

Tax Parcel No. 3-35-8.00-14.01-
427.00 through 538.00
This Instrument Prepared by and to be
Returned to: Richard P. Beck, Esquire
Morris, James, Hitchens & Williams
222 Delaware Avenue, P. O. Box 2306
Wilmington, Delaware 19899

Reserve at Pilottown

DECLARATION OF RESTRICTIONS

By this Declaration dated as of August 5, 2004, Pilottown Road, L.L.C., a Delaware limited liability company ("Declarant"), as holder of record title to Lots 1 through and including 110 (the "Lots") and all streets, drainage areas, and open spaces appurtenant thereto as presently shown on the final approved Revised Plot Plan of Pilottown Park Addition recorded in the Office of the Recorder of Deeds for Sussex County, Delaware, in Book 00076, Page 00128, on 8-26-02, and as shall be shown on Revised Plot Plan for Reserve at Pilottown, prepared by Karins and Associates, plan dated 2-4-02 and last revised 4-22-04, whereby the name of the community shall be changed to "Reserve at Pilottown," not yet recorded but intended so to be, as may be amended from time to time (the "Plan"), hereby covenants and declares for itself and its successors, assigns, grantees and all subsequent Lot Owners ("Owners"), legal or equitable, that Declarant does and henceforth shall stand seized of such Lots and appurtenant streets, drainage areas and open spaces of Reserve at Pilottown as outlined on that portion of the Plan appended hereto as Exhibit A (which Lots, streets, drainage areas and open spaces as outlined on Exhibit A are collectively hereinafter called the "Community" and comprise the property regulated by this Declaration) under and subject to the following reservations, restrictions, covenants, easements and limitations:

I. BUILDING AND USE RESTRICTIONS

1.01. Residential Uses. The Lots, except as hereinafter provided, shall be used for private residential purposes only and shall be restricted to single family occupancy; provided, however, that a Lot Owner's or resident tenant's conduct of business activities within any home on the Lot by telephone, data processing, word processing or similar business that conforms with

By [Signature]

applicable zoning and other laws and is unnoticeable from outside the residence shall not violate this restriction.

1.02. Dwellings. Except as provided in Section 3.04 below, no buildings of any kind shall be erected or maintained on the Lots except private-single family detached residential dwellings, together with an attached private garage for the exclusive use of the owner or occupant of the Lot upon which such garage is erected.

1.03. Plans and Specifications. All buildings shall be constructed in accordance with the Architectural and Lot Use Standards as designed and prepared from time to time for the Community by Declarant's registered architect or designated designer, or as subsequently modified by or with Declarant's prior written approval (which approval may be withheld in Declarant's sole discretion). Notwithstanding the foregoing, however, Declarant reserves the right (but shall be under no obligation) in its discretion to construct or to allow the construction of any home which has been custom designed or adapted for the Community by the Lot Owner's Delaware registered architect, if such design or adaptation has been approved by Declarant's registered architect or designated designer, which approval may be withheld if in his or her professional opinion it is not sufficiently compatible with Declarant's design concept for the Community.

1.04. Exterior Changes. Except as provided in Section 3.04 below, all improved structures shall be maintained in their original configuration and outward appearance including without limitation the color of all surfaces exposed to outside view, and the type of trim, shutters, downspouts, gutters, windows, doors, siding, roofing and any other exterior materials.

1.05. Pools and Antennas. No above ground pool, and no outside antenna, aerial, or disk for television or radio or other reception or transmission, except a television disk not more than 24 inches in diameter which has been approved pursuant to Section 3.04 hereof, shall be placed, installed or permitted on any Lot or other exterior of any building or structure on a Lot.

1.06. Landscape and Fences. No fences, walls, hedges, bulk landscaping, landscaping screens (in contrast with isolated trees or shrubbery) or other barriers shall be constructed or planted forward of the front of the house on any Lot, unless installed by Declarant. No enclosing or non-enclosing fence, bulk planting or other barrier (hereinafter "fence") shall be erected on any Lot which exceeds five (5) feet in height. In all events, no fences shall be constructed or maintained upon the Lots, except by Declarant or its express designee, until plans for same have been approved pursuant to Section 3.04. In the event any fences are erected on any Lots without the Owner of said Lot first having obtained the necessary approval pursuant to Section 3.04, the Declarant or the Corporation shall have the right, but not the obligation, to enter upon any such Lot on which a fence has been erected, in violation of the aforementioned procedure, and physically removing such non complying fence without liability to the Owner of such Lot, and such Lot Owner shall be responsible for all costs incurred by the Declarant or the Corporation in the removal of said non-complying fence. If a court order or other legal action for the removal of the non complying fence is required, or if any court action or other legal proceeding is brought by or on behalf of the Lot Owner to prevent such removal or recover damages therefore, the subject Lot Owner shall be responsible for all legal costs and expenses

incurred by the Declarant or the Corporation in the prosecution of or defense against said legal action.

1.07. Grades and Elevations. The on-lot grading, when finished, must conform to the General Development Plans, prepared by Karins Consulting Engineers, dated 7-24-02, for the community and be such that the flow of drainage from the Lot is directed to the drainage system for the community and not to any of the neighboring Lots. Owner will promptly correct any non-conformity upon notice from Declarant. Declarant also reserves the right for itself, its appointees and/or its contractors to enter upon the Lot for inspection of compliance with the General Development Plans and to correct any non-compliance at Owner's expense should Owner fail to promptly to do so upon Declarant's notice. Except as otherwise provided in Section 3.04 below, no material change in the elevation, grade or surface composition of any Lot as properly established by Declarant when each home thereon is constructed shall be made. No change shall be made, other than by Declarant, which adversely affects surface water drainage to or from any other Lot or open space.

1.08. Vehicles. The presence in the Community of travel trailers, mobile homes, motor homes, vans, trucks and other recreational, commercial or special purpose vehicles, equipment or items, except for the temporary purpose of loading, unloading, construction or rendering services (not including work performed on such vehicle, or equipment, etc.), or except for light trucks or vans used by the homeowner in his or her vocation, is prohibited unless such vehicles, equipment or items are kept completely garaged. Any boat that is to be kept in the community shall be located to the side or rear of the dwelling (behind the front façade) or completely garaged (except while being transported, and except for loading, unloading and/or during routine maintenance of the boat).

1.09. Parking. Vehicles shall not be parked except upon the paved portion of streets to either side thereof and where on-street parking is permitted, or within other paved parking areas designated as such by Declarant (if any) and/or driveways. Except for garage driveways no portion of any Lot shall be graveled or paved for any purpose, parking or otherwise, without the prior written consent of Declarant, or approval of the Architectural Review Committee pursuant to Section 3.04 below.

1.10. Animals. No livestock, and no pets except dogs and small domestic cats, shall be brought or kept upon any Lot or any street or open space in the Community. The number, kind and management of pets shall be as set forth in the Community Rules and Regulations, a copy of which in their initial form is appended hereto as Exhibit B.

