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DECLARATION OF COVENANTS, CONDITIONS
RESTRICTIONS AND RESERVATION OF EASEMENTS

This Declaration of Covenants, Conditions, Restrictions and Reservation of Easements is made this 20th day of December, 1988, by Cameron General Partnership, as Virginia general partnership, referred to as "Developer."

** W I T N E S S E T H **

WHEREAS, Developer is the owner of certain land situated in the City of Alexandria, Virginia more particularly described in Exhibit "A" attached hereto as a part hereof, said land together with such additional lands as shall be subjected to this Declaration being referred to as the "Property," and

WHEREAS, the Developer wishes to establish and assure a uniform plan for the development of the Property and to enhance and protect the economic and aesthetic value and desirability of the Property and the health, safety and welfare of the residents of the Property;

NOW, THEREFORE, the Developer declares that the Property is hereby subjected to and shall be held, sold, occupied and conveyed subject to this Declaration of Covenants, Conditions and Restrictions and Reservation of Easements.

The Developer further declares that this Declaration and all amendments and supplements thereto shall run with the land and shall be binding upon the Developer, the Association, each Owner, their heirs, successors and assigns and all parties claiming under them or under this Declaration and shall inure to the benefit of and be enforceable by the Developer, the Association, each Owner and all claiming under each Owner.

The Property is part of a larger tract of land owned or to be acquired by the Developer and described in Exhibit "B" attached hereto as a part hereof. The Developer anticipates that such larger tract of land will be developed in sections and covenants that the land comprising each such section will be subjected or annexed to these Covenants. The Developer shall not be obligated, however, to develop or annex such additional land. Any such annexation will be governed by the provisions for annexation of land contained herein. Development of the Land described in Exhibit "B" shall be subject to in all events, applicable laws and regulations.

Return to: FAGELSON, SCHONBERGER, PAYNE & ARTHUR

The Quaker Hill Community Association, Inc., referred to herein, has been established as a community association for the Owners and Residents of the Property.

Article I
Definitions

The words used hereinabove or hereafter in this Declaration which begin with capital letters (other than words which would be normally capitalized) shall have the meanings assigned to them in Article I of this Declaration.

1.01 "Annual Assessments" shall mean and refer to the Annual General Assessment and Services Assessment levied by the Association in each of its fiscal years pursuant to Article IV of this Declaration.

1.02 "Annual General Assessment" shall mean and refer to the annual charge for costs shared by all Class "A" Members.

1.03 "Assessable Property" shall mean and refer to all of the Property except such part or parts thereof as may from time to time constitute Exempt Property.

1.04 "Association" shall mean and refer to the Quaker Hill Community Association, Inc., a Virginia nonstock corporation, its successors and assigns.

1.05 "Board of Directors" shall mean and refer to the Board of Directors of the Association and any board, group or entity of the successor or assign to the Association serving in a comparable capacity to the Board of Directors of the Association.

1.06 "Class A Members" shall mean and refer to all Owners except, during the Development Period, the Developer.

1.07 "Class B Member" shall mean and refer to the Developer.

1.08 "Community Facilities", "Common Facilities" and "Common Area" Shall mean and refer to, at any given time, all of the Property, other than Lots, then owned or leased by the Association or otherwise available to the Association for the benefit, use and enjoyment of the Owners' provided, however, that real estate within the Property shall not be a Community Facility solely because it is burdened by an easement for utilities, landscaping or signage or dedicated as a public street or roadway.

1.09 "Community Center" shall mean and refer to the Association's recreation center, pool, pond and playground.

1.10 "Covenants Committee" shall mean and refer to the Committee so named and established in accordance with Article V of this Declaration.

1.11 "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions and Reservation of Easements as it may from time to time be amended or supplemented in the manner provided herein.

1.12 "Developer" shall mean and refer to Camero General Partnership, a Virginia general partnership, its successors and assigns, provided, however, that no successor or assignee of the Developer shall have any rights or obligations of the Developer hereunder unless such rights and obligations are specifically set forth in an instrument of succession or assignment designating a party as the Developer hereunder or which pass by operation of law.

1.13 "Development Period" and "Developer Control Period" shall mean and refer to the period commencing on the date of this Declaration first set forth above and terminating on the earlier of: (i) December 30, 1994; (ii) Two years from the first date that neither entity comprising the Developer owns any portion of the Property or (iii) The date specified by the Developer in a written notice to the Association that the Developer Control Period is to terminate on that date. If the Developer is delayed in the improvement and development of the Property due to a sewer, water or building permit moratorium or other cause or event beyond the Developer's control, then the aforesaid period shall be extended for the length of the delay or two years, whichever is less.

1.14 "Dwelling Unit" shall mean any portion of the Property, as improved, intended for any type of independent ownership for use and occupancy as a residence by a household and shall, unless otherwise specified, include within its meaning (by way of illustration, but not limitation) condominium units, apartment and cooperative units, townhomes or detached single family homes.

1.15 "Exempt Property" shall mean and refer to all land and structures and community facilities owned by the Association for so long as the Association shall be the owner thereof.

1.16 "Federal Housing Administration" ("FHA") shall mean and refer to that governmental agency of the United States of America so entitled and any agency or regulatory authority of the United States of America which succeeds to the Federal Housing Administration.

1.17 "Land Development Activity" shall mean and refer to any building, construction, reconstruction or repair of a Dwelling Unit, roadways, curbing, sidewalks, utility services or any other Structure on a Lot or any other portion of the Property by the Developer and/or by other persons regularly engaged in the building or construction business (including a Participating Builder), if granted the written request or written approval of the Developer.

1.18 "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property upon which a Dwelling Unit(s) could be constructed in accordance with the City of Alexandria zoning ordinances and to each condominium unit or apartment or cooperative unit on the Property created in accordance with the applicable laws of Virginia in effect from time to time. "Lot" shall not mean and refer to Community Facilities.

1.19 "Member" shall mean the Class A Members and Class B Member of the Association.

1.20 "Mortgagee" shall mean the holder of any recorded mortgage, or the secured party or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. "Mortgage," as used herein, shall include deeds of trust. "First Mortgage," as used herein, shall mean a mortgage with priority over other mortgages. As used in this Declaration, the term "Mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in this Declaration, the term "institutional mortgagee" or "institutional holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), all corporations and any agency or department of the United States Government or of any state or municipal government. As used in this Declaration, the term "holder" or "mortgagee" shall include the parties secured by any deed of trust or any beneficiary thereof.

1.21 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Dwelling Unit which is part of the Property but excluding in all cases any party holding an interest merely as security for the performance of an obligation. For the purpose of this definition, the owner of Dwelling Units in an apartment shall be the record owner of the apartment building or buildings. The owner of a Residential Unit in a cooperative shall be the owner of the proprietary lease and the shares in the cooperative corporation.

1.22 "Participating Builder" shall mean and refer to a person (a) designated in writing by the Developer as Participating Builder, and (b) owning more than one Lot or which it is constructing dwelling units for sale to Owners.

1.23 "Person" shall mean and refer to any individual, corporation, joint venture, partnership, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof or any other separate legal entity.

1.24 "Property" shall mean and refer to those certain lands in the City of Alexandria, Virginia, more particularly described in Exhibit "A" attached hereto, together with such additional lands as shall be subjected to this Declaration. The Developer owns or may acquire other lands in the vicinity of the land described in Exhibit "A" which it may, in accordance with Article VII of this Declaration, subject to this Declaration during the Development Period.

1.25 "Resident" shall mean and refer to (i) each individual occupying any Dwelling Unit pursuant to a lease agreement with the Owner thereof who, if requested by the Board of Directors, has delivered proof of such lease agreement to the Board of Directors; (ii) members of the immediate family of such individual or of an Owner who actually resides within the Property and in the same household with each such individual or Owner; and (iii) any person who has a fixed place of habitation at a Dwelling Unit of any such individual or Owner to which, whenever he is absent, he has the intention of returning.

1.26 "Services Assessment" shall mean and refer to the charge or charges imposed upon a section of the Property for services rendered which are shared by a specific group of Owners. Services assessments may be levied against a group which is less than all Class "A" Members or, in the case of the assessment levied pursuant to Paragraph 4.03(g), a group which includes non-owners.

1.27 "Special Assessment" shall mean and refer to a special charge which is not included in the Annual General Assessment or a Services Assessment.

1.28 "Veterans Administration" ("VA") shall mean and refer to that governmental agency of the United States of America so entitled and any agency or authority of the United States of America which succeeds the Veterans Administration.

Article II Community Facilities

2.01 Rights of Enjoyment of Community Facilities. Each Owner shall have a right and nonexclusive easement

enjoyment in and to the Community Facilities which shall be appurtenant to and shall pass with the title to his Lot. Each Resident shall have a nontransferable right to use and enjoy the Community Facilities, which right shall terminate when such person ceases to have the status of a Resident. Such easements and rights shall be subject to the following provisions:

(a) The right of the Board of Directors to adopt, promulgate, enforce, and from time to time amend, reasonable rules and regulations pertaining to the use of the Community Facilities which shall enhance the preservation of such Facilities and the safety and convenience of the users thereof. Such rules and regulations may include limitations on the number of guests of Owners and Residents who may use the Community Facilities at any one time.

