of Declarant=s control, that specified actions of the Association or Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

(b) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of all Lots that may be created to Lot Owners other than Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Board must be elected by Lot Owners other than Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots which may be created to Lot Owners other than a Declarant, not less than thirty-three and one-third percent (33-1/3%) of the members of the Executive Board must be elected by Lot Owners other than the Declarant.

(c) Not later than the termination of any period of Declarant control, the Association shall elect an Executive Board of at least three (3) members, at least a majority of whom must be Lot Owners. The Executive Board shall elect the officers. The Executive Board and officers shall take office upon election.

3.05 The Executive Board shall have the following authority:

(a) To borrow money, in accordance with this Declaration, for the purpose of improving the easements, roadways, streets and rights-of-way of the facilities and other appropriate purposes;

(b) To suspend the right of a Member to use any of the easements, streets and rights-of-way for any period during which any assessment against his or her lot remains unpaid;

(c) To suspend the voting rights of a Member for any period during which any assessment against his or her Lot remains unpaid;

(d) To dedicate, assign or transfer all or any part of the easements to any public agency, authority or utility for such purposes, and subject to such conditions as may be agreed to by the Members provided, however, no such dedication or transfer shall be effective unless an instrument signed by Members entitled to cast three-fourths (3/4) of the votes of the membership has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every eligible member not less than thirty (30) days nor more than sixty (60) days in advance of the meeting at which such action will be considered.

(e) Purchase equipment, tools, etc.;

(f) Cause to be placed or kept in effect liability insurance on Common Elements;

(g) Maintain the Association's financial record books, accounts, etc.;

(h) Maintain records to describe the services rendered and to identify the source of all funds collected by the Association;

- (i) Prepare a proposed annual budget to be approved by the Association and set the Annual Maintenance Fee for Lot Owners from time to time;
- (j) Collect common expenses and charges from members;
- (k) Maintain and utilize bank accounts;
- (l) Promulgate and enforce reasonable rules and regulations relative to use and occupancy;
- (m) Perform or cause to be performed, such repairs, maintenance and alterations and/or additions to any Lot;
- (n) Employ and retain such professional and other experts whose services may be reasonably required to effectively perform these duties;

**ARTICLE IV - ALLOCATED INTEREST, USE AND SPECIAL
ENJOYMENT OF COMMON ELEMENTS AND DECLARANT'S
RIGHTS AND RESERVATIONS**

4.01 (a) Each Lot Owner shall be allocated an undivided interest in the Common Elements.

(b) Declarant, as the owner of unimproved Lots within the Development, shall not be allotted an allocated interest by the Association for purposes of sharing in Association expenses during the period of Declarant control as described in Article 3.04. The Association is not authorized or empowered by this Declaration, the Public Offering Statement, Articles of Incorporation or By-Laws to assess Common Expenses against Declarant for unimproved Lots prior to the disposition of the Lots to Lot Owners. Declarant may improve certain Lots with sales models and as to those Lots only, Declarant will be responsible for and subject to assessment at the time construction commences on the models. Nothing in this exemption to Declarant shall be construed to exempt Lot Owners holding title to unimproved Lots. Allocated interests shall be allocated equally to Lot Owners (excluding Declarant except for sales models constructed by Declarant) of both improved and unimproved Lots.

4.02 The Declarant retains Special Declarant rights herein. It is Declarant's intention to conduct the development of the Development in Phases. Therefore, the Lot Owners' final allocated interest will vary depending upon the ultimate number of Lots created by Declarant. THE TOTAL NUMBER OF LOTS DEDICATED TO THE DEVELOPMENT HAS NOT BEEN CONCLUSIVELY DETERMINED. Declarant may or may not develop Phases II or III and makes no assurances as to the time of the development of Phases II or III or the order of the development thereof. Notwithstanding the foregoing, if developed all Lots in Phases II and III

shall be subject to the same restrictions and obligations contained herein and shall not be less than one (1) acre in size. It is possible, however, that the Association at some time in the future would impose Annual Maintenance fees to Lot Owners other than equally based upon Lots benefitted thereby.

