

DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR
BEACON MEADOWS PHASE II

Please Note that this set of Restrictions has NOT been recorded as of this time. Once the recording process is complete, all buyers will receive a Recorded set. Thank you for your understanding.

This DECLARATION is made and executed this _____ day of _____, 2006, by Moore-Grant Properties, L.L.C., a limited liability partnership organized and existing under the laws of the State of Delaware, with offices at Millsboro, Delaware 19966 (hereinafter referred to as "the Developer".)

WITNESSETH:

WHEREAS, the Developer is the fee simple owner of certain real property located in Dagsboro Hundred, Sussex County, Delaware, as plotted on the subdivision plan of Beacon Meadows, dated October 22, 1996 and recorded in the Sussex county Recorder of Deeds Office in Plot Book 52 page 264 (hereinafter referred to as "the Property", and further described in "Exhibit A" attached hereto, and desires to develop therein a residential community;

Beacon Meadows is described as lots 1 thru 12 and 24 thru 59 inclusive, see "Exhibit B" attached shall from this point forward be known and referred to as Beacon Meadows Phase II. The following restrictions shall run with these aforementioned lots only and shall supercede any prior restrictions, specifically those contained in a Declaration of Deed Restrictions for Beacon Meadows recorded in the office of the Recorder of Deeds in and for Sussex County, Delaware in Deed Book 1950 page 80. The Restrictions for Beacon Meadows Lots 13 thru 23 are recorded in Deed Book 1950 Page 80 and shall remain unchanged as to those lots.

WHEREAS, the Developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of common lands and facilities and to this end, desires to subject the Property to the covenants, restrictions, easements, charges and liens (hereinafter referred to collectively as "the Restrictions"), as hereinafter set forth, for the benefit of the Property and each owner thereof;

WHEREAS, the Developer has deemed it desirable for the efficient preservation of value and amenities in said community, to create an agency to which will be delegated and assigned the powers of maintaining and administering any community facilities, common lands and recreational amenities, and administering and enforcing the covenants and restrictions and levying, collecting and disbursing the assessment and charges hereinafter created.

NOW, THEREFORE, the Developer hereby declares that the following Restrictions shall run with, burden and bind the Property; and the Developer hereby declares the Property, as described in "Exhibit B" is and shall be held, transferred, sold, conveyed, occupied and used subject to the restrictions hereinafter set forth and during the period of time hereinafter set forth; and subject to all easements, rights of way and restrictions previously placed upon the property as recorded in the Office of the Recorder of Deed in and for Sussex County by the Developer or its predecessors in title:

- 1) Each lot or given land area located in Beacon Meadows Phase II shall be solely and exclusively used for residential or recreational purposes. No structural or other improvements, except as hereinafter provided, shall be erected, altered, placed or used or permitted to remain upon any such numbered lot or given land area located in Beacon Meadows Phase II.
- 2) Only one (1) detached dwelling may be erected, altered and occupied upon any numbered lot in Beacon Meadows Phase II. No dwelling shall be placed upon any lot in Beacon Meadows Phase II unless and until the plans and specifications therefore and the plot plan thereof shall have been approved in writing by Developer or by the Directors of the Beacon Meadows Phase II Property Owners Association, as the case may be.
 - a) All homes must be stick built or modular and must have a minimum square footage of 2,200 square feet which may include 400' of unheated space, (porches, breezeways, decks, garages or any other attachments.) Architectural and placement approval is required in writing, from the developer, prior to placement.
 - b) There shall be a minimum roof pitch requirement of 7/12 on all dwellings. This roof pitch requirement shall also apply to all attached garages or porches, however the pitch of any accessories building or garage shall not exceed the height of the dwelling to which it is an accessory use.
 - c) All foundations must be brick or stone.
 - d) Only one detached outbuilding with a minimum of 150 sq. ft is permitted. Said outbuilding shall compliment the main structure and be built with similar colors and materials and shall be approved prior to construction and placement. No metal buildings or structures are permitted.
 - e) County setbacks shall apply to all lots.
 - f) Each entrance shall have a culvert pipe installed and every driveway shall be hard surfaced.
- 3) No additions to dwellings, porches, outbuildings, tool sheds, patios or other like construction shall be permitted without prior written approval of the Developer it successors or assigns. Any additions, attachments or outbuildings must be finished with matching materials to the single-family dwelling.
- 4) Each dwelling and each lot shall be kept neat, clean and attractive in appearance. Each lot owners is responsible for landscaping his own lot. Maintenance of the lot and cutting of grass will be assumed by Developer, its successors or assigns, at owner's expense, if owner should neglect such upkeep.
- 5) No boundary fence or wall shall be constructed to a height of more than four (4) feet, except however, for the purposes of privacy or safety around a swimming pool or other similar type structure and shall not be constructed or grown to a height of more than six (6) feet. All fencing shall be approved prior to placement by the Property Owners Association.