(b) The right of the Board of Directors to establish and charge reasonable admission and other fees for the use of the Community Facilities.

(c) The right of the Board of Directors to suspend the right of any Owner or Resident to use all or any portion of the Community Facilities for period(s) not to exceed 60 days for a violation of this Declaration or an infraction of the Board's rules and regulations.

(d) The right of the Board of Directors to suspend the right of any Owner of a Lot or Resident of a Lot to use the Community Facilities for so long as any annual General Assessment, Services Assessment or Special Assessment for such Lot remains unpaid and overdue.

(e) The right of the Board of Directors to impose charges or sanctions for violations of the provisions of this Declaration or any reasonable rules or regulations adopted by the Board of Directors pursuant to the provisions hereof.

(f) The right of the Developer to construct additional Community Facilities thereon in accordance with Section 2.02.

(g) The right of the Board of Directors to grant easements or rights-of-way to any public utility corporation or public agency.

(h) The right of the Board of Directors without further approval of the Members of the Association from time to time, to borrow the greater of 4% of the then current total annual budgeted expenses of the association, or \$10,000.00 for the purpose of acquiring, constructing, equipping, improving or maintaining Community Facilities and in aid thereof to mortgage the Community Facilities; and the right of the Board

of Directors with the approval of a 66 2/3% vote of the Class "A" Members to borrow such greater amounts as are required by the Association.

(i) The right of the Board of Directors, pursuant to Section 2.03 below, to convey or lease any part of the Community Facilities.

(j) The right of the Board of Directors to grant utility and other easements as provided in Article VIII hereof.

(k) The right to regulate parking on Community Facilities through the granting of easements, licenses, or promulgation of rules and regulations. In areas where parking is provided on private streets and parking bays owned by the Association, the right of the Board to assign and reserve one parking space per unit for the exclusive use of individual Owners.

2.02 Additional Community Facilities.

(a) The Developer may without the consent of any Class A Member, from time to time, during the Development Period (i) construct additional Community Facilities on real property owned by the Association, and (ii) convey additional real property to the Association along with any structure improvement, or other facility (including related fixtures equipment and furnishings) located thereon.

(b) The Association shall not construct any capital addition or capital improvement to the community Facilities or annex any additional Community Facilities (other than as provided in Section 2.02(a) unless such addition, improvement, or annexation shall have been authorized by the Board of Directors. Notwithstanding the foregoing, if the cost of such action, when added to the cost of similar actions in the same fiscal year of the association shall exceed in the aggregate the greater of 4% of the then current annual budgeted expense or \$10,000.00, such action (and any necessary increase in the Annual Assessment) must also be approved by (i) 66 2/3% of the votes cast by the Class A Members who are voting in person or by proxy at a meeting duly called for such purpose at which quorum is present, and (ii) during the Development Period, the Class B Member voting in person or by proxy at such meeting. Nothing contained in this subparagraph shall be construed as to require the consent of any Class A Member for the construction or renovation of Community Facilities or other amenities by Developer provided that Developer shall undertake such construction and/or renovation at its sole expense upon land owned by the association for the ultimate ownership and use of the Association.

2.03 Conveyance of Community Facilities. The Association may at any time dedicate or transfer all or a part of the Community Facilities to any public agency, authority, or entity including, without limitation, the City of Alexandria, or to any nonprofit organization upon such terms and conditions as shall be agreed upon by such agency, authority, entity or organization and the Board of Directors, including, without limitation, terms and conditions providing for the use of such Community Facilities by the public in general and terms and conditions pertaining to the maintenance and repair of such Community Facilities and the assessments of Owners and/or Residents for the costs of such maintenance and repair. No such dedication or transfer shall be effective, however, unless an instrument agreeing to such dedication or transfer is signed by 66 2/3% of the Class A Members and, during the Development Period, by the Class B Member. Any such dedication or transfer shall be further subject to applicable laws and regulations governing Virginia nonstock corporations.

Article III
Association Membership,
Voting Rights, Meeting of Members

3.01 Organization of the Association. The Association has been organized as a nonprofit, nonstock corporation under the laws of Virginia (i) to provide for the acquisition, construction, management, maintenance and care of the Community Facilities; (ii) to obtain, manage and maintain services for the property, or sections thereof including, as necessary, refuse collection, street cleaning, parking area maintenance and management and snow plowing; and (iii) to take other acts or action which would promote the health, safety or welfare of the Owners and Residents. The Association is charged with such further duties and invested with such powers as are prescribed by law and set forth in the Articles of Incorporation of the Association and herein, as all of the same may be amended from time to time. The Articles of Incorporation and Bylaws of the Association shall not be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. No part of the net earnings of the Association shall inure (other than by acquiring, constructing, or providing management, maintenance, and care of Community Facilities, and other than by a rebate of any excess Annual Assessment, Special Assessment or other dues, fees or assessments) to the benefit of any Member or individual.

3.02 Membership in the Association. The Association shall have the following classes or membership:

(a) Class "A". Class "A" Members shall be all Owner (with the exception of the Developer as provided in Section 3.03(b)). A Person shall automatically become a Class "A" Member upon his becoming an Owner and shall remain a Class "A" Member for so long as he is an Owner.

(b) Class "B". The Class B Member shall be the Developer.

3.03 Voting Rights of Members.

(a) Each Class "A" Member shall be entitled to one vote on each matter submitted to the members for each Dwelling Unit owned by such Class "A" Member which is not on Exempt Property. If more than one Dwelling Unit is located on a Lot (which is not Exempt Property), the Class "A" Member owning such Lot shall be entitled to one vote on each matter submitted to the members for each Dwelling Unit located on such Lot. Any Class "A" Member who is in violation of this Declaration, as determined by the Board of Directors in accordance with the provisions hereof and regulations established hereunder, shall not be entitled to vote during any period in which such violation continues.

If a Lot shall be owned by more than one owner, such owners shall be deemed to constitute a single Class "A" Member as to such Lot and shall collectively be entitled to a single vote for such Lot (or for each Dwelling Unit located on such Lot) as to each matter properly submitted to the Members.

(b) The Class B Member shall originally be entitled to four hundred forty-seven (447) votes (based upon 1.5 times the maximum number of potential Class "A" votes); this number shall be decreased by one (1) vote for each Class "A" vote existing at any one time. The Class "B" membership shall terminate and become converted to Class "A" membership upon the happening of the earlier of the following:

(i) When the total outstanding Class "A" votes equal or exceed the number of Class "B" votes;

(ii) December 31, 1994; or

(iii) Such earlier time as Developer, in its sole discretion, determines.

(c) Any vote of the Members shall be taken without regard to class of membership except in those instances requiring the affirmative vote or approval of each class membership in accordance with this Declaration and the Articles of Incorporation or Bylaws of the Association.

of only another Owner, a member of the Board of Directors, the Developer, the managing agent or such Owner's Mortgagee, or additionally in the case of a nonresident Owner, the Owner's lessee, attorney or rental agent provided that the managing agent may only cast instructed proxies. No person other than the managing agent or a member of the Board of Directors shall cast votes as a proxy for more than five (5) units not owned by such person. There are no restrictions on the number of instructed proxy ballots which can be cast by the Secretary, Assistant Secretary or the managing agent. Proxies shall be duly executed in writing, shall be witnessed, shall contain the full name and address of the witness, shall be dated, shall be signed by a person having authority at the time of the execution thereof to execute deeds on behalf of that person, shall be valid only for the particular meeting designated therein and any continuation thereof, and must be filed with the Secretary. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from any of the persons owning such unit. Except with respect to proxies in favor of a lessee or Mortgagee, no proxy shall in any event be valid for a period in excess of one hundred and eighty days after the execution thereof.

3.07 Adoption of Further Rules and Regulations. The Board of Directors may make such rules and regulations consistent with the terms of this Declaration and the Association's Articles of Incorporation and Bylaws as it deems advisable with respect to any meeting of Members, proof of membership in the Association, evidence of right to vote appointment and duties of inspectors of votes, registration of Members for voting purposes, voting by proxy and other matters concerning the conduct of meetings and voting. If the Board of Directors shall so determine and if permitted under applicable law, voting on elections and other matters including any matters requiring the approval of the Class Members as provided in these Covenants, may be conducted by mail or by ballot.

3.08 Employment of Management Agent. The Board of Directors of the Association may, but shall not be required to, employ for the Association a management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors which shall be a rate which is ordinary and customary in the industry for such services, to perform such duties and services as the Board of Directors shall, from time to time, authorize in writing. Any management agreement entered into by the Association shall provide inter alia, that such agreement may be terminated for cause by either party upon thirty (30) days' written notice thereof to the other party and without cause and without payment of termination fee upon ninety (90) days' written notice to the

other party. The term of any such management agreement shall not exceed one year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive oneyear periods.