4.03 Declarant covenants that the entrance way and streets as designated on the plat of Phase I of Highland Ridge will be paved on or before the 31st day of December, 2006. The paving of the entrance way and streets shall be asphalt. The completed streets shall be paved to a width of at least twenty feet (20') and completed pavement shall consist of a total compacted thickness of four and one-half inches (4.5") of asphalt.

4.04 (a) Declarant hereby reserves unto itself, its successors and assigns, general easements for the purpose of installing, maintaining, repairing, replacing, altering and removing utilities of all sorts for providing service to the Development and other properties contiguous thereto. Declarant further reserves unto itself, its successors and assigns, the right to extend those utility easements. The Declarant, Greenwood Land, Inc., reserves an easement or right of way ten (10) feet in width contiguous and parallel to all lot lines for the construction and maintenance of underground utility lines, including, but not restricted to, electricity, television cable, telephone, gas and water lines extending from supply lines to other Lots in said Development, and also for storm drains and sanitary sewer lines as may become necessary.

(b) Declarant and its respective agents, successors and assigns, shall have the right to enter upon all parts of the easement area of each Lot for any of the purposes for which said easements and rights-of way are reserved.

(c) All Lot Owners, by accepting title to Lots conveyed subject to these covenants, waive all rights of uncontrolled and unlimited access, ingress and egress to and from such Lot or Lots, and acknowledge and agree that such access, ingress and egress shall be limited to roads, sidewalks, walkways and trails located within the Development from time to time, provided that pedestrian and vehicular access to and from all Lots shall be provided at all times.

(d) Declarant, the Association and their respective agents, successors and assigns, shall employ all means necessary to insure that each Lot Owner shall enjoy an easement of view and sight that is in conformity with the aesthetic interests of each Lot Owner and the Development as a whole.

4.05 The Association shall have the following duties and obligations:

(a) To preserve and maintain all streets and roadways in a manner consistent with good property management, and in any event, in accordance with standards approved by the Members.

(b) To protect, maintain and preserve all outdoor lighting facilities owned or contracted by the Association.

(c) To preserve and maintain all common portions of all utilities serving the Development.

(d) To elect an Executive Board to carry out the duties and obligations of the Association and to enforce the covenants and restrictions contained herein.

4.06 Each Lot Owner shall keep all Lots owned by him or her, and all improvements therein or thereon, in good order and repair, but not limited to, the painting (or other appropriate external care) of all buildings and other improvements, all in a manner and with such

frequency as is consistent with good property management. If, in the opinion of the Association=s Manager or majority of the Members, any Lot Owner fails to perform the duties imposed by the preceding sentence, the Association=s Manager or Members, after thirty (30) days written notice to the Lot Owner to remedy the condition in question, shall call a special meeting of the Association Members and propose that the Association, through its agents, enter upon the Lot in question to repair, maintain, repaint and restore the Lot, or such improvements, and the cost thereof shall be a binding personal obligation of such Lot Owner as well as a lien (enforceable in the same manner as a deed of trust) upon the Lot in question. The Association, at such meeting with a quorum present, shall approve such action of the Association by at least eighty percent (80%) of the votes present. This approval shall be deemed to be an approval of a special assessment for the purpose of paying the Association=s agents.

ARTICLE V - ASSESSMENTS, MEETINGS AND QUORUM

5.01 Highland Ridge Lot Owners are subject to a maintenance annual fee, payable on January 1st, for maintenance and operation of the Community. The fee is initially set by Declarant at Five Hundred and 00/100 Dollars (\$500.00) The Executive Board shall each year prepare a budget and submit the projected budget to the Association for approval. The amount determined, divided by the sum of the number of Lots in the Community, determines the Annual Maintenance fee to be paid annually by the Lot Owner(s) of each Lot, unless the Executive Board makes a determination that the improvements costs benefit some Lot Owners and not others and, therefore, an unequal assessment will be charged Lot Owners, all as more fully set forth in By-Laws attached hereto. Initially, a purchaser shall pay for the remaining portion of year in which a Lot was bought, that portion of the annual assessment equal to the number of full months

remaining in the fiscal year after recordation of the deed, divided by twelve calendar months, multiplied by the then yearly fee assessed for each Lot, unless otherwise provided in the Sales Contract or other closing documents. The Lot Owners can expect that the assessment will consist of, but not be limited to, fees for snow removal, road maintenance (including repaving), lighting, security, real estate taxes on Common Elements and liability insurance.