- 6) Only in-ground swimming pools shall be permitted to be constructed.
- 7) No lawn ornaments of any kind shall be erected or placed on any lot with prior approval of the Property Owners Association.
- 8) All fuel tanks, gas tanks and similar storage receptacles shall be buried underground.
- 9) No wholly or partially stripped down motor vehicles shall be permitted to be parked on any lot or street in Beacon Meadows Phase II. No major repairs or overhauling of motor vehicles shall be permitted in Beacon Meadows Phase II. No disabled vehicle shall be allowed to remain in view as a nuisance nor shall any unlicensed vehicle be allowed to remain more than ten (10) days unless kept inside a structure.
- 10) No travel trailer, boat, commercial vehicles, etc. may be stored in any lot inside Beacon Meadows Phase II unless the same be kept in an enclosed garage. No structure of any temporary character shall be placed on any lot in Beacon Meadows Phase II unless during periods of construction and for the storage of construction materials only. The Developer (Moore-Grant Properties, L.L.C.) reserve the right to place construction offices, dumpsters and storage trailers for construction and sales use.
- 11) There shall be no cars parked along the streets in Beacon Meadows Phase II for a period of more than eight hours. All cars remaining past that time shall be towed at the expense of the owner.
- 12) No go-carts or similar vehicles shall be permitted to be operated in Beacon Meadows Phase II. Only properly licensed drivers may operate motor vehicles in Beacon Meadows Phase II, except that non-licensed drivers may operate lawn, garden or farm tractors when the same are being utilized for their intended purpose.
- 13) No firearms of any kind, whether lethal or only capable of firing non-lethal bullets, shells or other objects, shall be discharged at any place within the confines of Beacon Meadows Phase II. The Developer or any resident, of Beacon Meadows Phase II, shall be authorized to institute whatever civil or criminal action may be necessary in order to prevent the aforesaid unauthorized discharge of firearms.
- 14) No trash, ashes, garbage or other refuse shall be dumped, stored, or accumulated on any lot with Beacon Meadows Phase II. Each lot owner shall provide receptacles for garbage in a screened area not visible from any street. Trash receptacles are permitted in an area near the street. Trash receptacles are permitted in an area near the street for normal pickup for a period of not more than 24 hours.
- 15) There is no burning of any kind permitted on any lot or given land area in Beacon Meadows Phase II.
- 16) Cable television is available to Beacon Meadows Phase II therefore if anyone wishes to have a satellite dish in must be placed on the rear of the home or in the backyard and must be under 24" in diameter.