Provided that any Lot subject to this Declaration is then encumbered by a deed of trust or mortgage which is insured by the Federal Housing Administration or guaranteed by the Veterans Administration, and, provided further, that FHA and/or VA standards and regulations prohibit selfmanagement of the Association, then no such selfmanagement shall be undertaken by the Association without the prior written consent and approval of FHA or VA, as the circumstances may require.

Article IV Covenant for Assessments

4.01 Creation of the Lien and Personal Obligation of Assessments. The Developer hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association such Annual General Assessments, Services Assessments and Special Assessments for capital improvements as are established and are to be paid and collected as hereinafter provided. The Annual General Assessments, Services Assessments and Special Assessments, together with interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with interest thereon and cost of collection thereof, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall not pass to successors in title unless expressly assumed by them. No Owner may waive or otherwise escape liability for the Assessment provided for herein by nonuse of the Community Facilities or abandonment of his Lot or any Dwelling Unit thereon.

4.02 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to carry out the business and responsibilities of the Association including, but not limited to (i) the acquisition, construction, management, maintenance and care, repair or replacement of the Community Facilities and services; (ii) obtaining, managing and maintaining services for the Property, or sections thereof including, as necessary, refuse collection, and maintenance; and (iii) promoting the recreation, health, safety and welfare of the Members.

4.03 Establishment of Annual General Assessment and Services Assessment.

(a) The Association shall levy in each of its fiscal years an Annual General Assessment and a Services Assessment (hereinafter collectively referred to as the "Annual Assessments") against each Dwelling Unit which is owned or occupied by a person who is not the Developer or a Participating Builder and which is not Exempt Property. The amounts of such Annual Assessments shall be established by the Board of Directors, subject to the limitations imposed by Section 4.04, at least thirty (30) days in advance of each Annual Assessment Period. The first Annual Assessments on each Lot imposed pursuant to this section 4.03(a) shall be adjusted according to the number of months remaining in the Annual Assessment Period after the earlier of the date of purchase or the date of occupancy.

(b) The Association shall levy against the Developer in each of its fiscal years, at the earlier of the conveyance of the first lot (i) to a Participating Builder, or (ii) to any other person or entity (other than a person or entity related to the Developer), a one time Special Assessment equal to the product of One Hundred and No/100 Dollars (\$100.00) multiplied by the number of Lots then subject to this Declaration. Thereafter, at the time additional Lots become subjected to the provisions of this Declaration, the Association shall levy against the Developer a Special Assessment in an amount equal to the product of One Hundred and No/100 Dollars (\$100.00) multiplied by the number of Lots subjected to this Declaration. The Developer shall have no obligation to pay any General Assessment or Services Assessment on any Lot which it owns. The Developer further agrees to immediately satisfy any deficit or shortage that the Association may incur or experience from the date of organization of the Association until the date the Class B membership terminates. Notwithstanding the foregoing, the Developer shall have the obligation to pay annual General Assessments and Services Assessments in accordance with the provisions of Section 4.03(a) above on any Lot owned by Developer upon which there is located a completed Dwelling Unit which is occupied.

(c) The Association shall levy against a Participating Builder in each of its fiscal years, at the time the Developer conveys a Lot or Lots to said Participating Builder, a onetime assessment equal to One Hundred and No/100 Dollars (\$100.00) for each Lot thereby conveyed by Developer to said Participating Builder. No Participating Builder shall have any obligation to pay any General Assessment or Services Assessment on any Lot which the Participating Builder owns. Notwithstanding the foregoing, Participating Builders shall have the obligation to pay Annual General assessments a

Services assessments in accordance with the provisions of Section 4.03(a) above upon any Lot which is owned by said Participating Builder upon which there is located a completed Dwelling Unit which is occupied.

(d) If any Lot contains or is to contain more than one Dwelling Unit then the amount of the Annual Assessments for such Lot shall be determined by multiplying the Assessments pursuant to Section 4.03(a), 4.03(b) or 4.03(c) as applicable by the number of Dwelling Units contained on such Lot.

(e) The amount of the Annual General Assessment shall be determined by the Board of Directors according to its estimate of the cost of providing services or rights of use which are common to all of the Lots.

(f) The amount of the Services Assessment shall be determined by the Board of Directors for all of the Lots in each section of Quaker Hill as such sections are shown on recorded subdivision plats, according to the estimated cost of providing services or rights of use to the Lots in such section which services or rights are not enjoyed by all of the members of the Association and are primarily for the benefit of the members owning Lots in such section. The amount of a Services Assessment shall be the same for each Lot in any section according to the number of Dwelling Units located upon the Lot but need not be uniform with the Services Assessment imposed upon Lots in other sections.

(g) The Fourty (40) Alexandria Redevelopment and Housing Authority Housing Units entitled to the use of the Community Center and pool pursuant to section 8.10 shall be assessed a Services Assessment based upon the pro rata share of the costs of maintaining and operating those facilities.

(h) Each Participating Builder shall be obligated to notify the Association within ten (10) days of the recordation of any Lot or creation of any condominium, cooperative or apartment unit on the Property.

4.04 Maximum Assessments.

(a) Until December 31, 1989, the Maximum Annual Assessment imposed in any fiscal year of the Association as to each Dwelling Unit on a Lot pursuant to Section 4.03(a) shall not exceed Six Hundred and No/100 Dollars (\$600.00).

(b) As to each of the fiscal years of the Association from and after January 1, 1990, the Maximum Annual Assessments provided in 4.04(a) for each Dwelling Unit shall increase by the greater of (i) a factor of not more than five percent (5%) of the Maximum Annual assessments for the current fiscal year

of the Association or (ii) the percentage increase, if any, in the Consumer Price Index, All Urban consumers (1984=100) or equivalent, published by the United States Department of Labor for the Metropolitan Washington SMSA over the twelve (12) month period ending five (5) months prior to the end of the current fiscal year of the Association. The Board of Directors may determine not to increase the Maximum Annual Assessments set forth above and any amendments thereto to the full extent of the automatic increase provided by this subsection. In such case the Board of Directors may determine to increase the maximum assessment by any lesser amount. Further, the Board of Directors may determine to set the actual Annual Assessment at an amount less than the applicable maximum for any fiscal year.

(c) From and after January 1 of the year immediately following the commencement of Annual Assessments the Maximum Annual Assessments may be increased above the amounts which could be set by the Board of Directors unless disapproved by (i) 66 2/3% of the votes cast by the Class A Members who are voting in person or by proxy at a meeting duly called for such purpose at which a quorum is present, or (ii) the Class 1 Member voting in person or by proxy in such a meeting.

(d) The foregoing provisions are not intended to restrict the right of a condominium unit owners association or other separately organized association or entity to impose assessments, fees or charges if such action does not violate applicable laws and regulations of the State of Virginia, the City of Alexandria, the Federal Housing Administration and the Veterans Administration.

4.05 Special Assessments. In addition to the Annual General Assessments and Services Assessments authorized above the Association may levy in any fiscal year of the Association, a Special Assessment applicable to that year only and payable over not more than the next three (3) succeeding years for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement to the Community Facilities, including fixtures and personal property related thereto or upon public lands within the Property, provide that any such Special Assessment shall not be disapproved by (i) 66 2/3% of the votes of the Class A Members who are voting in person or by proxy at a meeting duly called for such purpose at which a quorum is present, or (ii) during the Development Period the Class B Member voting in person or by proxy at such a meeting. Special Assessments shall be imposed against Lots which are not Exempt Property in the same proportions as Annual General Assessments as provided in Sections 4.03(a), (b) and (c).

4.06 Date of Commencement of Assessments. The annual General Assessments and Services Assessments, if any, provided for herein for any Lot not owned by the Developer or Participating Builder shall commence as to each of the Dwelling Units on any Lot the first day of the month following the date of conveyance of said Lot to an Owner who is not either the Developer or Participating Builder. The first Annual Assessment and Service Assessment (if any) shall be adjusted according to the number of months remaining in the calendar year.

4.07 Repair and Replacement Reserve. As a part of any Annual Assessment the Board of Directors shall obtain from Members contributions to capital on a regular basis, which contributions will be used to establish a replacement and repair reserve. Such contributions shall be paid monthly or at such time as regular assessments are due and be in an amount to be designated from time to time by the Board of Directors. Such funds shall be deposited in an account with a lending institution, the accounts of which are insured by an agency of the United States of America, or may, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, the United States of America. Such funds also may, in the discretion of the Board of Directors, be invested in Money Market Funds which, although they themselves are not guaranteed by the United States Government, invest solely in United States Government securities (or in State bonds which are backed in principal by the State). The replacement reserve may be expended only for the purpose of the replacement and repair of the property of the Association.