1.11. Clothes Lines. No permanent outside clothes lines or clothesline posts are permitted. Portable outside clothes lines approved by Declarant, its successors or his assigns, will be permissible, provided same are used and clothes are hung out during daylight hours only, and then only in rear yards.

1.12. Nuisances. No offensive, dangerous or unlawful substance, activity or condition shall be brought, conducted or permitted on the Lots or elsewhere in the Community.

II. EASEMENTS AND RIGHTS OF WAY

2.01. Lot-Line Easements. Easements and rights-of-way are hereby reserved over, under and along the side and rear boundary lines of each Lot, being twelve (12) feet in width centered on such boundary lines so that the outmost six (6) feet of each Lot along its side yard and rear yard boundary lines shall be subject to such reserved easements and rights-of-way. Easements and rights-of-way shown or noted on the aforesaid Plan, or otherwise created during the construction and development of the Community, are also reserved and shall not be limited to or by the foregoing.

2.02. Purposes. The purpose of such easements and rights-of-way shall be for:

- (a) The construction and maintenance of storm water drainage and management systems as required by Sussex County and the City of Lewes or otherwise installed or authorized by Declarant;
- (b) The construction and maintenance of public or private sanitary sewer lines as required by City of Lewes or otherwise installed or authorized by Declarant; and
- (c) The construction, installation and maintenance of utility lines, pipes, conduits and cables for electricity, telephone, television, water, gas, fuel oil, and for any other public or quasi-public utility or function serving the Lots and conducted, furnished or maintained by any method on, in, below or above the surface of the ground as installed or authorized by Declarant.

The creation of easements for the above listed purposes shall not obligate Declarant to install all or any of the improvements for such purposes.

2.03. Limitations. No Lot Owner, utility, public agency or other party (except the City of Lewes Board of Public Works) shall make use of the easements herein created without the express, separate written consent of Declarant. All parties using such easements with Declarant's written consent may from time-to-time and at any time enter upon said above-reserved easements and rights-of-way, for any of the purposes for which same have been reserved, and as necessary may remove or trim without replacement any growing or other thing thereon. During the time that any work is being performed within any easement or right-of-way area, the party performing such work shall also automatically have a temporary easement to either side of the easement area for purposes of conveniently performing the work in question, without harm to structures or plantings. Disturbed earth shall promptly be graded and seeded, and all debris shall be completely removed, by the party performing the work.

2.04. Non-Interference. The Owner and occupants of the Lots shall at all times maintain and occupy their Lots so as not to interfere unreasonably, in the good faith opinion of Declarant, with the purposes for which said easements and rights-of-way have been created and are used. All conveyances of Lots by Declarant or others shall be subject to the said easements and rights-of-way without necessity of any further reservation being mentioned therein.

2.05. Construction Activities. All Lot Owners, occupants and other interested persons shall at all times permit the Declarant and/or its successors, assignees, agents and

designees the right to go upon any and all Lot or Lots, streets and open spaces to accomplish and to complete construction, grading or landscaping and perform maintenance or make repairs in accordance with the approved plans or as required by the City of Lewes, or by Sussex County, or by the State of Delaware, or any department or agency thereof.

III. ADMINISTRATION AND ASSESSMENTS

3.01. Binding Obligations. Each purchaser of a Lot, by the acceptance of delivery of the deed thereto, obligates and binds himself, his heirs, personal legal representatives and assigns, including his successors in interest in said Lot, (i) to become and be a member of Reserve at Pilottown Maintenance Corporation, a Delaware nonprofit, non-stock maintenance corporation (the "Corporation"); (ii) to be bound by all of its actions and assessments as provided herein, (iii) to be bound by the Corporation's rules, regulations and resolutions as hereinafter authorized; and (iv) to abide by all other matters of record, including recorded plans, agreements, easements and restrictions, including without limitation, all future amendments to the Plan made by Declarant and all future amendments made by Declarant, as herein elsewhere more specifically permitted. Without limiting the generality of the foregoing:

(a) Each Owner of any Lot, by acceptance of a deed therefor, is deemed to covenant and agree to pay to the Corporation when due all annual assessments or charges, such assessments to be fixed, established and collected from time to time as hereinafter provided and/or in the Corporation's Bylaws. All assessments must be fixed at a uniform rate for all Lots. The Owner of any Lot agrees, at the time of settlement for the purchase of said Lot, to sign a confession of judgment obligating him or her to pay to the Corporation his or her share of the costs associated with the maintenance of the common facilities within the subdivision. In addition, at the time of settlement on any Lot within the Community, the Corporation may collect the equivalent of two years of assessments for the maintenance costs associated with maintenance of the common facilities. The assessments levied by the Corporation shall be used exclusively for the purpose of maintaining said common facilities.

(b) An annual assessment, if necessary, shall be set by a majority vote of the members who are voting in person or by proxy at the annual meeting, and any special assessments shall be set by a majority vote of the members who are voting in person or by proxy at the annual meeting or at a meeting duly called for this purpose. If the Board determines to leave the previous year's annual assessment unchanged, no further vote shall be needed until a change to the assessment is proposed or unless a special meeting is called to consider a revised assessment.

(c) Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date, the assessment shall bear interest from the date of delinquency at a rate of eight per centum (8%) per annum, and the Corporation 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 waive or otherwise escape liability for

the assessments provided for herein by nonuse of the common facilities or abandonment of his or her Lot.

(e) It is expressly agreed that the assessments referred to above shall be a lien or encumbrance on the land in respect to which said assessments are made and it is expressly stated that by acceptance of title to any of the land included in said tract the Owner (not including mortgagee or Declarant) from the time of acquiring title thereto shall be held to have covenanted and agreed to pay said assessments to the Corporation, including prior unpaid assessments.

(f) By his or her acceptance of title, each Owner shall be held to vest in the Corporation the right and power in its own name to take and prosecute all actions or suits, legal, equitable or otherwise, which may be, in the opinion of the Corporation, necessary or advisable for the collection of such assessments.

(g) Said assessments shall be subordinate in lien to the lien of any mortgage or mortgages on any property which is subject to such charges regardless of when said mortgage or mortgages were created or when such charges accrued; provided, that such subordination shall apply only to charges that shall have become payable prior to the passing of title under foreclosure, of such mortgage or mortgages, and the transferees shall not be liable for payment of any assessment accruing prior to said foreclosure, but nothing herein shall be held to affect the rights herein given to enforce the collection of such charges accruing after sale under foreclosure of such mortgage or mortgages; and provided, further, that such charges accruing after the sale shall also be subordinate in lien to the lien of any further mortgage or mortgages which are placed on property subject to such charges, with the intent that no such charges shall at any time be prior in lien of any mortgage or mortgages whatsoever on such property.