5.02 If at any time the Owners of at least sixty percent (60%) of the Lots shall elect to repave, repair or otherwise improve any street or roadway, the Executive Board shall obtain bids and enter into a contract for the improvements and the Executive Board shall divide the cost thereof among the Lot Owner and assessed to the Lot Owner in Phases I, II and III based upon the Lots benefitted thereby. Such cost, once incurred and assessed, shall be a lien against such Lot Owners in Highland Ridge - Phases I, II and III enforceable in like manner as any judgment granted by a court of law.

5.03 The Highland Ridge Homeowners Association through the Executive Board, shall have the right and power to levy assessments against its members, and shall fix and determine the amount of said assessments necessary and adequate to meet the expenses necessary for the orderly, safe, and sanitary operation of the Development. The Executive Board is specifically empowered, on behalf of the Highland Ridge Homeowners Association to make and collect such assessments. Funds for the payment of such expenses shall be assessed against the Lot Owners, and shall be payable annually, in advance, as ordered by the Executive Board. Special assessments, should such be required by the Executive Board, shall be levied and paid in the same manner. The Executive Board shall mail or present statements of all assessment to each Lot Owner. Such assessments shall be the responsibility of each Lot Owner whether or not

construction of their residence has been commenced. In the event of any regular or special assessment is not paid within thirty (30) days of the date it is due and payable, the Highland Ridge Homeowners Association through its Executive Board, may proceed to enforce and collect such assessment, together with interest thereon at the rate of eight percent (8%) per annum, against the Lot Owner owing the same. The Association shall have all the powers, rights, privileges and legal remedies provided by law for the collection and enforcement of assessments. Each Lot Owner shall be liable for his assessment, and shall likewise be responsible for all attorney's fees, interest and costs incurred by the Highland Ridge Homeowners Association in connection with the collection of any unpaid assessment. Any assessment not paid when due shall automatically be and become a lien against the affected Lot, enforceable in like manner as any judgment granted by any court of law; and each deed for a lot in Highland Ridge will contain a provision that the Association shall have such lien for unpaid assessments.

5.04 No Owner may waive or otherwise avoid liability for the assessments provided herein by non-use of the rights-of-way or abandonment of his Lot.

5.05 The lien of the assessments provided for herein shall be subordinated to the lien of any mortgage or deed of trust. Sale or transfer of any Lot which is subject to any mortgage or deed of trust, pursuant to foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof 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 therefore.

5.06 The following property subject to this Declaration shall be exempt from the assessments created therein: (a) all properties dedicated to and accepted by a public authority; (b) the rights-of-way and (c) all properties owned by a charitable or non-profit organization exempt

from taxation by the laws of the State of West Virginia. Notwithstanding the foregoing, no land or improvements devoted to dwelling use shall be exempt from said assessments.

5.07 The annual meeting of the Association shall be held on the 3rd Monday of January of each year at such time and place as the resident may designate.

5.08 Special meetings of the Association may be called by the President or a majority vote of the Members of the Association upon ten (10) days written notice to all Members of the time, place and agenda of said special meeting.

5.09 At any and all meetings called pursuant to the terms herein, the presence at the meeting of Members or proxies entitled to cast sixty percent (60%) of all votes of the membership, as then constituted, shall constitute a quorum. If the required quorum is not present at a meeting, another meeting may be called, subject to the notice requirement set forth herein, and the required quorum at any such subsequent meeting shall be one-half (1/2) of that required at the preceding meeting. No such subsequent meeting shall be held more than fifteen (15) days following the first meeting. If the required quorum is not present at such subsequent meeting, the Executive Board of the Association shall have the power, after ten (10) days written notice has been sent to all Members of the matter or matters to be acted upon, to act by a majority vote on such notified matter or matters; *provided, however*, the power the Executive Board to so act shall be extinguished upon receipt by the Executive Board of written objection to the matter or matters to be so acted on by fifty percent (50%) or more of the Members.