4.08 Initial Special Assessment. The Board of Directors shall levy an "Initial Special Assessment" against the Owner of any Dwelling Unit who is not the Developer at such time as said Dwelling Unit becomes occupied. Such Initial Special Assessment shall be in an amount not greater than One Hundred and No/100 Dollars (\$100.00), and shall be utilized for commencing business of the Association and providing the necessary working capital fund for it.

4.09 Notice and Due Dates. Written notice specifying (i) the amount of each Annual General Assessment, Services Assessment and Special Assessment, and (ii) the number and amounts of the installments by which each such Assessment is to be paid, shall be given to the Owners of each Lot subject thereto. Each installment of an Annual General Assessment, Services Assessment or Special Assessment shall be due on the first day of each assessment period as defined by the Board of Directors.

4.10 Effect on Nonpayment of Assessments; Remedies of the Association. Any Assessment not paid within ten (10) days after the due date shall be delinquent and the Association may exercise any or all of the following remedies: (a) upon notice to the Owner declare the entire balance of any annual General Assessment or Special Assessment due and payable in full (b) charge a late fee of \$10.00 or such other amount as is determined by the Board from time to time, for assessments which are not received by the tenth (10th) day of the assessment period; (c) bring an action at law or in equity against the Owners of the Lot to collect the same; and (d) foreclose the lien against the Lot. Such lien may be enforced by the Association in the same manner and to the same extent and subject to the same procedures as in the case of a foreclosure of a mechanic's lien under the laws of Virginia.

In any proceeding against an Owner or Lot, the amount which may be recovered by the Association shall include all costs of the proceeding, including reasonable attorneys' fees.

4.11 Certificate of Payment. The Association shall, upon written request by owner, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Annual General Assessments, Services Assessments and Special Assessments, if any, on a specified Lot have been paid. The Association shall furnish said Certificate within ten (10) days of receipt of the written request. A properly executed certificate of the Association as to the status of Assessments on a Lot shall be binding upon the Association as of the date of its issuance.

4.12 Subordination of the Lien to Mortgages. The lien of the Annual General Assessments, Services Assessments and Special Assessments provided for herein shall be subordinate only to the lien of any First Mortgage or First Deed of Trust. The sale or transfer of any Lot shall not affect the lien of such Assessments. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof for the benefit of any First Mortgagee shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability as to any assessments thereafter becoming due or from the lien thereof. Notwithstanding the foregoing, no sale or transfer of any Lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof for the benefit of any First Mortgagee shall be deemed to extinguish any mortgage or lien which the Association has itself placed upon any property owned by the Association.

4.13 Receipt of Funds for Other Common Facilities. The Association, upon the approval of the Board of Directors may receive and hold in escrow funds from Lot Owners for the

purpose of maintaining, repairing or replacing common driveways or other facilities which are common to two or more Lots but which are not common to all of the Lots within the property or any section of the property. Such funds shall be received, held, and disbursed, from time to time, as approved by the Board of Directors.

Article V Covenants Committee

5.01 Composition and Appointment. A Covenants Committee shall be appointed by the Board of Directors. Such Committee shall initially consist of three (3) members, but may thereafter be increased or decreased in size by the Board of Directors, from time to time, to not more than seven (7) members or less than three (3) members. Members of the Covenants Committee shall serve for a term of three (3) years, or until their successors are elected and qualified. Any vacancy in the membership of the Covenants Committee shall be filled by the Board of Directors to serve for the remaining portion of the term of the originally appointed member. If any vacancy shall occur, the remaining members of the Covenants Committee may continue to act until the vacancy has been filled. Except for members who have been designated by the Developer, any member may be removed with or without cause by the Board of Directors. In the event that the Board of Directors shall fail to designate a Covenants Committee, the Board of Directors shall serve as the Covenants Committee.

5.02 Powers and Duties.

(a) The Covenants Committee shall regulate the external design, appearance, use and maintenance of the Lots and improvements thereon; provided, however, that the Covenants Committee shall not have the powers to: (i) review and approve initial construction on the Lots, which function shall be performed by the Developer; (ii) regulate the activities of the Association or Developer with respect to the Community Facilities (Common Area); (iii) regulate the activities of the Developer on any lot owned by the Developer.

(b) If the Board of Directors so determines, the Covenants Committee, Board of Directors or similar body of any condominium unit owners association or cooperative corporation also governing a portion of the Property may review applications made by Owners of lots subject to the jurisdiction of such condominium unit owners association or behalf of the Covenants Committee. Provided that any such review shall be subject to all design guidelines promulgated by the Association.

(c) The Covenants Committee shall serve in such other capacities as may be determined, from time to time, by the Board of Directors in enforcing the provision of this Declaration and the Articles of Incorporation and Bylaws of the Association.

(d) Any decision or determination of the Covenants Committee may be appealed by a Member affected thereby to the Board of Directors.

5.03 Submission of Plans to Covenants Committee for Approval. Except for such improvements as may have been constructed by the Developer or by a Participating Builder with the prior approval of the Developer, no person shall make any addition, alteration, modification or improvement in or to any Lot (other than for normal upkeep and excluding area within a building visible from the exterior due solely to the transparency of glass doors, walls or windows) which is visible from the exterior of a Lot until plans and specifications therefore have been submitted to and approved in writing by the Covenants Committee. Such plans and specifications shall be in such form and shall contain such information as the Covenants Committee may reasonably require.

The provisions of this Section 5.03 shall not apply to Land Development Activity as defined in Section 1.17. Any plans and specifications of any Participating Builder which have been approved by the Developer shall not be subject to any review or approval by the Covenants Committee following the termination of the Class B membership or the Development Period.

5.04 Approval of Plans and Specifications. Any approval or disapproval of a requested action by the Covenants Committee shall be in writing. In denying any application, the Covenants Committee shall specify the reasons for such denial. The Covenants Committee may approve an application subject to such conditions and qualifications as the Board deems appropriate to enforce the architectural provisions of these Covenants.

5.05 Failure of the Covenants Committee to Act. If the Covenants Committee shall fail to act upon any request submitted to it within forty five (45) days after submission thereof, such request shall be deemed to have been approved and submitted, and no further action by the Committee shall be required.

5.06 Rules, Regulations and Policy Statements. The Covenants Committee may recommend, from time to time, subject to the approval and adoption of the Board of Directors, reasonable rules and regulations pertaining to its authorized

duties and activities under this Declaration and may from time to time issue statements of policy with respect to architectural standards and such other matters on which it is authorized to act.

5.07 Expenses of the Covenants Committee. The Covenants Committee may charge reasonable fees for the processing of any requests, plans and specifications. The Association shall pay all ordinary and necessary expenses of the Covenants Committee; provided, however, no member of the Covenants Committee shall be paid any salary or receive any other form of compensation, at the expense of the Association during the Development Period except upon authorization by the Board and upon approval by (i) 66 2/3% of the votes cast by the Class A Members who are voting in person or by proxy at a meeting duly called for such purpose at which a quorum is present, and (ii) the Class B Member voting in person or by proxy at such meeting.

5.08 Right of Entry. The Association and the Covenants Committee through their authorized officers, employees and agents shall have the right to enter upon any Lot at all reasonable times for the purpose of ascertaining whether such Lot or the construction, erection, placement, remodeling or alteration of any improvements thereon is in compliance with the provisions of this Article and Article VI without the Association or the Covenants Committee or such officer, employee or agent being deemed to have committed a trespass or wrongful act solely by reason of such action or actions.

5.09 Land Development. Notwithstanding any other provisions of this Declaration, any Land Development Activity (as defined in Section 1.17) shall not require the approval of or be subject to review by the Covenants Committee. This provision shall not be construed in any manner as a limitation upon the right of the Developer to review and approve any plan or modification thereof of any Participating Builder.

Article VI General Restrictions on the Use of Lots and Improvements to be Made Thereon

6.01 Zoning Regulations. No Lot shall be used for any purpose other than as permitted by right in the City of Alexandria Zoning Ordinances or the laws, rules, or regulations of and governmental authority in force and effect on the date of recording of this Declaration as the same may be hereafter from time to time amended. Regardless of whether such activities are licensed or regulated no owner or resident may conduct a day care business or operation within any dwelling unit by which such owner or resident babysits or cares for more than 2 children for a fee. The right, however

to further limit or restrict the use of a particular Lot is reserved under the provisions hereof.

6.02 No Use Contrary to Law and No Nuisances. No noxious or offensive trade, services or activities shall be conducted on or upon any portion of the Property nor shall anything be done thereon which may be or become a continuing annoyance or hazard or nuisance to the Owners or Residents of the Property. No use of any Lot or part thereof or any Structure thereon shall be made, nor shall any materials or products be manufactured, processed or stored thereon or therein, contrary to Federal, State or Local laws or regulations, or which shall cause an undue fire hazard to adjoining Lots. This provision shall not be construed to prohibit the conduct of such professional services in residential areas as are approved by the Covenants Committee.