3.02. Maintenance Corporation Duties. The Maintenance Corporation shall accept and retain in perpetuity legal and equitable ownership (whether or not formally confirmed by separate deed to the Maintenance Corporation), non-exclusive possession, and all maintenance, repair, replacement and operational responsibility of and for all open space lands, common areas and facilities, including without limitation, all storm water management areas and facilities and all appurtenant components or attributes thereof within the community. Additionally, the Corporation shall have the duty to arrange for, and to provide, the following:

- (a) Proper grass cutting, pruning and maintenance clearing of open spaces, if any;
- (b) Procuring and payment of liability insurance, if obtainable at reasonable rates in the Corporation's judgment;
- (c) Maintenance (including but not limited to grass cutting, pruning and maintenance clearing) and repair of storm water management areas and facilities, and all appurtenant components or attributes thereof, except insofar as they in whole or in part are dedicated to and accepted for maintenance by any Municipal, County or State department or agency;

(d) Such other matters, responsibilities and activities as are herein elsewhere contemplated or required, or are authorized or directed in the Corporation's Certificate of Incorporation or Bylaws, as same may be amended from time to time.

3.03. Entrance and Street Improvements, Signage, Lighting and Landscaping.

(a) The Corporation shall maintain and repair, as necessary or advisable, all improvements, signs, signage lighting and landscaping at the entrances for Reserve at Pilottown, upon or within any open space, upon or within any drainage easements and, upon or within those portions of the street rights-of-way which do not serve as frontage for one or more residential lots. The Corporation shall keep all such improvements, lights, signs, lawns, landscaped areas, and plant material in a neat, trim and tidy condition, replacing as necessary from time to time any sod, shrubs or trees that die or are damaged; light bulbs that are burnt out or damaged, broken light globes, and any other damaged fixtures or materials. The Corporation's obligations shall not be diminished by the fact that such improvements, signage, lighting, landscaping or other items are within or upon lands dedicated to the City of Lewes for street or highway purposes.

(b) Each Lot Owner or occupant of a home in the Community shall, by receiving a deed thereto or by taking occupancy thereof, be deemed to have acknowledged and agreed that:

(i) the City of Lewes shall not have any responsibility to maintain, repair, replace, remove or relocate any of the improvements, signs, sign lighting or landscaping at the entrances to Reserve at Pilottown, within any street right-of-way or utility easements, including any of these items which may have to be relocated or removed by reason of any road or utility construction or repair performed by the City of Lewes or its Board of Public Works or to maintain, cut, trim, repair, replace, remove or relocate any signs, sign lights or landscaping;

(ii) no unauthorized structures (including mailboxes, rocks, basketball hoops, plantings and trees) shall be placed by any Lot Owner within any street right-of-way. Each Lot Owner shall, however, be responsible for cutting, pruning and maintaining all lawn areas, trees and any paving between the boundary lines of such Owner's Lot, and the adjacent street paving.

3.04. Architectural Review Committee. At such time as Declarant its successors and assigns no longer holds title to any Lots in the Community, or earlier if Declarant expressly so consents in writing, the Corporation may establish an Architectural Review Committee for the purpose of administering, properly revising if appropriate, and enforcing written Architectural and Lot Use Standards, with the advice as necessary from time to time of a licensed architect, rendered with a view towards maintaining the architectural integrity and harmony of the Community. The initial Architectural and Lot Use Standards as established by Declarant are appended hereto as Exhibit B. Any changes thereto proposed by the Architectural Review Committee shall be subject to and shall require approval of the Corporation's Board of Directors. Exceptions to Sections 1.03, 1.04, 1.05, 1.06, 1.07 and 1.09 of this Declaration may be allowed by the Committee in accordance with such Architectural and Lot Use Standards, upon written application to and written permission from the Architectural Review Committee. Each person making such application, and all other Lot Owners affected thereby, shall accept and be bound by the good faith decision of the Architectural Review Committee in granting or denying such

application, or in qualifying and limiting any permission granted, the same as if the Architectural Review Committee were an arbitration panel resolving a disagreement among the parties; provided, however, that if the Committee's decision has been made without consulting an independent licensed architect or goes against his or her recommendation, then the applicant or the Owner of an adjoining lot aggrieved by the Committee's decision shall have the right, which must be exercised within thirty (30) days after the Committee's decision was announced, to require that the matter be reviewed by an independent Delaware licensed architect hired by the Committee, at the aggrieved person's expense, to review the matter and to give his professional opinion thereon as the ultimate arbitrator thereof in which event his or her decision shall be accepted and followed by the Committee and the Owners. The Committee shall endeavor to let each applicant know within fifteen (15) days of receiving an application whether the application is incomplete or not in proper form for review by the Committee; and shall endeavor to inform the applicant within thirty (30) days of receiving a proper application whether the Committee has granted, withheld or conditioned its approval, and if approval has not been unconditionally granted, stating the reasons why.

3.05. Reliance on Architectural Control. Each Lot Owner, in accepting a deed to his or her Lot, is thereby deemed to have acknowledged and agreed that he or she, and every other Lot Owner, has acquired a Lot in the Community in reliance on the initial architectural control of Declarant and its registered architect or designated designer, and that no Lot Owner has a right to construct any improvements upon his or her Lot except in accordance with plans and specifications furnished or approved in writing by Declarant and Declarant's architect or designer. All homes constructed by or for Declarant and or its affiliates shall be deemed so approved. Declarant shall have the discretion but not the obligation to permit (i) modifications from previously approved plans and specifications, or (ii) construction of improvements based upon other plans and specifications if, but only if, same are approved by Declarant's architect or designer. The exercise of such discretion shall not be deemed to invalidate the force or effect of the general prohibition. Moreover, each Lot Owner shall further be deemed to have acknowledged and agreed that any amendments, additions or other changes in and to the Architectural and Lot Use Standards, including without limitation, those which permit exceptions to the limitations as contemplated in Sections 1.03, 1.04, 1.05, 1.06, 1.07 and 1.09 of this Declaration, shall have the same force and effect, as amended from time-to-time, as if they had been appended hereto and made a part hereof from the outset. If any court or other adjudicating authority shall determine that the right of the Declarant, its Architect or the Architectural Committee in its discretion to permit exceptions is invalid, or the exercise of such discretion in a way that disapproves or renders such right or exercise is invalid, such determination shall not invalidate the restrictions but shall affect only the manner in which such discretion may be or has been exercised.

3.06 Lot Owner Deposits. At the time of submitting plans for the construction of a house or any other material improvements on any Lot on which a residence has not been constructed, the Lot Owner (if not the Declarant or the Declarant's express designee) shall deposit with the Corporation the sum of \$2,500, for use as follows: \$500 shall be used to defray costs of any architect engaged by the Architectural Review Committee or Corporation in reviewing plans and/or applications of the Lot Owner and/or evaluating whether the improvements constructed on the Lot comply with all requirements; \$1,000 shall be used to

repair any damage to curbs, walks and other site improvements arising during the course of construction activities upon the Lot; and \$1,000 shall be used to correct any drainage problems arising from construction activities upon the Lot. Any shortage in one category may be met by any overage in another category. If the total Deposit is inadequate, the Lot Owner shall be responsible for the shortfall and shall pay same upon demand by the Corporation. Any undisbursed excess remaining after the expiration of one (1) year following issuance of a permanent certificate of occupancy shall be refunded to the Lot Owner. In the event that a Lot Owner later submits plans for additional construction, alterations, revisions or other improvements of a sort that requires architectural review or presents the potential for damage to site improvements or drainage problems, the Corporation may require an additional Deposit; however, the Corporation may in its discretion require less than \$2,500 where the application involves less than construction of a new home.