ARTICLE VI - COVENANTS AND RESTRICTIONS

6.01 The following covenants, conditions, restrictions, limitations, regulations and agreements are hereby imposed on all Lots of Highland Ridge as shown on the final plat of said Development, and said restrictions shall be binding upon the Declarant, any developer and all purchasers or other parties having any interest therein. The following restrictions are intended to be covenants running with the land.

1. No lot shall be used except for single-family residential purposes, and not more than one building shall be built or erected upon each Lot, including any garage and storage building, both of which must be permanently incorporated into and architecturally consistent with the structure of the residential dwelling.

2(a) For all purposes herein Agrade@ shall be defined to be the ground level at the perimeter of the exterior finished surface of the house.

(b) For all purposes herein Aabove-grade finished square footage@ shall be defined to be the sum of the finished areas on levels that are entirely above-grade.

(c) For all purposes herein the Abelow grade finished square footage@ of a house is the sum of finished areas on levels that are wholly or partly below grade.

3. The residence erected on said Lot shall be limited to either a one-story, one and one-half story, two story, split-level or a split-entry structure, and shall be subject to the limitations hereafter:

(a) A one-story dwelling shall have a minimum finished above-grade living area of one-thousand eight hundred (1,800) square feet; plus an attached garage with a

minimum of two (2) parking stalls, said garage not to be included in calculation of the foregoing living area.

(b) A one and one-half story dwelling shall have a minimum finished above-grade first floor living area of one thousand three hundred fifty (1,350) square feet; plus an attached garage with a minimum of two (2) parking stalls, said garage not to be included in calculation of the foregoing living area.

(c) A two-story dwelling shall have a minimum finished above-grade first floor living area of one thousand one hundred (1,100) square feet; plus an attached garage with a minimum of two (2) parking stalls, said garage not to be included in calculation of the foregoing living area.

(d) A split-level dwelling shall have a minimum of one thousand eight hundred (1,800) square feet of above-grade finished living area in the two opposite levels; plus an attached garage with a minimum of two (2) parking stalls, said garage not to be included in calculation of the foregoing living area or 2,100 square feet without attached garage allowing for a two (2) car garage below grade.

(e) A split-entry dwelling shall have a minimum of one thousand eight hundred (1,800) square feet of above-grade finished living area on the main floor; said garage not to be included in calculation of the foregoing living area or 2,100 square feet without attached garage allowing for a two (2) car garage below grade.

(f) All residences within the Development shall be constructed in full compliance with the AState Building Code@ promulgated pursuant to ' 29-3-5B of the West Virginia Code, as now in effect or as hereafter amended; provided, that under no circumstances

shall any Amanufactured home,@ as defined under ' 21-9-2 of the West Virginia Code, as now in effect or as hereafter amended, or any other type of HUD Code housing units, either single-wide or multi-sectional be permitted within the Development; and provided further that the architectural and engineering design, construction standards and materials specifications of all residences shall be submitted to and must be approved by the Executive Board prior to the commencement of construction.

(g) No residence shall be erected on a Lot so that any portion thereof is closer than thirty-five (35) feet to any roadway pavement or street located in or bordering on the Development, and no portion thereof shall be closer than twenty (20) feet from the side or rear lot boundaries.

(h) No wall, fence, hedge or shrubbery, or other obstruction of similar nature, shall be erected or placed within twenty (20) feet of the roadway pavement; and no wall, fence, tree, hedge or shrubbery, or other obstruction of similar nature, shall be erected, planted or maintained in a manner which obstructs sight lines for vehicular traffic.

(i) The exterior of said residence shall be of standard frame, wood, vinyl siding, brick or stone construction, with no concrete block foundations exposed above grade; and all materials and outside colors shall be subject to the approval of the Executive Board.