6.03 Window Treatments. All drapes, blinds and similar window treatments hung by an owner or resident shall be white or a neutral color on the side visible from the outside.

6.04 Screens and Fences. Except for any fence installed by the Developer, a Participating Builder, or the Association, no fence or screen shall be installed on a Lot except in accordance with the guidelines established by the Covenants Committee and with the prior written approval of the Covenants Committee.

6.05 Outside Storage or Operations. No outside storage of lumber, metals, or bulk materials of any kind, except building materials stored during the course of construction of any approved Structure, shall be permitted and no refuse or trash shall be kept, stored or allowed to accumulate on any Lot, unless such item is visually screened in a manner approved in writing by the Covenants Committee. No outside storage and operations shall extend above the top of any such screening. No outside drying of laundry shall be permitted on any lot. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed in the open, on the day that pick-up is to be made, at such place on the Lot so as to provide access to the persons making such pickup. At all other times, such containers shall be stored so as to be visually screened from all streets and adjacent and surrounding Lots. The Covenants Committee will formulate and adopt reasonable rules and regulations relating to the size, shape, color and type container permitted and the manner of storage of same on any Lot. Only such sealed, neat and sanitary containers or bags as approved by the Covenants Committee may be used for trash. Notwithstanding the foregoing dumpsters shall be permitted in areas of the Property designated for multifamily development provided said dumpsters are adequately screened.

6.06 Signs and Street Furniture. The location, color, nature, size, design and construction of all signs, lights and other street furniture shall be approved in writing by the Covenants Committee, and must be in keeping with the character of the Property and accord with guidelines to be established by the Covenants Committee.

6.07 Commercial and Recreational Vehicles. No commercial truck, commercial bus, taxicabs, or other commercial vehicle of any kind, boats, trailers, campers, recreational vehicles and motor homes shall be parked in any visible location on the Property without the prior written approval of the Covenants Committee. Commercial vehicles shall be deemed to include cars and vans in styles normally used for private purposes but painted with or carrying commercial advertising, logos, or business names or containing visible commercial materials. The Association may enforce the provisions of this Section 6.07 by towing any non complying vehicle.

6.08 Animals. No livestock, poultry or other animals shall be kept on any lot or for breeding purposes, and in no event shall any stable, hatch, barn, coop or other housing or shelter for animals or for the storage of materials be placed or maintained upon any lot, except as approved in writing by the Covenants Committee. Notwithstanding anything to the contrary herein contained, except to the extent prohibited or restricted by the Owner of any Lot for such Lot, dogs, cats and other household pets may be kept on the property provided that the total of such household pets is subject to the rules and regulations established by the Board of Directors and further provided that said pets are not raised or bred for any commercial purposes.

6.09 Air and Water Pollution. No use of any Lot will be permitted which emits pollutants into the atmosphere, or discharges liquid or solid wastes or other harmful matter into any waterway in excess of environmental standards applicable thereto as established by the Covenants Committee, and approved by the Board of Directors which standards shall at a minimum meet the requirements of Federal and State law and any regulations thereunder applicable to the Property. No waste or any substance or materials of any kind shall be discharged into any private or public sewer serving the Property, or any part thereof, in violation of any regulations of the City of Alexandria or any private or public body having jurisdiction. No person shall dump garbage, trash or other refuse into any waterway on the Property.

6.10 Leases. No Owner of a Lot or Dwelling Unit shall lease to another any such Lot or part thereof or any such Dwelling Unit unless such lease shall be in writing for a term

of not less than six (6) months and shall expressly provide that the terms of such lease shall be subject in all respects to the provisions of this Declaration, the By-Laws and the Articles of Incorporation and Regulations of the Association and that any failure by the lessee to comply with the terms of such documents shall be a default under such lease. No Dwelling Unit may be subleased without the prior written consent of the Board of Directors.

6.11 Landscaping. The land area not occupied by Structures, hardsurfacing, vehicular driveways or pedestrian paths, shall be kept planted with grass, trees or shrubs or other ground covering or landscaping in conformance with the standards set by the Covenants Committee and approved by the Board of Directors. Such standards will take into consideration the need for providing effective site development to:

- (a) enhance the site and building,
- (b) screen undesirable areas or views,
- (c) establish acceptable relationships between buildings, parking and adjacent properties, and
- (d) control drainage and erosion.

As required by the Covenants Committee, existing trees shall be retained, buffer areas established and the natural contour of the land respected. No tree of a diameter of more than four inches, measured two feet above the ground level lying without the approved building area, shall be removed without the express written authorization of the Covenants Committee. The Covenants Committee reserves the right to require special treatment of slopes, construction of walls and wells, and use of stone fills and rains to preserve trees that cannot otherwise be saved. Notwithstanding the foregoing, any clearing, grading or other development work performed pursuant to any final site development plan duly approved by the Developer and all appropriate authorities of the City of Alexandria, Virginia for Developer or for any Participating Builder shall not be subject to the review or approval of the Covenants Committee.

6.12 Garages Garages shall be available for parking. Each owner or resident shall maintain an area of not less than nine (9) feet by eighteen (18) feet free of obstruction within each garage and adjacent to the garage door.

6.13 Maintenance of Premises and Improvements. Each Owner or Resident shall at all times keep his premises, buildings, improvements and appurtenances in a safe, clean

neat and sanitary condition. Appropriate maintenance shall include, but not be limited to, the seeding, watering and mowing of all lawns, the pruning and cutting of all trees and shrubbery and the painting (or other appropriate external care) of all buildings and other improvements all in a manner and with such frequency as is consistent with good property management. The Owner or Resident shall comply with all laws, ordinances and regulations pertaining to health, safety and pollution, and shall provide for storage and removal of trash and rubbish from his premises in a manner to be approved by the Covenants Committee.

6.14 Enforcement of Maintenance. The Covenants Committee, or its agent, during normal business hours, shall have the right (after 10 days' notice to the Owner or Resident of any Lot involved, setting forth the maintenance action to be taken, and if at the end of such time reasonable steps to accomplish such action have not been taken by the Owner or Resident) to do any and all maintenance work reasonably necessary in the written opinion of the Covenants Committee, to keep such Lot, whether unimproved, improved or vacant, in neat, clean, sanitary and good order, such cost and expense to be paid to the Covenants Committee upon demand and if not paid within thirty (30) days thereof, then to become a lien on the Lot affected. The Covenants Committee, or its agent, shall further have the right (upon like notice and conditions) to trim or prune, at the expense of the Owner or Resident, any hedge, tree or any other planting that, in the written opinion of the Covenants Committee, by reasons of its location on the Lot, or the height to or the manner in which it is permitted to grow, is detrimental to the adjoining Lots or is unattractive in appearance. The lien provided under this Section shall not be valid against a bona fide purchaser (or bona fide mortgagee) of the Lot in question unless a suit to enforce such lien shall have been filed in the court of record and notice thereof shall have been filed in the appropriate records of the City of Alexandria, Virginia prior to the recordation among the records of the City of Alexandria, Virginia of the deed (or mortgage or deed of trust) conveying the Lot in question to such purchaser (or subjecting the same to such mortgage or deed of trust).

6.15 Maintenance During Construction. During construction it shall be the responsibility of each Owner to insure that construction sites are kept free of unsightly accumulation of rubbish and scrap materials, and that construction materials, trailers, shacks and the like are kept in a neat and orderly manner. No burning of any trash and no accumulation or storage of litter or trash of any kind shall be permitted on any Lot.

6.16 Miscellaneous. Without prior approval of the Covenants Committee:

(a) no water pipe, gas pipe, sewer pipe, or drainage pipe, or industrial process pipe, except hoses and movable piping used for irrigation purposes, shall be installed or maintained on any Lot above the surface of the ground;

(b) no previously approved Structure shall be used for any purpose other than that for which it was originally designed;

(c) except for condominium subdivision, no Lot shall be split, divided, or subdivided for sale, resale, gift, transfer or otherwise, unless by deed of correction in accordance with the City of Alexandria and any applicable City of Alexandria requirements;

(d) no facility, including but not limited to, poles wires and conduits for transmission of electricity, telephone messages and the like shall be placed and maintained above the surface of the ground on any Lot and no external or outside antennas or satellite dishes of any kind no matter how disguised shall be maintained;

(e) no Lot or portion thereof shall be used for any mining, boring, quarrying, drilling, removal of, or any other exploitation of subsurface natural resources, which would tend to conflict with the surface development in accordance with Federal, State or Local laws or regulations.