- 17) No advertising signs shall be permitted on any lot or given land area in Beacon Meadows Phase II, except that of a sign offering the premises for rent, sale or both may be displayed on a lot and no sign shall exceed (18) inches by twenty-four (24) inches in size. The Developer and reserves the right to display signs for marketing purposes.
- 18) The elevation of any given lot or land area shall not be changed so as to materially effect the surface grade of the surrounding lot or land area without first obtaining the prior approval in writing of the Developer herein, its successors or assigns.
- 19) Lot owners are permitted to have a vegetable garden in Beacon Meadows Phase II. Any vegetable garden shall be located in the side or back yard and shall not encroach upon the side and rear property lines. Further, all such vegetable gardens are for the private use and consumption of the lot owner and the owner shall not be allowed to use any such vegetable garden for commercial sale of the produce, either on or off the lot.
- 20) Pets shall be strictly limited to domesticated dogs or cats with each lot owner being allowed no more than two (2) dogs and two (2) cats. All such animals must be kenneled with a privacy fence around the kennel. All pets are to be restrained by leash or in pens at all times. There shall be no commercial breeding or kennels within Beacon Meadows Phase II.
- 21) The Community is intended to provide an environment of relative quiet. All residents and their guests should be considerate of the needs of others in this area. Observance of this noise abatement policy is a courtesy of each inhabitant of the Community toward all others.
- 22) The following general prohibitions and requirements shall prevail as to construction activities conducted on any numbered lot or given land area in Beacon Meadows Phase II.
 - a) No outside toilets shall be constructed on any lot. This shall not prohibit the self-contained toilet, for construction purposes only and provided that it be maintained in an odor-free environment and that it be removed immediately at the end of the construction period.
 - b) Once construction of any structure has been commenced, such construction shall proceed without delay until the same is completed. Cessation of work before completion of any structure once stated and continuance of such cessation of work before completion of any structure once started and continuance of such cessation for a continuous period of sixty (60) days shall be Prima Facie evidence of an attempt to abandon the structure in its partially completed state, and the same shall be deemed to be a public nuisance.
 - c) No residence shall be occupied until the same has been substantially completed in accordance with its plans and specifications.
- 23) The streets, roads, entrance areas and drainage swales, as shown on the plot of Beacon Meadows Phase II, or as subsequently constructed, are hereby dedicated for the use of the residents and property owners of Beacon Meadows Phase II. The streets, roads and entrance areas shall be constructed by the Developer in accordance with applicable standards and such streets, roads, and entrance areas will not be maintained by the State of Delaware or Sussex County. Each such resident and property owner by the acceptance of a conveyance of a lot or lots in Beacon Meadows Phase II

hereby agrees to pay their proportionate share for maintaining, repairing and replacing all streets, roads, entrance areas, and drainage swales. Beacon Meadows Phase II Property Owners Association shall be responsible for the maintenance of the entrance in Beacon Meadows and Beacon Meadows Phase II; to with: Robinson Drive and Beacon Circle.

- 24) Every person, firm or corporation who acquires title, legal or equitable, in any lot or given land area in Beacon Meadows Phase II shall become a member of Beacon Meadows Phase II Property Owners Association; provided, however, that such membership is not intended to apply to those persons, firms or corporations who hold an interest in any such lot merely as security for the performance of any obligation to pay money; namely, mortgages, deeds of trust, or real estate contract purchases. However, if such persons, firms or corporations should realize upon their security and become the real owner of owners of a lot with Beacon Meadows Phase II, such persons, firms or corporations shall then be subject to all requirements and limitations imposed in these Restrictions on such owners with Beacon Meadows Phase II and all members of the Association, including those provisions with respect to the payment of an annual charge.
- a) The general purpose of the Association is to further and promote the community welfare of property owners in Beacon Meadows Phase II.
 - b) The Association shall also be the means for the promulgation and enforcement of all regulations necessary for the governing of Beacon Meadows Phase II.
 - c) The Association shall have all the powers that belong to it by operation of law. The Association shall be governed by a Board of Directors of not less than three (3) nor more than five (5) members, all of whom shall be property owners in Beacon Meadows Phase II. Prior to the sale of seventy-five percent (75%) of the lots laid out by Developer and designated as Beacon Meadows Phase II, the Developer, or its successors or assigns, may, in its discretion, appoint a Board of Directors of the Beacon Meadows Phase II Property Owner's Association, consisting of not less than three (3) nor more than five (5) members, as well as to appoint the respective successors thereof. After the sale of seventy-five percent (75%) of the number of lots laid out by it in Beacon Meadows Phase II, such Board of Directors shall be selected, elected and appointed by the vote in person or by proxy of the owners of the majority of the lots located in Beacon Meadows Phase II, the owner or owners thereof to have one (1) vote for each lot owned by him, her, them, or it, as the case may be. Upon the establishment of the Board of Directors in the manner aforesaid, such Board of Directors, shall thereupon succeed to all the powers, privileges, rights, and authority reserved by, vested in, or exercised by the Developer, its successors or assigns.
- 25) Inasmuch as there is no present organized homeowners association in Beacon Meadows I (lots 13-23). Those lots owners, now know as Beacon Meadows I shall be responsible for the maintenance of the road in front of their properties.
- 26) Each lot owner in Beacon Meadows Phase II covenants to pay to the Beacon Meadows Phase II Property Owners Association, Inc. after its formation and its successors on January 1st and on January 1st of each year thereafter, a maintenance assessment, such assessment to be Two Hundred and Fifty Dollars (\$250.00) per lot for the calendar year 2005, and such assessment thereafter to increase annually Fifty dollars (\$50.00 per year). Once the Residents of Beacon Meadows Phase II