(j) Each residence shall have a minimum of two (2) automobile parking spaces, each of which shall be at least ten (10) feet in width by twenty (20) feet in length, for off-street parking, the pavement of which must be connected to the paved portion of the street on which the Lot fronts and continue without interruption to the foundation of the residence and must be situated so parked cars do not obstruct the view of the residence from the street.

(k) An underground drainage culvert which meets the then existing diameter size and materials requirements of the West Virginia Division of Highways shall be required under any driveway connecting to any Development roadway in any instance where the driveway connects to the Development roadway on a downward slope.

(l) No surface water drainage patterns existing on any Lot at the time of its purchase by a Lot Owner, and no drainage culverts existing on any Lot at the time of its purchase by a Lot Owner, shall be altered or modified in any manner or for any purpose whatsoever without the prior written approval of the Executive Board.

(m) An outside lamp post and light shall be constructed and maintained in the front of each residence at a point no greater than ten (10) feet from the front Lot line.

(n) All utility lines leading from supply lines to the residence shall be underground, and their construction and maintenance shall be the sole responsibility of the Lot owner. No Lot Owner may add any utility connections other than as absolutely necessary to supply the single-family home needs.

(o) All septic tanks must be constructed in compliance with all state, county and local statutes, laws, ordinances, rules and regulations, and must, prior to use, be officially approved in writing by all state, county, or local authorities now or hereafter having jurisdiction.

(p) Construction of said residence, once begun, shall continue without undue delay until completion, and all construction must be completed within a ten (10) month period, unless otherwise approved by the Executive Board. No residence shall be occupied either temporarily or permanently until it is completed.

4. Prior to commencement of construction upon any Lot, Owner shall not use the Lot for any purpose. Said Lot shall be kept in a neat and clean order, free from all debris, both prior to and during construction, at the sole cost and expense of the Lot Owner.

5. Any dirt or stone which any Lot Owner wishes to remove from his property, as the result of construction, excavation or otherwise, shall be removed only to a site within Highland Ridge as directed and approved by the Declarant, Greenwood Land, Inc., and in no event shall any dirt or stone be removed from the Development without the express written consent of Greenwood Land, Inc. being first obtained.

6. If construction of a residence dwelling is not commenced within one (1) year after the closing of the purchase of a Lot, the Declarant may, at its sole option, repurchase the Lot at a price equal to the original purchase price plus eight percent (8.0%) of the original purchase price.

7. No Lot may be subdivided for any purpose, except that adjoining Lot Owners may make conveyances of not more than twenty (20) feet for minor boundary adjustments. Two or more Lots in the Development may be combined into one Lot; however, the lots so combined shall thereafter become and permanently remain one lot subject to all the covenants, restrictions and conditions herein contained and shall not thereafter be subdivided again without the express written approval of the Executive Board first being obtained. If right of way is being utilized then boundary adjustment will be subservient to right of way.

8. Any satellite dish or reception dish of any kind constructed or erected on any Lot shall be no greater than three (3) feet in diameter and shall be attached to the residence or garage or located at least twenty-five (25) feet from the rear and side Lot lines and at least

twenty-five (25) feet behind the rear wall of the residence constructed thereon; provided, that the final site location thereof shall require Executive Board Approval, which shall not be unreasonably withheld. No other antenna, aerial or like structure shall be placed upon or attached to any building or land within the Development.

9. (a) All plans and specifications of any building, swimming pool, fence, wall or other structure whatsoever, to be erected or moved upon or to any Lot, the proposed location thereof on any Lot, the roofs and exterior color schemes thereof, any later changes or additions thereto after initial approval thereof; and any remodeling, reconstruction, alterations and additions to any building or other structures on any Lot shall be subject to and shall require the prior written approval of the Executive Board before any such work is commenced.

(b) There shall be submitted to the Executive Board three (3) complete sets of plans and specification of any and all improvements, the erection or alteration of which is desired, and no structures or improvements of any kind shall be erected, altered, placed or maintained upon any Lot unless and until the final plans, elevations and specification therefore have received written approval as herein provided. Such plans shall include plot plans and architectural design specifications and details showing the location on the Lot of the building, and any wall, fence, or other structure proposed to be constructed, altered, placed, or maintained thereon, together with the proposed color schemes for roofs and exteriors thereof.