6.17 Land Development Activity. The foregoing provisions of Article VI shall not be applicable to Land Development Activity. Without limiting the generality of the foregoing exclusion, the Developer and one or more Participating Builders designated in writing by the Developer shall have the right to carry on the following activities in connection with Land Development and construction and sale of Dwelling Units:

(a) to construct, install, operate and/or maintain on the Property one or more construction or management control offices in Dwelling Units, field office trailers or other temporary facilities; and

(b) to construct, install, operate and/or maintain one or more model homes (or Dwelling Units) and sales offices on the Property. Such models and offices may be owned or leased by the Developer or by any Person designated by the Developer. Land Development and Sales Activity shall in all events be subject to the City of Alexandria Zoning Ordinances and all other applicable laws, rules and regulations of governmental authorities.

Article VII
Covenant for Staged Development

7.01 Additions by the Developer. The Developer hereby reserves the right (but not the obligation) at any time within the Development Period to submit, by recordation of a supplemental declaration, or make subject to incorporation by reference in any deed of conveyance or annex to this Declaration any additional land which lies within the land area represented in Exhibit "B". Any such land subjected to this Declaration shall be subject in all respects to each and every provision of this Declaration.

Action by the Developer under this Section shall not require the consent of the Class A Members.

7.02 Additions by the Members. Additional lands not described in Exhibit "B" may be subjected, annexed or submitted to this Declaration with the written consent of (i) 66 2/3% of the Class A Members, and (ii) during the Development Period of the Class B Member. Action under this Section shall require the prior approval of the Federal Housing Administration and Veterans Administration so long as there is a Class B Member.

Article VIII
Easements and Licenses

8.01 General Easement and Easement to Facilitate Sales.

(a) The Developer reserves the right and easement to the use of all areas owned or to be owned by the Association, and any Lot or any portion thereof, as may be needed for repair, maintenance or construction on such Lot or any Lot or on any Community Facility.

(b) The Developer hereby reserves to itself and its designees the right to: (i) use any Lots owned or leased by the Developer, any other Lot with the written consent of the Owner thereof or any portion of the Common Facilities (including any improvements) as models, management offices, sales offices, a visitors' center, construction offices, customer service offices or sales office parking areas (provided, however, that the Developer shall remain responsible for the upkeep of any Common Facilities used for the foregoing purposes); (ii) place and maintain in any location on the Common Facilities or the common elements of any condominium or on any Lot (for a distance of fifteen feet behind any Lot Line which parallels a public or private street), street and directional signs, temporary promotional signs, plantings, street lights, entrance features, "theme area" signs, lighting, stone, wood or masonry walls or fences

and other related signs and landscaping features; provided, however, that all signs shall comply with applicable governmental regulations and the Developer shall obtain the consent of the Owner of any affected Lot or of the Covenants Committee if the Owner does not consent; and (iii) relocate or remove all or any of the above from time to time at the Developer's sole discretion.

8.02 Crossover Easement. If the Owner (including the Developer or any Participating Builder) of any Lot must, in order to make repairs or improvements for which he is responsible to a building on his Lot, enter or cross any area owned or to be owned by the Association, or a Lot of another Owner, such Owner shall have an easement to do so, provided that said Owner shall use the most direct, feasible route in entering and crossing over such an area and shall restore the surface so entered or crossed to its original condition, at the expense of said Owner, and further provided that such easement shall not exist on the land of any other Lot Owner in the purpose for the entrance or crossing is one requiring, by virtue of Article V of this Declaration, approval of either the Board of Directors or the Covenants Committee of the Association, unless such approval has been given.

8.03 Blanket Easement. An easement is hereby retained in favor of Developer, any Participating Builder designated by Developer and the Association over the Lots and any area owned or to be owned by the Association for the installation of landscaping or the construction of signage, a common cable television system, a common sprinkler, or other items installed for the common enjoyment and/or benefit of the Owners. An easement is further granted for the purpose of the repair and maintenance of any item so installed. Any entry upon any Lot or any area owned or to be owned by the Association to effectuate the foregoing purposes shall not be deemed trespass. Each owner covenants not to damage or destroy any portion of an item so constructed and shall hold the Association and/or Developer harmless from the cost of repairing or replacing any portion damaged or destroyed by such owner, his family, his guests or invitees.

8.04 Easement and Right of Entry of Law Enforcement Officials, Etc. An easement and right of entry through and upon the Property is hereby granted to law enforcement officers, rescue squad personnel, fire fighting and other emergency personnel of the City of Alexandria, Virginia, and to vehicles operated by said personnel while in the pursuit of their duties. Said emergency personnel shall also have the right of enforcement to clear emergency vehicle access on roadways and driveways on the Property.

8.05 Utility Easements. Easements over the Property for the installation and maintenance of electric, telephone, cable television, water, gas, roof drains connected directly to storm sewer, drainage and sanitary sewer lines and facilities and the like are hereby reserved by the Developer, together with the right to grant and transfer the same. Developer also reserves the right to enter onto the Community Facilities for the purpose of completing the improvements thereon, and on the Lots, and for the further purpose of carrying out any correction of defects in workmanship or materials in the Property or the improvements thereon.

The rights and duties with respect to sanitary sewer and water, cable television, electricity, gas and telephone lines and facilities in favor of the Association shall be governed by the following:

(a) Whenever water, sanitary sewer, roof drains connected directly to storm sewer, footing drains, condensation lines, electricity, gas, cable television or telephone connections, lines, cables or any portion thereof, are or have been installed within the Property, the Owner of any Lot, or the Association shall have the right, and are hereby granted an easement to the extent necessary thereof, to enter upon or have a utility company enter upon any portion of the Property in which said installations lie, to repair, replace and generally maintain said installations.

(b) The right granted in Subparagraph (a), above, shall be only to the extent necessary to entitle the Owner or Association serviced by said installation to its full and reasonable use and enjoyment and provided further that any one exercising said right shall be responsible for restoring the surface of the easement area so used to its condition prior to such use.

(c) In the event of a dispute between Owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to its Board of Directors, who shall decide the dispute, and the decision of the Board shall be final and conclusive on the parties.

8.06 Drainage Easement. Each Owner covenants to provide such easements for drainage and waterflow as the contours of the Property and the arrangement of buildings by Developer thereon requires; provided, however that such easements shall not have a material adverse affect upon any Lot on which said easements are utilized. Developer reserves an easement over all Lots and the Community Facilities for the purpose of correcting any drainage deficiency.

8.07 Encroachment Easement. Each Lot within the Property is hereby declared to have an easement, not exceeding one foot (1') in width, over all adjoining Lots and common areas owned by the Association for the purpose of accommodating any encroachment due to engineering errors or errors in original construction, settlement or shifting of the building, roof overhangs, gutters, architectural or other appendages, draining of rain water from roofs, or any other similar cause. A like easement shall also exist in favor of the Association in the event of minor encroachment of any of the Community Facilities upon any Lot. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owner shall not be altered in any way by said encroachment settlement or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful gross negligence or misconduct of said Owner or Owners. In the event a structure on any Lot is partially or totally destroyed and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lot and on common areas owned by the Association shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

8.08 Transferability To the extent any easement or right enumerated in this Article VIII shall inure to the benefit of the Developer, Developer shall, without waiving any future rights, have the right to transfer its easement right hereunder to any Participating Builder.

8.09 Exercise of Easement Rights. Developer and each Owner shall exercise prudence and care in connection with the entry upon any other Owner's Lot pursuant to the easement granted in this Declaration and shall use its or his best efforts to minimize disturbance of the other Owner and damage to his Lot or property. The Owner entering another Owner's Lot covenants at his sole expense, to promptly repair any damage to such Lot and to provide to the Owner of any Lot upon which he is entering, evidence of the existence of liability insurance in such amounts and with such carriers as are reasonably deemed adequate by the Board of Directors of the Association. The violation of any rule or regulation adopted by the Association, or the breach of this Declaration, shall give the Board of Directors of the Association the right, in addition to any other right or remedy elsewhere available, to: it:

(a) To enter onto any Lot as to which such violation or breach exists, and to summarily abate and remove, at the expense of its Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the

provisions of this Declaration, and the Board of Directors of the Association shall not be deemed to have trespassed; or

(b) To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

All expenses of the Board of Directors of the Association in connection with such actions or proceedings, including court costs and attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the highest lawful rate until paid, shall be charged to and assessed against such defaulting Owner, and the Association shall have a lien for all of the same upon the Lot of such defaulting Owner, upon all of his additions and improvements thereto, and a security interest under the Virginia Uniform Commercial Code on all fixtures and personal property located in his Dwelling Unit or located elsewhere on the Property. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board of Directors of the Association.

8.10 ARHA License The residents of the forty Housing Units owned and operated by the Alexandria Redevelopment and Housing Authority ("ARHA") on the property described in schedule "C" shall have access to the Community Center and pool subject to the payment of a service assessment as provided in Section 4.03(g) by ARHA. Such assessment must be paid for all forty (40) units and may not be paid individually. If ARHA does not make such payments for two consecutive years then this license will terminate thirty days after notice to ARHA.