3.07. Community Rules and Regulations. The Board of Directors of the Corporation shall be authorized, by majority vote, to promulgate and to enforce by legal or equitable means, Community Rules and Regulations governing details of the appearance, use, maintenance and care of the Lots, homes, streets, open spaces, drainage areas and other improvements. Initial Community Rules and Regulations shall, until otherwise duly changed, be as shown on Exhibit C appended hereto.

3.08. Tenants and Leases. In the event that any dwelling is leased or rented to any third party by its Owner, such Owner shall promptly furnish a copy of the lease to the Corporation, and shall promptly furnish a copy of this Declaration and the Community Rules and Regulations to the tenant. If, during such tenancy, the dwelling is not being maintained to the highest standards elsewhere evident in the Community, or if this Declaration or the Community Rules and Regulations are being violated by the tenant, the Corporation shall have the right to so notify the tenant and the Owner in writing, by certified mail, return receipt requested, sent to their last known address. Thereafter, unless such lack of maintenance or tenant's violation has been rectified within fourteen (14) days and does not re-occur for at least ninety (90) days, the Corporation may, at the Owner's expense, accomplish such maintenance as it deems reasonably necessary to preserve the Community's highest standards of appearance and care, and/or terminate the lease and evict the tenant, as applicable. Each Owner shall be deemed to have irrevocably appointed the Corporation, as such Owner's attorney-in-fact, coupled with an interest, for this purpose. Any violation of this Declaration or the rules and regulations shall be deemed a breach of the lease and shall entitle the Corporation, as agent and attorney-in-fact for the Owner, to proceed accordingly against the tenant.

3.09. Limitations on Liability. Neither the Corporation, the Declarant, nor any of their respective Directors, officers, managers, agents and members shall have liability to any Lot Owner, tenant, occupant, invitee, lender or other person for any failure to perform any duty herein created, or for any negligent performance, nor shall the Corporation the Declarant, nor any of their respective Directors, officers, managers, agents and members have any liability for failure to enforce this Declaration, or for any other alleged negligent act or omission. Without limiting the foregoing, neither the Declarant nor the Corporation shall be liable for the failure of any services obtained by the Declarant or the Corporation or paid for out of the common expense funds, or for injury or damage to person or property caused by the elements, the topography of the Property,

fallen trees, water which may leak or flow from any portion of the Common Area, or from any wire, pipe, drain, conduit or the like, or to any Owner or its invitees, grantees, successors or assigns for loss or damage, by theft or otherwise, of articles stored upon any Common Area. No diminution or abatement of assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Area, or from any action taken by the Declarant or the Corporation to comply with any of the provisions of this Declaration or applicable law, or with the order or directive of any municipal or other governmental authority.

IV. IN GENERAL

4.01. Declarant's General Rights to Amend. Notwithstanding any other provision in this Declaration to the contrary, Declarant hereby expressly reserves the right at any time and from time-to-time, without the consent of any other person so long as Declarant holds title to at least twenty-five percent (25%) of the Lots in the Community, and when the Declarant holds title to less than 25% of the Lots with the consent of the record Owners of fifty percent (50%) or more of the Lots in the Community (which may include the Declarant): (i) to waive, extinguish or reduce the requirements of all or any of the foregoing declarations, covenants, restrictions, conditions, agreements and/or provisions; provided, however, that any such waiver, extinguishment or reduction shall be applicable to all the Lots in the Community, and shall not modify or change the requirement that residential Lots in the Community be used only for residential purposes; (ii) to resubdivide the Community so as to change the size, number, configuration and/or location of the lots, streets, open spaces easements and/or common facilities, or otherwise amend the Plan, including but not limited to construction plans for site improvements and/or landscape plans (collectively, "Modification"); provided, however, that such Modification shall not change the size, shape or location of any Lot to which Declarant no longer holds record title, nor deprive any such Lot of access, drainage or utility services; nor increase the total aggregate number of building lots in Reserve at Pilottown. No Lot Owner shall seek to oppose or interfere with any such Modification, nor shall the holder of any contract to purchase a Lot or home in Reserve at Pilottown (including, without limitation, the Community) have the right to contend that any such Modification is prohibited or limited by, the terms of such contract.

4.02. Declarant's Specific Rights to Amend. Notwithstanding any other provision in this Declaration to the contrary, Declarant further hereby expressly reserves the right at any time and from time to time, without the consent of any Lot Owner whose property is located in the area outlined on Exhibit A hereto to amend this Declaration with respect to any Lots or other portions of Reserve at Pilottown which have been submitted to the terms of this Declaration as required by any governmental agency having authority, or by any title insurance company, or by HUD, FHA, FNMA, or other federally organized or regulated source of mortgage financing.

4.03 City of Lewes Approval. No amendment to the Declaration or to the certificate of incorporation or bylaws of the Maintenance Corporation shall be made, nor shall the Maintenance Corporation enter into any agreement which would have the effect of

terminating or diminishing the responsibility of the Maintenance Corporation to own, hold title to, retain possession of, maintain, operate, repair and replace any open space, common area or community facility, including without limitation, the stormwater drainage system for the Community, or would otherwise have the effect of increasing the City's responsibility, without the prior written consent of The City of Lewes, which may be withheld. The City shall be notified at least thirty (30) days in advance of any proposed amendment to the Declaration, Certificate of Incorporation, Bylaws or other matter that could possibly require the City's consent hereunder, and a copy of such proposal shall be sent in writing to the office of the City Manager and to the office of the City Solicitor.

4.04. Declarant's Rights to Waive or Exclude. Notwithstanding the foregoing provision or any other provision herein to the contrary, Declarant reserves the right to waive or modify any requirement as to any individual Lots necessary to avoid hardship resulting from unintentional noncompliance with this Declaration, provided the City of Lewes shall have granted a variance for such noncompliance if same also violates the applicable Zoning Code, Subdivision Code or any other regulation. Declarant also reserves the right to exclude any street, utility or common area or facility from further regulation hereunder, if and to the extent same in whole or in part are dedicated to and accepted by any governmental agency.

