

Villages at Westminster Homeowners Association

**Summary of Board's Recommended Amendments to the
Amended and Restated Declaration of Covenants**

Recitals: Add historical context and states amendment process and final vote to adopt amendments was done in accordance with our governing documents

Reason: Affirms the validity of the amendments; removes obsolete language about the construction phase of development

Article I. Definitions. Removes Builder, Declarant; updates Lot, Mortgagee, and Properties

Reason: Removes obsolete terms; addresses mortgagee rights; encompasses all Lots now that development is completed; streamlines use of subdivision” and “association;” new definition to address mortgagee rights; requires they indicate to association that they are mortgagees to obtain Mortgagee rights (currently we do not know of any mortgage holders)

Article II. Property Rights as to Common Areas. Removes reference to Class B memberships; allows the Association to assess violation charges or suspend Owner's rights for violations.

Reason: Removes obsolete language and aligns with usage and form of other governing documents; empowers the Board to enforce compliance with the Declarations; moves provisions related to encroachments into another Article

Article III. Membership and Voting Rights. Removes references to Class B membership.

Reason: There is only one class of membership since completion of all home construction. Removes obsolete language.

Article IV. Covenant for Maintenance Assessment.

Section 1 Creation of Lien and Personal Obligation of General Assessments. Removes references to Declarant; removes statutory citation; changes “shall” to “will” throughout document; changes “him” to “their”

Reason: Removes obsolete reference to Declarant; cleans up language to make for easier readability and to be general neutral

Section 2 Purpose of General Assessments. Changes “shall” to “are to”; removes “exclusively” so funds can be used for emergency purposes

Reason: Cleans up readability.

Section 3 Maximum General Assessment. Cleans up outdated provisions related to pro-rating assessments according to construction phases

Reason: Removes obsolete language to make more readable

Section 4 Capital Contribution. Changes title; expands amount from six months to twelve months.

Reason: Applies only to new purchasers of property, not existing homeowners. Allows replenishment of funds that are used for large dollar expenses on aging assets. Has potential to reduce need for Special Assessments.

Section 5 Special Assessment for Capital Improvements. Cleans up wordy language; changes “shall” to “must”

Reason: Makes for better readability; makes language consistent throughout all documents

Section 6 Notice and Quorum for Any Action Authorized under Sections 3 and 4 through 5. Deletes this section.

Reason: Removes redundant language; relies on standard notice and quorum provisions for membership meetings.

Section 7 Uniform Rate of Assessment. No changes

Section 8 Date of Commencement of General Assessments: Due Dates. Deletes complex formula for determining dues based on construction. Changes “shall” to “must” or “will.” Eliminates estoppel certificate.

Reason: Aligns all governing language in terms of modern usage, and removes obsolete provisions.

Section 9 Effect of Nonpayment of General Assessments: Remedies of the Association. Changes interest rate determination to the Virginia statutory rate. Adds provision for late fee of 10% of amount due (or at Board’s discretion) on dues unpaid for 30 days or more, and for acceleration of amounts due.

Reason: Cleans up ambiguity in calculation of amount of interest. Specifically allows assessment of a late fee on late payments.

Article V Property Restrictions and Architectural Control.

Section 1 Land Use and Building Type. Changes “shall” to “may” or “will,” clarifies application to Common Area and Lots.

Reason: Makes more readable and consistent across all governing documents.

Section 2 (home based businesses) Changes “shall” to “may;” strikes prohibition against marked vehicles, rephrases language on traffic streams; removes reference to model and sales trailers

Reason: Allows businesses or work vehicles, but requires that traffic or noise not impose on neighbors.

Section 3 (subdividing lots) Removes language about Declarant’s (Developer’s) right to subdivide Lots.

Reason: All construction is complete. Obsolete.

Section 4 (Animals) Adds “aggressive acts” to what is considered a nuisance.

Reason: Clarifies expectations of pet and owner responsibility.