have formed their Property Owners Association then the Board of Directors of the Beacon Meadows Phase II Property Owners Association shall determine the annual fee for each and every lot. The proceeds received by the Beacon Meadows Phase II Property Owner's Association, as the case may be, shall be used and expended for the construction and/or maintenance of roads, streets, entrance areas, drainage swales, recreation areas, lighting for streets and recreation areas, and other similar purposes, including snow removal. If any assessment is not paid on the date when due as hereinabove provided, then such assessment shall be deemed delinquent and shall, together with such interest thereon and cost of collecting, including reasonable attorneys' fees thereof as hereinafter provided, continue as a lien on the lot and any structure built thereon which shall bind such lot in the hands of the then owner, his heirs, devisees, personal representatives, successors and assigns. In addition to such lien rights, the personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation and shall not pass to his successors in title (other than as a lien on the land) unless expressly assumed by them. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the legal interest rate authorized by 6 Del.C. § 2301, as amended, and the Association may bring legal action against the owner personally obligated to pay the same or may enforce or foreclose the lien against the lot; and in the event a judgment is obtained, such judgment shall include interest on the assessment above provided and any reasonable attorneys fees to be fixed by the court, together with the costs of the action. No owner of a lot may waive or otherwise escape liability for the assessment provided for herein by nonuse of the roads, streets, or other common areas, or by abandonment of his or its lot. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage on the lot. Sale or transfer of any lot shall not affect the assessment lien. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

- 27) Nothing contained herein shall be construed in any manner so as to impose upon the Developer, its successors or assigns, any liabilities for property damage and/or personal injury occurring to any person or persons whomsoever for or by reason of the use of the ways, roads, streets, lands, easements, common areas, entrance ways, or similar like conditions, or any of them in Beacon Meadows Phase II.
- 28) The Restrictions and Agreements set forth herein are made for the mutual and reciprocal benefit of each and every lot or given land area in Beacon Meadows Phase II and are intended to create mutual, equitable servitudes upon each said lot or given land area in favor of each and all other lots therein; to create reciprocal rights between the respective owners of all the said lots; to create a privity of contract and estate between the grantees of said lots and given land areas, their heirs, executors, administrators, successors or assigns, and shall, to the owner or owners of each lot or given land area, their heirs, executors, administrators, successors or assigns, and shall, to the owner of owners of each lot of given land area, their heirs, executors, administrators, successors or assigns, operate as covenants running with the land for the benefit of each and all other lots and given land areas and their respective owners.
- 29) The owner of any lot or given land area to whose benefit these Restrictions inure may proceed at law or in equity to prevent, after fifteen (15) days notification by certified or registered mail, the occurrence, continuation or violation of any of these Restrictions and the court in any such action may award the successful party reasonable expenses in prosecuting such action, including reasonable attorney's fees. The remedies specified herein are cumulative and a specification of them

shall not be taken to preclude any aggrieved party from resorting to any other remedy at law or in equity or under any other statute. No delay or failure on the part of any aggrieved party to invoke an available remedy in respect to a violation of any of these Restrictions shall be held to be a waiver of that party or an estoppel of the party to assert any rights available to him upon the reoccurrence or continuance of such violation or the occurrence of a different violation.