(c) The Executive Board shall approve or disapprove plans, specifications and details within thirty (30) days from receipt thereof. Two (2) sets of said plans and specifications and details, with the approval or disapproval endorsed thereon, shall be returned to the person submitting them, and the other copy thereof shall be retained by the Executive Board.

(d) The Executive Board shall have the right to disapprove any plans, specifications or details submitted to it in the event such plans, specifications and details are not in accordance with all the provisions of these covenants, conditions, and restrictions, or if the design or color schemes of the proposed building or any structure is not in harmony with the general surroundings of such Lot or with the buildings or structures on adjacent or nearby Lots, or if the plans and specifications or details, or any part thereof, are contrary to the interests, welfare, or rights of any part of the real estate subject hereto, or the owners thereof, all in the sole discretion of the Executive Board.

(e) Neither the Executive Board, nor any architect or agent thereof, shall be responsible in any way for any defects in any plans and specifications submitted, revised or approved in accordance with the foregoing, nor for any structural or other defects in any work done according to such plans and specifications.

(f) The Lot Owner shall be wholly and solely responsible and liable for any Lot and all damages to the streets and roadways and any other Lot or Lots in the Development during construction and shall indemnify and hold and save the Executive Board, the Declarant and the Homeowners' Association, as applicable, harmless from any and all injuries, damages or loss of any kind or nature whatsoever to any person or property during any construction activity on his property.

(g) Anything in these restrictions, covenants and conditions to the contrary notwithstanding, no construction, alterations modifications or repairs of any nature shall be commenced or continued on any property within the Development except in full compliance with all applicable state, federal, county and local laws, ordinances, rules and regulations; and any

and all structures or improvements constructed, erected, altered, modified or remodeled in any manner at any time must meet all applicable federal, state, county and local requirements necessary to make or maintain all property within the Development eligible for purchase money financing in accordance with all requirements of the Federal National Mortgage Association (FNMA), the Federal Housing Administration (FHA), the Department of Veterans Affairs, the West Virginia Housing Development Fund (WVHDF), and all other federal, state, county and local agencies or regulatory bodies of competent jurisdiction.

(h) (i) It shall be the obligation of each Lot Owner to maintain at all times a comprehensive insurance policy insuring his or her Lot, and the improvements thereon, against the risk of loss due to fire, casualty or other disaster in an amount to be set from time to time, but no more frequently than once a year, by the manager of the Association. Notwithstanding the foregoing, the amount of the policy shall at least equal eighty-five percent (85%) of the purchase price of the Lot and the cost of any and all improvements thereon.

(ii) In the case of fire, casualty or other disaster, each Lot Owner covenants to apply all insurance proceeds to the extent necessary for the reconstruction of the Lot and the improvements thereon. Reconstruction as used in this paragraph shall mean the restoration of all buildings and landscaping to substantially the same condition in which they existed prior to the fire, casualty or other disaster.

(iii) Each Lot Owner covenants and agrees to carry a policy of liability insurance and to name therein the Association as an insured party, as its interest may appear. As a condition precedent to the purchase of any Lot in the property, the purchaser shall exhibit a policy of casualty insurance issued by a good and solvent insurer authorized to do business in West

Virginia, which policy shall contain an endorsement that proceeds from the policy are jointly payable as their interests may appear to (i) the purchaser, (ii) any person, firm or corporation benefitting from a deed of trust on the subject property.

10. No mobile home or house trailer may be placed for any period of time on any Lot, either temporarily or permanently, and no basement, or any structure of a temporary nature shall be used on said Lot at any time as a residence, either temporarily or permanently.

11. No noxious or offensive activity shall be conducted on any Lot and nothing shall be done thereon which may be or become an annoyance or nuisance to the neighborhood.

12. No animals, livestock, or poultry of any kind shall be kept on any Lot, except ordinary household pets, and these not for commercial purposes.