4.05. Real Covenants. This Declaration of Restrictions and all subsequent amendments and Modifications thereto and to the Plans shall be regarded as consisting of real covenants running with and binding upon the Lots in the Community as defined on the first page of this Declaration or any subsequent amendment hereto, and only with and upon, the aforesaid enumerated and identified Lots in the Community and such other streets and portions of the Community within or upon Reserve at Pilottown as Declarant may have expressly submitted to this Declaration. It shall not be binding upon or effective with respect to any Lots or portions of Reserve at Pilottown which have not been or which no longer remain submitted to this Declaration by Declarant. Except as otherwise specifically provided herein, the terms and provisions hereof shall be binding upon Declarant, its heirs, personal legal representatives, assigns and grantees (while it or they hold title to any such Lot) until the last day of December in the twentieth (20th) year from the year in which this Declaration has been executed, counting the year in which such execution occurred as the first year. Thereafter, this Declaration shall automatically continue in full and binding force and effect for successive ten (10) year periods, unless and until at least two (2) years before the last day of December in the twentieth year from execution hereof, or unless and until at least two (2) years before the expiration of any subsequent ten (10) year period, the Owners of sixty percent (60%) or more of the Lots shall (with the written consent of their respective mortgagees) execute and acknowledge a declaration or declarations releasing, at the end of such twenty (20) year or subsequent ten (10) year period or periods, all or any part of the land affected hereby from all or any of the provisions herein contained, and shall record such declaration or declarations in the aforesaid Office where this Declaration lies of record. In no event shall any such action taken, declaration or release be effective without the prior written consent of the City of Lewes, which may be withheld but only insofar as it does not provide for continued ownership, title to and possession of all common spaces, areas and facilities by the Corporation, and the ongoing maintenance, operation, repair and replacement thereof to the City's satisfaction, including without limitation, the storm water management system and facilities.

4.06. Interpretation. This Declaration shall be construed to effectuate its purposes under and in accordance with the laws of the State of Delaware; but the invalidation of any part or portion hereof shall in no way effect or invalidate the remaining parts or portions. In no event shall any provision be construed more strongly against or less strongly in favor of Declarant as the author hereof. The singular and the plural, the masculine, feminine and neuter, and the tense of verbs shall be interchangeable as the context may require. No portion of this Declaration shall be deemed waived, abandoned, or modified by course of conduct or failure to enforce the terms hereof. Whenever the prior written consent, approval or other action by Declarant, the Corporation or any other party is required, such consent, approval or action may be withheld in the sole discretion of the party from whom it is sought.

4.07. Assignment of Rights. Declarant shall have the right, power and authority at any time and from time-to-time, without notice to, action by, or consent of any other Lot Owner or Lot Owners or other persons or entities, to assign temporarily or permanently all or any part of its rights, powers, privileges and authorities hereunder to the Corporation and/or to any other party or parties by written document specifically reciting the intent so to assign which shall be executed and acknowledged by such other party or parties, and recorded in the aforesaid Office where this Declaration lies recorded. In no event shall Declarant's conveyance of any Lot be deemed to constitute any such assignment, but such assignment must be by a separate instrument to be effective. The term "Declarant" shall also mean and include, whenever appropriate, any company, firm, person or any other entity performing development or construction work to or on any Lot or in the Community at the direction of, or pursuant to contract with, the Declarant if Declarant determines that the benefit of this Declaration should extend to such company, firm, person or entity. Said determination by Declarant may be made before or after the fact, but must be confirmed in writing. Without limiting the foregoing, Declarant hereby assigns (which assignment may at any time be revoked by Declarant's recordation of an instrument of revocation in the Office of the Recorder of Deed in and for Sussex County) all of Declarant's further rights and powers hereunder to Blenheim Management Company, a Delaware corporation, or such other entity or entities as Declarant may designate from time to time in writing (herein sometimes called "Designee"), and Declarant shall have absolutely no liability or obligation to any Lot owner or other person or entity for (i) any act or omission of Designee in exercising or failing to exercise its assigned rights and powers hereunder, or (ii) any act or omission of Declarant in making, enforcing or failing to enforce this Declaration or the assignment to Designee. Any such assignment may be revoked in whole or in part at any time and from time to time by Declarant, or rejected and terminated by a Designee, upon notice to the Corporation.

4.08. Exceptions for Declarant. Notwithstanding any other provision in this Declaration to the contrary, no restriction, limitation, covenant or other provision in this Declaration or in the attached Community Rules and Regulations and the Architectural and Lot Standards, or promulgated pursuant hereto, shall be so applied, construed or enforced as to limit, impede or interfere with the construction and sale of homes in the Community by or for Declarant or any of its affiliates. Without limiting the foregoing, the presence of construction vehicles, materials, equipment, trailers, portable toilets and temporary sheds, the existence of noise, dust, dirt and other inconveniences of construction, the pursuit of construction and sales

activities utilizing on-site sales offices and signs, and the showing for sale and/or temporary rental of homes, shall not be deemed violative of this Declaration.

4.09. Equitable Enforcement. Each Lot Owner, by accepting a deed to his or her Lot, and each occupant of any Lot or dwelling thereon, is thereby deemed to have agreed that breach of this Declaration (other than by Declarant for construction purposes as permitted above) will result in irreparable harm to the other Lot Owners, may be enjoined, that specific performance hereof may be awarded, and that any Lot Owner (other than Declarant and Builder) found to have breached this Declaration may be held liable for attorney's fees and court costs incurred in its enforcement. Each Lot Owner further empowers the Corporation, as agent for all Lot Owners, to bring any action to enforce this Declaration.

IN WITNESS WHEREOF, the Declarant has executed this Instrument the day and year first above written.

WITNESS:

Pilottown Road, L.L.C.

Tina M. Carlton

By: Jay N. Sonecha
Authorized Member

STATE OF DELAWARE)
 : SS.
NEW CASTLE COUNTY)

BE IT REMEMBERED, that on this 5th day of August, 2004, personally appeared before me, the Subscriber, a Notary Public for the State and County aforesaid, JAY N. SONECHA, Authorized Member of Pilottown Road, L.L.C., a Delaware limited liability company, party to this Indenture, personally known to me as such, and acknowledged this Indenture to be his act and deed and the act and deed of said limited liability company.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Tina M. Carlton
Notary Public

TINA M. CARLTON
NOTARY PUBLIC
STATE OF DELAWARE
My Commission Expires Oct. 10, 2005

