

FEPOA COVENANTS INTERPRETATION

Original Effective Date: January 10, 2004

Last Amended: APRIL 18, 2015

COVENANT INTERPRETATION NO. 1: Covenant Sections 1 & 3 – Residential Use & No Temporary Structures (10 January 2004) – Restriction on Camping:

WHEREAS, Section 1 of the Declaration of Covenants, Conditions and Restrictions of Freshwater Estates (the “Covenants”) states that:

“The lots shall be used for residential purposes only and are restricted to single family homes. No commercial use shall be permitted. This restriction shall not be construed to prevent rental of any Dwelling for private residential purposes.”

and;

WHEREAS, Section 3 of the Covenants states that:

“No single wide or double wide house trailer, mobile home or other structure of a temporary character shall be permitted on any lot on said property.”

and;

WHEREAS, the Freshwater Estates (“FE”) Board of Directors has received many concerns and complaints regarding camping on FEPOA lots, the unsightly nature of camper/trailers on FEPOA lots, and the potential negative impact such activities may have on FEPOA property values; and

WHEREAS, the FE Board of Directors consulted with and received advice from its legal counsel in connection with the foregoing concerns and the interpretation of Sections 1 & 3 of the Covenants.

Accordingly, the FE Board of Directors adopts the following Covenant Interpretation for Sections 1 & 3 of the Covenants:

- (a) Subject to Louisa County ordinances and regulations, Sections 1 & 3 of the Covenants shall be read together to restrict camping and/or the use of any camper/trailers for camping purposes on unimproved lots in the FEPOA subdivision; and**
- (b) Consistent with Louisa County building regulations and common sense, this interpretation shall not apply to FEPOA lots containing completed dwellings or FEPOA lots for which a current valid building permit has been issued by the Louisa County building authorities.**

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COVENANT INTERPRETATION NO. 2: Covenant Section 2 – Size Requirements (18 APRIL 2015):

“No dwelling with a living area, exclusive of open porches, attached garage, carport, unfinished basement or utility room shall be erected on any lot or parcel which contains less than 1400 square feet on the first floor and for all lakefront lots no less than 1800 square feet for a one-story dwelling.”

In accordance with additional information provided to the Board of Directors’ the interpretation (following) dated 7 April 2007 has been rescinded and replaced with the following:

Email 7/9/2008

Richard Gasper, Jr., Assessor, Louisa County “My interpretation of what distinguishes a 1 story home over a finished basement versus a 2 story home is as follows: Appraisal standards indicate that “basement areas” are the lower level of a structure that lacks an exterior entry from the formal/front approach to the structure. For example, the lowest level (whether above grade, partially below grade or buried below grade) that does not have a standard door access from the front approach to the home is considered to be the basement. Dwellings that are constructed on a back sloping lot may have a lower level that is below grade at the front and be at grade in the back with exterior access. However this lower level is considered to be a basement/finished basement and is valued as such”.

Conclusion: Basements are not to be considered in calculating the square footage of homes. All homes under construction or built prior to the date of this interpretation are not subject to it. The Board of Directors felt it was necessary to make this clarification for all future homes built in Freshwater Estates in order to maintain property values and to ensure that the Architectural Review Committee members have a clear understanding when reviewing house plans submitted to them.

Note: The Covenant Interpretation No.2 Covenant Section 2 Size Requirements dtd 7 April 2007 is being rescinded (below) while based on a legal opinion was formulated by giving scenarios as examples and asking for a “legal” interpretation from someone NOT in the building industry.

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COVENANT INTERPRETATION NO. 2: Covenant Section 2 – Size Requirements (7 April 2007) Rescinded APRIL 2015

WHEREAS, Section 2 of the Declaration of Covenants, Conditions and Restrictions of Freshwater Estates (the “Covenants”) states that:

“No dwelling with a living area, exclusive of open porches, attached garage, carport, unfinished basement or utility room shall be erected on any lot or parcel which contains less than 1400 square feet on the first floor and for all lakefront lots no less than 1800 square feet for a one-story dwelling.”

and;

WHEREAS, the Freshwater Estates (“FE”) Board of Directors received a complaint alleging that a certain waterfront home did not meet the square footage requirements set forth in Section 2 of the Covenants (specifically, it was alleged that the house was a “one-story dwelling” and was less than 1800 square feet on the main floor living area); and

WHEREAS, upon investigation the FE Board of Directors discovered that two (2) other FE waterfront homes were similarly situated to the house that was the subject of the complaint; and

WHEREAS, the FE Board of Directors consulted with and received advice from its legal counsel in connection with the foregoing complaint and the interpretation of Section 2 of the Covenants in the context of closely related hypothetical situations; and

WHEREAS, the Board of Directors seeks to clarify the legal interpretation of the size requirements under Section 2 of the Covenants for as many eventualities as possible.

Accordingly, the FE Board of Directors adopts the following Covenant Interpretation for Section 2 of the Covenants:

(a) Legal significance must be assigned to every word and phrase of each Covenant, and thus the exclusion of square footage in an “unfinished basement” in Section 2 requires that the square footage in “finished basements” be included in the definition of qualifying square footage (or in this case floor); and

(b) As such, lakefront homes with greater than 1400 square feet on the main level with “finished basements” are not considered “one-story

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dwelling,” but rather two-story dwellings. As such, lakefront homes built with this configuration need not be over 1800 square feet on the main level; and

(c) “One-story dwellings” are defined as those dwellings built upon a slab foundation or over a “crawl space” foundation incapable of being completed as a “finished basement” for purposes of habitation; and

(d) Regardless of how a dwelling may be configured, under no circumstances may any home in the FEPOA subdivision be less than 1400 square feet on the main floor living area.