Section 5 (Dumping grounds) Removes reference to construction debris. Wordsmiths other language.

Reason: Obsolete language is removed. Language is consistent with other documents.

Section 6 (Open Space use) Changes “shall be” to “is,” and deletes “Declarant”

Reason: Readability and alignment with other language use.

Section 7 (ARC review) Clarifies that ARC is committee of the Board and does not act independently of the Board; changes response requirements from 15 to 30 days; clarifies when time for approval or rejection starts, and right to appeal to Board

Reason: Removes ambiguities and streamlines the process for ARC approval.

Section 8 (underground utilities). “Shall” is changed to “must.”

Reason: Readability and consistency among documents.

Section 9 (additional restrictions). Eliminates satellite dish and solar panel placement restrictions, allows exceptions to window air conditioners, removes Builder references; changes “shall” to “may,” “property” to “lot,” and “Subdivision” to “Association.” Allows one sign noting home is protected by a security system.

Reason: Readability, consistency; alignment with state and federal laws.

Section 10 Vehicles. Changes “premises” to “property” and allows for ARC exceptions to parking limits.

Reason: Consistency; reflect practice to allow recreational vehicles to be maintained at home where electricity and water is available, or when storage lot needs maintenance.

Section 11. Easements. Changes “Declarant” to “Association,” removes references to Declarant.

Reason. Removes obsolete wording.

Section 12. Leasing. Changes “his” to “their,” and “shall” to “must.” Adds requirement for Owners to notify management company if property is rented out

Reason: Consistency, general neutral language. Also affirms Owner’s responsibility to ensure tenant’s compliance with Declaration provisions, and allows for timely notice to a tenant of community events or notice of infractions.

Article VI. Insurance. Adds requirement for Board to maintain liability and fidelity coverage for claims against directors or officers , and public liability and hazard insurance covering common areas and easements.

Reason: This is our current practice. There is a conflict between one document authorizing but not requiring such insurance, and one requiring it. This clarifies the requirements and makes our documents consistent with each other.

Article VII General Provisions.

Section 1. Enforcement; Section 2, Severability; and Section 4, Association Documents. Changes “shall” to “will” or “must.”

Reason: Consistency and readability.

Section 3. Amendment. Removes 51% vote of first mortgage holders for passage of future amendments, and removes notice to and approval from HUD and VA.

Reason: Definition of Mortgagee is changed earlier in this document; mortgage holders have to notify us of their desire for notification. We don’t know who these mortgage holders are without a title search, so this requirement has a significant fiscal impact on the Association, as well as an administrative burden.

Section 5. Management Agreement. Adds authority to enter into such an agreement.

Reason: This is allowed under Virginia law, and is (and has been) our practice since the Association was created. This removes any ambiguity.

Section 6. Additional Covenants. Changes “shall” to “will” or “must” in several places; clarifies notice requirement to mortgagee; changes “First Mortgagees” to “Mortgagees.”

Reason: Readability and consistency. Also, these are now aligned by defining Mortgagee and giving only some rights to those who have indicated that they are Mortgagees to the Association in writing.

Section 7. Easement for Public Necessity. Removes Declarant’s right re: storm water management facilities.

Reason: Obsolete language.

Article VIII. Declarant’s Rights and Responsibilities.. Deletes this Article in whole.

Reason: Obsolete, since we no longer have a Declarant/Developer.

Article VIII. Condemnation. Changes Article IX to VIII. Changes “shall” to “will.”

Reason: Aligns numbering. Makes more readable and consistent within document.

Article IX. Annexation. Article number is changed from X to IX. Sections 1 and 2 on Annexation are deleted. Section 3 subtitle is deleted, but provision on encroachments remains as is. “Shall” is replaced with “will.”

Reason: The annexation sections are obsolete, as the development is completed. The language is made consistent with rest of documents.

Signature block is added at end. This clarifies when the amended and restated document was approved.