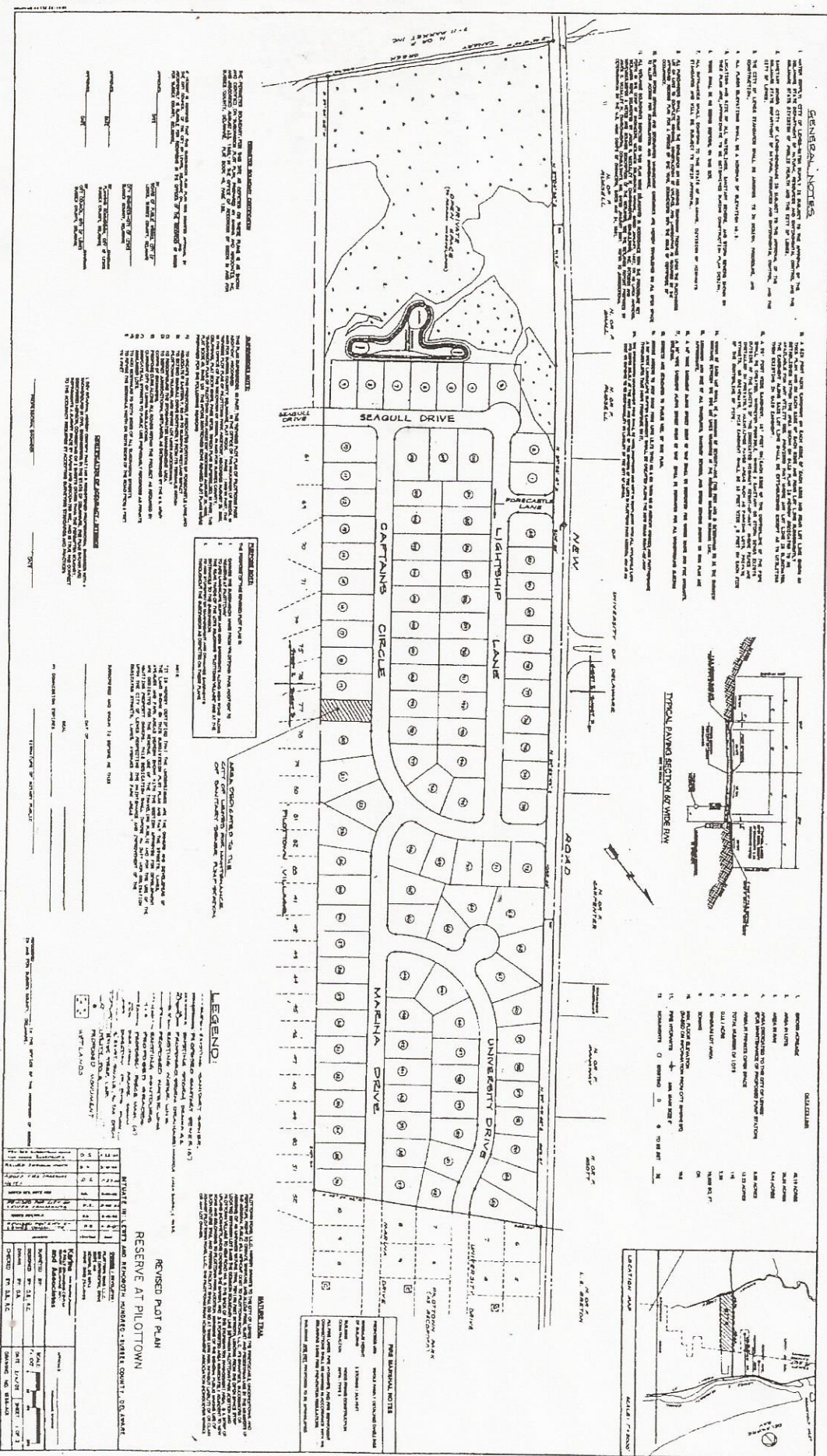


Exhibit A

Exhibit B

ARCHITECTURAL and LOT USE STANDARDS

RESERVE AT PILOTTOWN, LEWES, DELAWARE

Statement of Intent

Reserve at Pilottown has been envisioned as a single-family community with housing types that are harmonious with one another. In order to provide a community with architectural controls, and to retain harmony of housing types within the Reserve at Pilottown, the following is understood:

- 1) The property owner acknowledges the right of the Declarant (directly or by means of its architect or Architectural Review Committee) to reject design or construction documents submitted for approval which do not clearly conform to the criteria established herein, so as to enable the Declarant to maintain an architectural standard within the community;
- 2) The property owner acknowledges that the design, type and color of exterior materials, roof pitches, sizes and styles of windows and doors, and other exterior components of any home proposed for a homesite within the community are all subject to the Declarant's approval, and that commencement of the construction of a house within the community without such approval will be wrongful and at the sole risk of the property owner. The property owner waives any claim for damages that the property owner may or could assert based upon Declarant's rejection of any home or construction documents, notwithstanding property owner's ownership or investment in design and/or materials for such home prior to submitting construction documents to the Declarant for approval and not withstanding property owner's investment in constructing a home without such approval; and
- 3) The Declarant acknowledges that the property owner has a right to have a home designed and constructed within the Reserve at Pilottown that is not sold by or through the Declarant, providing the home meets the Architectural Standards established herein.

I. *Lot Coverage, Hardscape and Landscape*

- A. *Dwelling Location*. All dwellings must be sited or built on each homesite recognizing the setbacks established by the City of Lewes. All dwellings must be placed, designed and maintained in accordance with the standards established herein.
- B. *Accessory Use Structure Location*. Allowable upon each lot will be a maximum of one accessory use structure to that of the dwelling. Any accessory use structure, must be approved by the Declarant prior to placement and, must be placed directly to the rear of the dwelling, no closer to the side property lines than that of the dwelling, and must comply with all other setbacks of the City of Lewes. Examples of accessory use

structure: Gazebo, Hot tub with or without enclosure. Examples of structures not permitted: storage shed or building, dog house, dog kennel or run.

- C. Additions and Equipment. The construction, placement and use of all attached additions and/or equipment outside the exterior walls of the dwelling and/or an accessory use structure shall require the prior approval of the Declarant prior to construction or placement; and, upon approval, shall be located in compliance with the setbacks established for the City of Lewes. The design and construction of additions require Declarant's prior approval and must be consistent with the standards established herein.
- D. Fences. Allowed fencing materials shall be white, tan or beige PVC or solid-stained wood. The height of fences shall be limited to a height of five (5) feet; however, Declarant may allow a deviation from this height limitation where the fence is designed for screening trash disposal areas or for similar situations which require a greater height. The preferred style of fencing, where not of a screening type, shall be of a two or three rail flat board horizontal type (two rails for under 3' heights; three rails for over 3' heights). All fences must be approved by the Declarant prior to construction.
- E. Driveways. Acceptable material for driveways shall be limited to permanent hard surfaces of concrete or pavers. Asphalt, loose stone, gravel or unfinished surfaces will not be permitted. The driveway shall be a maximum of twelve (12) feet wide where meeting the sidewalk and street curbing, and must be located to avoid pre-planted trees and pre-installed lighting. Driveways may be widened at the discretion of the property owner beginning five (5) feet from the edge of sidewalk, but shall not exceed thirty (30) feet in width.
- F. Walkways and Steps. Acceptable materials for walkways shall be limited to permanent hard surfaces of concrete, stone or pavers; loose stone, asphalt or unfinished surfaces will not be permitted. Walkways shall be a minimum of four (4) feet wide, and walkways are required that extend to both the sidewalk adjacent to the street and the driveway. Materials for steps shall either match the walkway adjacent to them or the applicable foundation material of the dwelling.
- G. Landscaping. Property owner is required to maintain pre-planted landscaping on their property, and each homesite must be maintained and kept in a clean, neat and attractive appearance. All areas shall be landscaped according to the approved landscape plan. The landscape plan must be submitted for approval with the construction plans.
- H. Vacant Building Lots. Please be advised that according to the City of Lewes Ordinance, Chapter 148, Property Maintenance, requires a property owner to control the growth of grass, weeds and other vegetation (maximum height 12") existing on their property.