Article IX Party Walls

The rights and duties of the Owners of Lots with respect to party walls shall be governed by the following:

9.01 General Rules of Law to Apply. Each wall which is constructed as a part of the original construction on the Property and any part of which is placed on the dividing line between separate Lots, shall constitute a party wall, and with respect to such wall, each of the adjoining Owners shall assume the burdens and be subject to an easement for that portion of a party wall on his Lot, and be entitled to the benefits of these restrictive covenants and, to the extent not inconsistent herewith, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions, shall apply thereto.

9.02 Sharing of Repair and Maintenance and Destruction by Fire or Other Casualty. If any such party wall is damaged or destroyed by fire or other casualty or by some cause other than the act of one of the adjoining Owners, his agents, or family (including ordinary wear and tear and deterioration from lapse of time) then, in such event, both such adjoining Owners shall proceed forthwith to rebuild or repair the same to as good condition as formerly, in proportion to their respective use of the party wall.

9.03 Repairs Necessitated by Act of One Owner. If any such party wall is damaged or destroyed through the act of one adjoining Owner or any of his agents or guests or members of his family (whether or not such act is negligent or otherwise culpable) so as to deprive the other adjoining Owner of the full use and enjoyment of such wall, then the first of such Owners shall forthwith proceed to rebuild and repair the same to as good condition as formerly, without cost to the adjoining Owner.

9.04 Other Changes. In addition to meeting the other requirements of these restrictive covenants, and of any building code or similar regulations or ordinances, any Owner proposing to modify, make additions to or rebuild his residence in any manner which requires the extension or other alteration of any party wall shall first obtain the written consent of the adjoining Owner.

9.05 Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article IX shall be appurtenant to the land and shall pass to such Owner's successors in title.

9.06 Dispute. In the event of a dispute between Owner with respect to the repair or rebuilding of a party wall or with respect to the sharing of the cost thereof, then, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to its Board of Directors, who shall decide the dispute, and the decision of such Board of Directors shall be final and conclusive upon the parties.

Article X Mortgagees

10.01 Consent by Lenders. Any other provision of the Declaration or the Bylaws or Articles of Incorporation of the Association to the contrary notwithstanding, neither the members, the Board of Directors nor the Association shall, by act or omission, take any of the following actions without the prior written consent and approval of not less than two-thirds (2/3) in number of the holders of the first mortgages on record on the Lots:

(a) abandon, partition, alienate, release, hypothecate, dedicate, subdivide, encumber, sell or transfer any of the Common Areas or Community Facilities directly or indirectly owned by the Association; provided, however, that the granting of rights-of-way, easements and the like for public utilities or for other purposes consistent with the use of the Community Facilities by the members of the Association shall not be considered a transfer within the meaning of this Section; or

(b) abandon or terminate this Declaration; or

(c) modify or amend any substantive provision of this Declaration, or of the Bylaws or of the Articles of Incorporation of the Association; or

(d) merge or consolidate the Association with any other entity or sell, lease, exchange or otherwise transfer all or substantially all of the assets of the Association to any other entity; or

(e) substantially modify the method of determining and collecting assessments against an Owner or his Lot as provided in the Declaration; or

(f) waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearances of buildings or structures on the Lots, the exterior maintenance of buildings or structures on the Lots, the maintenance of the Community Facilities, walks or common fences and driveways, or the upkeep of lawns and plantings within the Property; or

(g) fail to maintain fire and extended coverage on insurable Association Community Facilities on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost); or

(h) use hazard insurance proceeds for losses to any Association Community Facility or property for other than the repair, replacement or reconstruction of such Community Facilities or property.

10.02 Notices to Mortgagees, etc. Provided that such first mortgagee has notified the Association in writing of the existence of its mortgage, the Association shall promptly notify the holder of the first mortgage on any Lot for which any assessment levied pursuant to the Declaration, or any installment thereof, becomes delinquent for a period in excess of thirty (30) days and the Association shall promptly notify the holder of the first mortgage on any Lot with respect to which any default in any other provision of this Declaration

remains uncured for a period in excess of thirty (30) days following the date of such default. Any failure to give any such notice shall not affect the validity or priority of any first mortgage on any Lot and the protection extended in this Declaration to the holder of any such mortgage shall not be altered, modified or diminished by reason of such failure.

No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to this Declaration except after ten (10) days' written notice to the holder of the first mortgage on the Lot which is the subject matter of such suit or proceeding. If the Association undertakes "self management," it shall promptly give written notice of such occurrence to all of the holders of first mortgages of record on the Lots.

Any first mortgagees of any Lot may pay any taxes utility charges or other charge levied against any of the Community Facilities which are in default and which may or have become a charge or lien against any of the Community Facilities and any such first mortgagees may pay any overdue premiums on any hazard insurance policy or secure new hazard insurance coverage on the lapse of any policy, with respect to the Community Facilities. Any first mortgagee who advances any such payment shall be due immediate reimbursement of the amount so advanced from the Association.

10.03 Casualty Losses. In the event of substantial damage or destruction to any of the Community Facilities, the Board of Directors of the Association shall give prompt written notice of such damage or destruction to the holders of all first mortgages of record on the Lots. No provision of this Declaration or the Articles of Incorporation or the Bylaws of the Association shall entitle any member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such member of an insurance proceeds paid or payable on account of any damage or destruction of any of the Community Facilities.

10.04 Condemnation or Eminent Domain. In the event any part of the Community Facilities is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Association shall give prompt written notice of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the Lots. No provision of this Declaration or the Articles of Incorporation or the Bylaws of the Association shall entitle any member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such member of the proceeds of any condemnation or settlement relating to a taking of any of the Community Facilities.

10.05 FHA VA Approvals. Provided that there is then a Class B membership of the Association outstanding, neither the members, the Board of Directors nor the Association shall, by act or omission, take any of the following actions without the prior written consent or approval of the Federal Housing Administration or the Veterans Administration, as the circumstances may require:

(a) make any annexation or additions of additional Property;

(b) abandon, partition, dedicate, subdivide, encumber, sell or transfer any of the Community Facilities directly or indirectly owned by the Association; provided, however, that the granting of rights-of-way, easements and the like for public utilities or for other purposes consistent with the use of the Community Facilities by the members of the Association shall not be considered a transfer within the meaning of this Section, or

(c) abandon or terminate this Declaration; or

(d) modify or amend any provisions of this Declaration, the Bylaws or the Articles of Incorporation of the Association; or

(e) merge or consolidate the Association with any other entity or sell, lease, exchange or otherwise transfer all or substantially all of the assets of the Association in any other entity.

10.06 Notice to Mortgagees. Upon written request of any First Mortgagee, the Association shall give written notice of meetings of the members to any such First Mortgagee who shall file such written request with the Secretary of the Association.

10.07 Access to Books and Records by Mortgagees. The Association shall maintain current copies of the Declaration, By-Laws, books and other records. Upon written request to the Secretary of the Association, these books and records of the Association shall be available for examination by Owners and by a First Mortgagee and its duly authorized agents or attorneys during normal business hours after reasonable notice and for purposes reasonably related to its interest.

10.08 Notice of Modification of Insurance. Upon written request to the Secretary of the Association, a First Mortgagee may obtain written notification of the lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Unit Owners Association.

10.09 Budgetary Disclosure to Mortgagees.

First Mortgagee shall be entitled to receive a copy of the budget and financial statement of the Association upon written request delivered to the Secretary of the Association.

10.10 (i) Material amendments to the Declaration or By-Laws (other than amendments requiring a sixty-seven percent (67%) mortgage approval pursuant to Section 10.01 of this Article X shall require notice to all Mortgagees and approval of sixty-seven percent (67%) of the Dwelling Unit Owners (or any greater Dwelling Unit Owner vote as required in the Declaration or By-Laws), approval of Mortgagees holding first trusts on Dwelling Units representing at least fifty-one percent (51%) of the interests in the Common Facilities and approval of the Veterans Administration.

(ii) Mortgagees and the Veterans Administration shall be notified by certified or registered mail, "return receipt requested", of amendments to the Declaration and By-Laws. Any Mortgagee who fails to respond to a written proposal for amendment within thirty (30) days will be assumed to have given implied approval to the proposed amendment.

(iii) Development Rights are defined as those Special Declarant Rights as defined in Virginia Code Section 55-79.41. A change to any of the following would be considered material:

- (a) Voting rights;
- (b) Assessments, assessment liens or the priority of assessment liens;
- (c) Reserves for maintenance, repair and replacement of Common Areas;
- (d) Responsibility for maintenance and repairs;
- (e) Reallocation of interests in the Common Areas or rights to their use;
- (f) Redefinitions of boundaries of Dwelling Units, except that when boundaries of one adjoining Dwelling Unit are involved, or a Dwelling Unit is being subdivided, then only those Dwelling Unit Owners and the Mortgagees holding Security Interests in such Dwelling Unit or Dwelling Units need approve such action;
- (g) Convertability of Dwelling Units into Common Areas or Common Areas into Dwelling Units;

- (h) Expansion or contraction of the Condominium regime, or the addition, annexation or withdrawal of property to or from the Condominium regime;
- (i) insurance or fidelity bonds;
- (j) Leasing of Dwelling Units;
- (k) Imposition of any restrictions on a Dwelling Unit Owner's right to sell or transfer his or her Dwelling Unit;
- (l) A decision by the Association to establish self-management when professional management had been required previously by the Declaration or By-Laws or by any Mortgagee;
- (m) Restoration or repair of the project after a hazard damage or partial condemnation in a manner other than that specified in the Documents;
- (n) Any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or
- (o) Any provision that expressly benefits mortgage holders, insurers or guarantors.