- 30) These Restrictions may be amended by and with the written consent of not less than sixty percent (60%) of the owners of all the lots in Beacon Meadows Phase II. The required percentage of the owners of the various lots or given land areas in Beacon Meadows Phase II shall have the power to waive, abandon, terminate, modify, alter, change, amend or add to these Restrictions or any of them at any time hereafter. Any such waiver, abandonment, termination, modification, alteration, change, amendment or addition shall take effect when a copy thereof executed and acknowledged by each of the lot owners who assent thereto in accordance with the usual form of execution and acknowledgement of deeds to land shall have been filed for record in the Office of the Recorder of Deeds, in and for Sussex County, and the same thereafter shall remain in effect in perpetuity, unless the same shall be waived, abandoned, terminated, modified, altered, changed, amended or added to as the case may be. In the taking of any such vote or the obtaining of any such written consents, each owner, including the Developer, shall have as many votes or consents as he may own lots or given land areas situate in Beacon Meadows Phase II. The right and privilege granted herein to waive abandon, terminate, modify, alter, change, amend or add to these Restrictions or any of them does not extend nor apply to the waiver, abandonment, termination, modification, alteration, change, amendment or addition to the plot of Beacon Meadows II as the same presently appears of record, not to the location of the various streets, roads, thoroughfares, or ways shown thereon, neither of which shall be abandoned, terminated, waived, modified, altered, changed, amended or added to without the express written consent of the Developer first being had and obtained. Furthermore, these Restrictions may not be waived, abandoned, terminated, modified, altered, changed or amended so as to affect in any manner the obligation of the lot owners to properly maintain, repair and replace the streets, roads and entrance areas shown on the plot of Beacon Meadows Phase II, unless and until such obligations shall have been assumed by the Division of Highways of the State Department of Transportation or by another responsible governmental agency.
- 31) The invalidating of any one of the foregoing Restrictions by any court of competent jurisdiction shall in no way affect or impair the full force and effect of all other Restrictions set forth herein, and in such event, all other Restrictions not expressly invalidated thereby, shall remain in full force and effect.

32) Definition of Terms:

Developer: Moore-Grant Properties, L.L.C., with address of 230 West DuPont Highway, Millsboro, Delaware 19966

Homeowner: Some who purchases and is deeded a Lot from the Developer. For the purpose of voting in Community Association affairs, each Lot shall have only one Homeowner.

IN WITNESS WHEREOF, the undersigned, MOORE-GRANT PROPERTIES, L.L.C. has caused these present to be signed by its proper officers and its corporate seal to be hereunto affixed the day and year aforesaid.

SIGNED, SEALED, DELIVERED
and witnessed in the
presence of:

MOORE-GRANT PROPERTIES, L.L.C.
a Delaware corporation

By: _____

Attest: _____

(Corporate Seal)

STATE OF DELAWARE :

: ss.

COUNTY OF :

:

BE IT REMEMBERED, that on this _____ day of _____, 2006, personally came before me the Subscriber, a Notary Public in and for the State and county aforesaid, _____ of Moore - Grant Properties, L.L.C. a limited liability corporation in the State of Delaware, party of this Indenture, known to me personally to be such, and acknowledged this Indenture to be his act and deed, and the act and deed of the said corporation; that the signature of President is in his own proper handwriting, that the seal affixed is the common and corporate seal of the said corporation duly affixed by its authority; and that the act of signing, sealing, acknowledging and delivering the said Indenture was first duly authorized by resolution of the Board of Directors of the said corporation.

SWORN TO AND SUBSCRIBED before me the day and year first above written.

Notary Public