II. *Standards for the Dwelling*

- A. Minimum Standards for the Dwelling. The minimum criteria for a dwelling to be constructed or maintained on a homesite in the Reserve at Pilottown must comply with the following guidelines at a minimum; provided, however, that the minimum guidelines shall not be the sole criteria for determining the acceptability of a home or dwelling.
- B. Minimum Area. The minimum heated square footage, exclusive of porches, garages and decks, shall be:
 - 1) For single-story, dwellings-1,800 square feet;
 - 2) For story-and-a-half dwellings - 2,100 square feet;
 - 3) For two story dwellings - 2,500 square feet.
- C. Foundations. The materials for exposed foundations shall be brick or stone on the front (i.e. each street facing) façade. The exposed foundation of the sides and rear must either match the front foundation (brick or stone) or be parged. All dwellings shall be constructed upon crawl space or raised slab on grade.
- D. First Floor and Ceiling Height. The first floor level is to conform to the General Development Plan, prepared by Karins Consulting Engineers, dated 7-24-02. The first floor ceiling height of the dwelling shall be nine (9) feet.
- E. Roof Pitch. The minimum main roof pitch, being that portion of the roof under which the heated and enclosed living space is located and under which garages are located, shall be:
 - 1) For single-story dwellings - 7/12.
 - 2) For story-and-a-half dwellings - 10/12.
 - 3) For two-story dwellings - 7/12.
 In addition, other minimum roof pitches shall be as follows:
 - 1) For dormers and gables- 10/12.
 - 2) For shed roof front porches - 4/12.
 - 3) For gable roof covered entries 10/12
 - 4) Shed Dormers (these are only permitted on the rear of the dwelling) 3/12.
 In the event that a roof height exceeds the City of Lewes maximum building height, relief may be granted on a case by case basis.
- F. Roof Type. The main roof of the dwelling shall be of hip or gable types. For all dwellings, facades facing the street shall contain a gable, gables or dormers, or a combination of gable(s) and dormer(s) shed dormers are only permitted on the rear of the dwelling. The combined width (measured at each components widest geometry) shall total a minimum of either 25 or 50 percent (depending on type of dwelling) of the overall width of roof ridges that are parallel or nearly parallel to the street. The chart below defines the minimum percentages for the roof components of the different dwelling types.

Dwelling type	Roof component(s)	Percentage of component(s)
Ranch	Gable(s) and or Dormer(s)	50%
Story-and-a-half	Gable(s) and or Dormer(s)	50%
Story-and-a-half	Dormers only	25%
Two Story	Gable(s) and or Dormer(s)	25%

Gables facing the street shall include decorative or wide trim of eight (8) inch nominal width beneath the roof's rake edges. Incorporated into gables facing the street shall be trimmed window(s) and/or a decorative or functional trimmed vent sized in proportion to the gable. Rake trim shall extend at least four (4) inches from the gable facade.

- G. Roof Materials. The main roof of the dwelling and roof over garages shall be asphalt/fiberglass architectural grade shingles, minimum thirty (30) year. Colors shall be black, charcoal or weathered wood or wood shingles. All other roof material shall require Declarant's prior written approval.
- H. Siding. The exterior siding of the dwelling shall only be of vinyl, wood, "hardiplank", stone or brick (provided the brick and or stone is in combination with the other materials listed, and does not exceed fifty (50) percent of the total area of the street facing façade excluding the foundation masonry). Siding types allowable are shake, shingle, or lap. Beaded or dutch-lap sidings are acceptable. Acceptable colors shall be clay, beige, tan, grey, pewter, cream, almond, soft yellow, light blue or white.
- I. Trim. The exterior trim boards of the dwelling shall only be of vinyl, wood, "hardiplank" (or composites of any of these). Aluminum wrapped trim will also be acceptable. Soffit trim boards are required beneath fascia and/or rake boards on the street-facing facade: either decorative or wide trim of eight (8) inch nominal width. Corner trim boards shall be of three (3) inch nominal width. Fascia and rake board trims shall be a minimum of eight (8) inch nominal width, and shall include a nominal three (3) inch drip edge trim board. Acceptable trim colors shall be beige, tan, cream, almond or white.
- J. Windows. Operable windows on the street-facing facades of the dwelling shall have a head height of at least 7'-8" above the first floor. Sizes of first-floor operable windows shall be a minimum 2'-4" x 6'-0". Muntins are required in the entire window or at least the upper half of the windows on the front (street facing) façade; muntions on the side and rear windows are optional. Shutters are required on single windows only, unless windows are trimmed in a vinyl or wood panel at least a nominal 6-inches wide on all sides. Such shutters shall be a minimum of 16" wide or equal to one-half the width of the windows they are adjacent to, whichever is less. Head and sill trim shall be at least a nominal 6-inches wide regardless of whether or not shutters are provided. Such trim is also required for all non-operable, multiple operable or decorative windows; shutters will not be permitted for such windows. Window colors must be white.

- K. *Front Door.* Entry doors are to be incorporated into the front-facing facades of the dwelling and must incorporate a transom window to equal the 7'-8" head height established for the windows in such facades. Also, at least one (1) sidelite window must be included. Doors must be of a panel or decorative glass insert type; trim to match those described for windows. Door color is to be approved by the Declarant.
- L. *Covered Entry or Front Porch.* Each dwelling is required to have either a covered entry or a front porch. The structure requires roof covering, comprising at least seven (7) feet wide of the street-facing facade. The structure shall be of a minimum six (6) foot depth, shall be of eight (8) foot minimum floor to ceiling height and shall be covered with a roof material matching the main roof or of standing seam metal. (Colors to be grey, black, forest green, or maroon). All covered entries or front porches require columns that consist of an articulated base and capital, shall be of square or cylindrical profile, and shall be constructed of wood or fiberglass. Minimum column widths must be eight (8) inch nominal. Railings, where provided, shall be of a vertical picket or decorative style (such as chippendale). Columns, railings and trim colors to match those described for trim.
- M. *Garages.* Each dwelling shall include at least a two-car-garage. Garage structures must be completely enclosed and equipped with a garage door or doors; which, when closed, prevents the interior of the garage from being visible from any road or adjoining lot. Front entrance doors for all garages are to be of panel style with windows required in the upper 1/4 portion of the door. Door trim to include nominal six (6) inch widths for jamb trim and nominal ten (10) inch height for head trim. Except as provided below all garages are to be attached to or integral to the dwelling and shall be placed rearward a minimum of 2-feet from the front-most living-space projection of the dwelling. A courtyard type garage (side-entry courtyard garage projected forward of the dwelling) will be permitted for single-story (or 1 1/2 story) garage only, with the following minimum standards that are in addition to the garage requirements as stated above. A minimum of two (2) windows must be incorporated into the street facing facade of the garage. The street side of the driveway must be curved with no right angles. A masonry type decorative screen wall attached to the corner of the garage that extends six (6) to eight (8) feet along the edge of the driveway. The decorative wall is to be approximately six (6) feet tall at the garage wall and reducing down to approximately four (4) feet tall at the opposite end. The end of the decorative wall shall include a capped masonry column. The masonry used for the decorative wall is to be of the same type and color as the foundation masonry. Additional landscaping is to be added in front of the driveway to lower the visual impact of the driveway.