13. No business or commercial activity of any kind shall be conducted on any Lot at any time.

14. No boat, trailer, hauling camper, self-propelled or towed motor home, mini-motor home or any similar recreational vehicle may be parked, stored or serviced for maintenance purposes on any Lot, street or roadway within the Development which will be visible from any street in the Development.

15. No ATV, motorcycle, motorbike, moped, or any similar motorized recreational vehicle may be driven or operated on any Lot, street or roadway within the Development. No ATV, motorcycle, motorbike, moped, or any similar motorized recreational vehicle may be parked, stored or serviced within the Development except in the garage or behind the residence and not subject to view from the streets or roadways. ATVs, motorcycle,

motorbike, moped, or any similar motorized recreational vehicle may be driven on Development streets and roadways solely for the purpose of ingress to and egress from the Development.

16. No above-ground swimming pool of any type shall be erected or constructed on any Lot either temporarily or permanently unless approved by Executive Board.

17. No permanent structure for airing or drying clothing, laundry or wash outdoors shall be erected on any portion of any Lot.

18. No trash, garbage or other waste material or refuse shall be placed or stored on any Lot except in securely covered metal or heavy-gauge plastic or vinyl sanitary containers placed on the rear of the lot at least ten (10) feet from any lot line. All waste containers shall be kept in a clean and sanitary condition and emptied regularly.

19. No gardening activity, except landscaping, shall be conducted on any Lot or parcel of land within the Development; except that gardening may be conducted on a Lot improved with a residence, but only in the area between the rear lot line and the rear wall of the residence constructed thereon and a line which runs between side lot lines parallel with such rear wall.

20. No loaded firearms and no uncased firearms or weapons of any type shall be carried, transported or otherwise displayed openly on any undeveloped or developed Lot or parcel of land or on any street or roadway within the Development.

21. No Lot Owner shall use, produce, generate, transport, store, treat, manufacture, refine, handle or dispose of hazardous or toxic substances, wastes or related materials on any Lot, as those terms are defined under state and federal laws and regulations currently in effect or which may be hereafter enacted, pertaining to the use, production, generation,

transportation, storage, treatment, manufacture, refining, handling or disposal of hazardous or toxic substances, wastes or related materials.

22. The purchase of property within this Development will bind the Lot Owners to connect to public sewer provided by the Taylor County Commission or Public Service District providing such service, upon the earlier of (a) the written direction of the Declarant, or (b) upon vote of at least 75% of the Members at such time as residential dwellings have been completed on at least 80% of the Lots sold by the Declarant. If Lot Owner fails to connect to public sewer the Lot Owner agrees that Lot Owner shall nevertheless be charged the monthly fee for minimum usage as set by the authority managing the public sewer.

23. The Executive Board shall have the right, upon twenty (20) days notice to the Lot Owner setting forth the action intended to be taken, and if at the end of such time such action has not been taken by the Lot Owner, to trim or prune, at the sole expense of the Lot Owner, any tree, hedge, shrubbery or other planting which, in the sole opinion of the Executive Board, by reason of its location upon any Lot or the height to which or the manner in which it is permitted to grow, obstructs visual sight lines for vehicular traffic, is detrimental to any adjoining property or is unattractive in appearance. The Executive Board shall further have the right, upon like notice and conditions, to care for vacant and unimproved lots, and to remove grass, weeds, and all types of debris and rubbish therefrom, and to do any and all other things necessary or desirable, in the sole opinion of the Executive Board, to keep such lot in good order and attractive appearance. All such actions taken by the Executive Board shall be a the sole cost and expense of the Lot Owner, paid by the Executive Board shall be immediately upon demand reimbursed to the Executive Board by the Lot Owner; and, if not paid within ten (10) days of such demand, such costs and

expenses shall become a lien against the Lot Owner affected, enforceable in like manner as any judgment granted by a court of law.