Note: These guidelines **Do Not** substitute the architectural review by the Declarant. A complete architectural review is required prior to obtaining a building permit and commencing construction.

Compensating or offsetting components may provide relief for certain conditions, requirements or requested exceptions. Any exception granted for whatever reason shall not automatically become a new standard. Only changes duly approved and adopted by the Declarant or Architectural Review Committee can modify the Architectural Standards.

EXHIBIT C**COMMUNITY RULES AND REGULATIONS**

for the

Reserve at Pilottown

To promote harmony among neighbors and to enhance the enjoyment of homeowners and other residents in the Reserve at Pilottown (referred to below as the "Community"), all homeowners and occupants shall abide by the following Community Rules and Regulations:

1. Vehicles

(a) Motorcycles, motor scooters, trail bikes, all terrain vehicles, ATV's, go-karts, snow mobiles and similar recreational vehicles may not be operated in the Community; except that licensed motorcycles or motorbikes quietly operated by licensed drivers may be driven to and from a particular dwelling being occupied or visited by the driver.

(b) Vehicles must travel along the streets at a speed not exceeding twenty-five (25) miles per hour unless otherwise posted. All vehicles operated upon the streets are to be used so as to avoid unnecessary noise and danger to others.

(c) Vehicles may not park, stop or stand in a way which impedes or prevents ready access to and from any other vehicle or driveway. No inoperable or unlicensed vehicle may be parked outside of any garage for more than forty-eight (48) hours. Vehicles are not to be parked upon any unpaved area or any paved areas not created for vehicle parking.

(d) The Reserve at Pilottown Maintenance Corporation (hereinafter referred to as the "Corporation") has the right to cause any vehicle not conforming with these regulations to be moved or towed away, as necessary, at the expense of its Owner or operator, and without liability for damage caused to the moved or towed vehicle.

2. Open Spaces, Common Facilities and Streets

(a) The Corporation's maintenance responsibilities for open spaces, unless expanded by vote of the Lot Owners, will be confined to cutting of grass, fertilization and weed control, maintenance of landscaping signage and entrance features, and maintenance of storm water drainage systems. Lot Owners and occupants may not undertake open space maintenance, encroach or place any item on the open space without the Corporation's written approval.

(b) No masonry or other mailboxes not acceptable to The City of Lewes, basketball backboards or street hockey goals, structures, toys, play or sporting equipment, rocks, shrubs, trees or other items shall be erected, placed or permitted in any right-of-way, or upon any common area.

(c) No lawn chairs, tables, barbecues, game equipment, toys or other such items may be placed upon or within the open spaces, street rights-of-way and common facilities except at such times and places, if any, as the Corporation may from time to time prescribe; and must be removed from the open spaces, street rights-of-way and common facilities when not in use.

(d) No fires may be caused or permitted upon the streets; nor caused or permitted upon the open spaces or common facilities except pursuant to the Corporation's prior written permission, and in accordance with the Corporation's instructions.

(e) No refuse whatsoever, including leaves and cuttings, is to be discarded or placed upon the open spaces, common facilities or streets.

3. Homes

(a) Owners and occupants may not cause or permit any sign to be displayed, or any rug, laundry, antenna, aerial, fan, air-conditioner, wire or other object to hang or protrude, from any roof, wall, window, door or deck except the foregoing does not prohibit the display of customary holiday decorations or the American flag, customary "for sale" or "for rent" signs, subject to such specific limitations on type, manner of display, and duration as the Corporation may from time to time determine and publish in writing.

(b) All screens, screening, storm windows and storm doors and visible from the streets are subject to the Corporation's prior written approval as to appearance, design, materials, and manner of installation.

(c) No exterior shades, awnings, or window guards visible from the streets may be used except with the Corporation's written approval.

(d) Shutters and window grids (muntins and mullions) are not be removed from any window that is visible from the streets, except temporarily for painting or window cleaning.

(e) Bicycles, toys (including sporting equipment such as but not limited to basketball hoops and street hockey nets), garbage cans, tires, tools, ladders, barbecues and other ancillary or recreational items may not be stored or left outside of the front of any dwelling.

(f) Television, radio and other electrical devices subject to volume control may not be played above moderate levels if any home Owner or occupant objects. However, this does not prohibit occasional large parties or celebrations planned and conducted in accordance with written procedures (if any) established and circulated from time to time by the Corporation, which may include an advance notice or registration requirement.

(g) Garbage, trash and other refuse will be kept in tight, enclosed containers stored out-of-sight except for collection and removal purposes. Such containers shall not remain outside for collection and removal purposes longer than twenty-four (24) consecutive hours in any five (5) day period.

(h) All lawns, shrubs and trees are to be regularly mowed, raked and trimmed so as to maintain a neat and cared for appearance.

4. Pets

All dogs, cats and other permissible pets must be confined inside if they otherwise make noise reasonably annoying to neighboring residents. Pets should run only upon their Owner's Lots or upon open spaces where specifically designated by the Corporation, and only if leashed or under their Owner's firm control. In no event shall outdoor shelters, pens or runs be permitted. All Owners and their guests, invitees, agents and others who allow or permit their pets and/or animals in their charge to defecate upon the grounds of the Property shall immediately thereafter remove from the grounds of the Property any and all excrement left by the pet or animal and dispose of it as soon as possible in a sanitary fashion. All Owners, guests, invitees, agents and others shall accompany the pet or animal in their charge at all times, shall keep the pet on a leash when it is not on the Owners Lot, and shall carry with them at such time devices necessary to remove the pet excrement; which removal shall be done immediately.

5. Developer's and Builder's Exemptions

To the extent reasonably necessary or convenient for completion of construction of the Community and all dwellings therein, the Developer and Builder of the Community and dwellings therein, their respective successors, agents, subcontractors and assigns (other than grantees of Lots) shall not, as to dwellings or site improvements under construction, unsold dwellings or Lots which remain unsold and are offered for sale, or with respect to construction vehicles and materials, be bound to observe the foregoing Rules and Regulations.

6. Enforcement

The Corporation shall have the right to enforce these Rules and Regulations against any Owner or occupant (other than the Community Developer "Declarant", Builder and their agents and employees) violating them, and may at the expense of the Owner of any dwelling occupied by a tenant who has violated any of these Rules and Regulations, terminate occupancy of the dwelling by such person and all others with him, and change the locks to the dwelling to enforce such termination, all in accordance with the requirements of Delaware Law governing such matters.

7. Miscellaneous

Any consent or approval given by the Corporation or its managing agent under these Rules and Regulations may be revoked or modified. At any time the Corporation may amend these Rules and Regulations, except that no rule or regulation benefitting the Builder or Developer of the Community may be amended without the Builder or Developer's written consent. The Corporation may delegate any of its responsibilities hereunder to its managing agent, except that only the Corporation may amend these Rules and Regulations.

RECORDER OF DEEDS
JOHN F. BRADY

04 AUG -6 PM 1:31

SUSSEX COUNTY
DOC. SURCHARGE PAID

Received

AUG 09 2004

ASSESSMENT DIVISION
OF SUSSEX CTY