24. These covenants, restrictions and conditions are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date these covenants are recorded; after which time they shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions may be amended during the first thirty (30) year period only by an instrument signed by not less than ninety percent (90%) of the Lot Owners and placed of record in the deed records of the County Clerk's office, and thereafter by such an instrument so recorded and signed by not less than seventy-five percent (75%) of the Lot Owners.

25. Either the Declarant, Highland Ridge Homeowners= Association or any Lot Owner shall have the right to enforce, by an legal proceeding, all covenants, restrictions, conditions, reservations, liens and charges now or hereafter imposed by these covenants and restrictions against any person or persons violating or attempting to violate the same and to either enjoin the violation thereof recover damages related to any such violation or attempted violation. No failure or delay on the part of the Declarant, Highland Ridge Homeowners= Association or any Lot Owner in exercising any right, power or privilege to enforce any covenant, restriction, condition, lien or charge herein contained shall be construed to constitute a waiver thereof or of any other such right, power or privilege either of them may have; nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the Declarant,

Highland Ridge Homeowners= Association or any Lot Owner hereunder are cumulative and not exclusive of any other rights or remedies which either of them may otherwise have at law.

26. If any portion or provision of the foregoing covenants, conditions and restrictions shall for any reason be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect any other provision hereof, but rather these covenants, restrictions and conditions shall be construed as if such invalid or unenforceable provision had never been contained herein.

27. All of the foregoing matters shall be incorporated into all deeds to Lots in Highland Ridge - Phases I, II and III and shall be binding and effective whether set out verbatim or incorporated by reference in any such deed.

ARTICLE VII - COVENANTS FOR INSURANCE

7.01 It shall be the obligation of the Association to endeavor to maintain at all times:

(a) Developer will provide insurance coverage for liability purposes on all Common Elements until the Association=s first meeting in limits of coverage of not less than \$500,000.00/\$1,000,000.00. Once the Association is operational, it shall be the responsibility of the Association to determine the extent and amount of insurance necessary to provide proper insurance coverage on the Common Elements and Limited Common Elements. Neither Developer nor the Association will provide personal coverage on any Lot Owner=s Lot or its improvements. Said policy or policies shall be issued on a comprehensive liability basis, and shall provided cross-liability endorsement wherein the rights of named insured under policy or policies shall not be prejudiced as respects his, her or their action against another named insured.

(b) EACH LOT OWNER IS SOLELY RESPONSIBLE FOR PROVIDING INSURANCE COVERAGE ON THEIR OWN LOT AND ITS IMPROVEMENTS. Each Lot Owner shall maintain at all times a comprehensive insurance policy insuring his Lot and the improvements thereon against the risk of loss due to fire, casualty or other disaster in an amount equal to at least eighty-five percent (85%) of the purchase price of the Lot and improvements. Any Lessee in the Community shall provide insurance coverage of contents of their Lot and possessions therein.

(b) Workmen=s Compensation insurance to the extent necessary to comply with any applicable laws.

ARTICLE VIII - MISCELLANEOUS PROVISIONS

8.01 The Association, any Lot Owner or Declarant shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, lien and charges now or hereafter imposed by the provision of this Declaration. Failure by the Association, any Lot Owner or Declarant to enforce any covenant or restriction herein contained shall in no event be deemed waiver of the right to do so thereafter.

8.02 Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

8.03 Declarant reserves unto itself, it successors and assigns, the right to promulgate, maintain and amend the Policy and Design Guidelines, not inconsistent with this Declaration, to facilitate the interpretation, application, maintenance and enforcement hereof.

WITNESS the acceptance of the above terms and conditions, the parties, in their capacities as President have signed and dated this Declaration as follows:

GREENWOOD LAND, INC.,

Declarant

Its President

STATE OF WEST VIRGINIA,

COUNTY OF _____, TO-WIT:

This instrument was acknowledged before me this ____ day of _____,
2005 by Greenwood Land, Inc., by _____, its President, the Declarant.

My commission expires: _____.

Notary Public

(NOTARIAL SEAL)

This instrument prepared by:

Marcia A. Broughton, Esq.
JACKSON KELLY PLLC
P. O. Box 150
Clarksburg, WV 26302-0150