(iv) Notwithstanding any lower requirement permitted by this Declaration or other project documents, the Association may not take any of the following actions other than rights reserved to the Declarant, without the notice to all Mortgagees, as required by Section 10.10 (ii) above, and approval of at least 51% (or the indicated percentage, if different,) of the Mortgagees:

- (a) Convey or encumber the Common Facilities or any portion thereof, where approval of 80% of the Mortgagees is required. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Facilities by the Association will not be deemed a transfer within the meaning of this clause);
- (b) Any action to terminate the project for reasons other than substantial destruction or condemnation, as to which sixty-seven percent (67%) of the Votes of Mortgagees is required;

- (c) The alteration of any partition or creation of any aperture between adjoining Dwelling Units (when Dwelling Unit boundaries are not otherwise being affected), in which case only the owners of Dwelling Units affected and Mortgagees of those Dwelling Units need approve the action;
 - (d) The granting of any permits, easements, leases, licenses or concessions through or over the Common Facilities (excluding, however, any utility easements serving or to serve the project and excluding any leases, licenses or concessions for no more than one year);
 - (e) The restoration or repair of the Property after hazard damage or a partial condemnation in a manner other than specified in the Declaration and By-Laws;
 - (f) The merger of the project with any other project;
 - (g) The assignment of the future income of the Association, including its right to receive Common Expense Assessments;
 - (h) Any action taken not to repair or replace the Property in the event of substantial destruction of any part of a Dwelling Unit, or the Common Facilities.
- (v) The Association may not change the period for collection of regularly budgeted common Expense assessments to other than monthly without the consent of all Mortgagees.
- (vi) Any mortgagee requesting notices from the Association shall make such request in writing and provide its name, its address and the number of the unit on which it holds a first Deed of Trust.
- (vii) The terms "mortgage" and "deed of trust" and associated terms shall be deemed interchangeable.
- (viii) The provisions of this Article are for the benefit of Mortgagees, Insurers and Guarantors and their successors, and may be enforced by any of them by any available means, at law, or in equity.

Article XI
Insurance and Casualty Losses

11.01 Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Community Facilities and may, by written agreement with any other association in the Property subject to this Declaration, assume the insurance responsibility for the Property held by or the responsibility of such other association against loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall also obtain a public liability policy covering the Community Facilities, the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents, and if reasonably available, directors' and officers' liability insurance, and fidelity bond coverage in an amount not less than three (3) months regular Annual General Assessments plus the Association's reserves for all Officers or employees of the Association having fiscal responsibility for and direct access to Association funds. The public liability policy shall have at least a Five Hundred Thousand (\$500,000.00) Dollar per person limit as respects bodily injury, a One Million (\$1,000,000.00) Dollar limit per occurrence, and a Two Hundred Fifty Thousand (\$250,000.00) Dollar minimum property damage limit. Premiums for all insurance on the Community Facilities shall be common expenses of the Association; premiums for insurance provided to other associations shall be charged to those associations. The policy may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

Cost of insurance coverage obtained for the Community Facilities shall be included in the Annual General Assessment, as defined in Article IV, Section 4.01.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as Trustee for the respective benefitted parties, as further identified in (b) below. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company licensed to do business in Virginia and holding a rating of XI or better in the Financial Category as established by A.M. Best Company, Inc., if available and, if not available, the most nearly equivalent rating.

(b) All policies on the Community Facilities shall be for the benefit of the Owners and their mortgagees as their interests may appear.

(c) Exclusive authority to adjust losses under policies in force on the Community Facilities obtained by the Association shall be vested in the Association's Board of Directors; provided, however, that no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their mortgagees and the insurance carried by the Association shall be primary.

(e) All casualty insurance policies shall have an agreed amount endorsement with an annual review by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the geographical area where the Property is located.

(f) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its Manager, the Owners and their respective tenants, servants, agents and guests;

(ii) A waiver by the insurer of its rights to repair, and reconstruct instead of paying cash;

(iii) That no policy may be cancelled, invalidated or suspended on account of any one or more individual Owners or Residents;

(iv) That no policy may be cancelled, invalidated or suspended on account of the conduct of any director, officer or employee of the Association or its duly authorized Manager without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its Manager, any Owner or mortgagee;

(v) That any "other insurance" clause in any policy exclude individual Owners' policies from consideration.

11.02 No Partition. Except as is permitted in the Declaration, there shall be no physical partition of the Community Facilities or any part thereof, nor shall any person acquiring any interest in the Property or any part thereof seek any such judicial partition until the happening of the conditions set forth in Section 11.04 of this Article in the case of damage or destruction, or unless the Property has been removed from the provisions of this Declaration. This Section shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

11.03 Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

(a) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Community Facilities or, in the event no repair or reconstruction is made, after making such settlement as is necessary and appropriate with the affected Owner or Owners, if any Dwelling Unit is involved and their mortgagee(s) as their interests may appear, shall be retained by and for the benefit of the Association. This is a covenant for the benefit of any mortgagee of a Dwelling Unit and may be enforced by such mortgagee.

(b) If it is determined as provided for in Section 11.04 of this Article that the damage or destruction to the Community Facilities for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner as provided for excess proceeds in Section 11.03(a) hereof.

11.04 Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the Property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction as used in this paragraph means repairing or restoring the property to substantially the same condition in which it existed prior to the fire or other casualty.

(b) Any damage or destruction to the Community Facilities shall be repaired or reconstructed unless at least seventyfive percent (75%) of the total vote of the Association shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available provided, however, that such extension shall not exceed sixty (60) days. No mortgagee shall have the right to participate in the determination of whether the Community Facility damage or destruction shall be repaired or reconstructed.

(c) In the event that it should be determined by the Association in the manner described above that the damage or destruction of the Community Facilities shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the Property shall be restored to its natural state and maintained as an undeveloped portion of the Community Facilities by the Association in neat and attractive condition.

11.05 Repair and Reconstruction. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Association's members, levy a special assessment against all Owners. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the cost of repair, such excess shall be deposited to the benefit of the Association.

Article XII Condemnation

Whenever all or any part of the Community Facilities shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on its behalf or on the written direction of all Owners subject to the taking, if any,) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association as Trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Community Facilities on which improvements have been constructed, then

unless within sixty (60) days after such taking the Developer (so long as the Developer owns any lot(s) within the Property) and at least seventyfive percent (75%) of the Class A Members of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Community Facilities to the extent lands are available therefore, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article XI hereof regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Community Facilities, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

Article XIII Compliance and Default

13.01. Relief. Owners shall be governed by and shall comply with all of the terms of this Declaration, the Association's Articles of Incorporation and Bylaws, the Rules and Regulations adopted by the Board of Directors and any amendments thereto (collectively, the "Association Documents"). A default by an Owner shall entitle the Association, acting through the Board of Directors, the officers or through the Managing Agent, and any aggrieved Dwelling Owners, to relief which may include, (without limitation): an action (1) to recover any sums due, (2) for money damages, (3) for injunctive relief, (4) foreclosure of the lien for payment of all assessments, (5) any other relief provided for in the Association Documents by statute or any combination thereof and (6) any other relief afforded by a court of competent jurisdiction, the Board of Directors, the Managing Agent or, if appropriate, by an aggrieved Owner and shall not constitute an election of remedies. The above rights to take such actions are in addition to those rights, powers and authority specifically provided elsewhere in the Association Documents.

13.02 Cost and Attorneys' Fees. In any proceeding arising out of any alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees, not exceeding thirty-three and one-third percent (33 1/3%).

13.03 No Waiver of Rights. The failure of the Association, the Board of Directors or of an Owner to enforce any right, provision, covenant or condition which may be granted by the Association Documents shall not constitute a

waiver of the right of the Association, the Board of Directors or the Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors or any Owner pursuant to any term, provision, covenant or condition of the Association Documents shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by Association Documents or at law or in equity.

13.04 Charges and Other Sanctions. Failure by any Owner to comply with any of the terms of the Association Documents may subject such Owner to other sanctions that may be established by resolution of the Board of Directors including but not limited to, the imposition of charges provided that, except for late fees assessed for delinquent assessments, before any such charges may be assessed, the Owner shall be given an opportunity to be heard and to be represented by counsel before the Board of Directors or the Covenants Committee. Notice of such hearing, at least fourteen days in advance thereof, shall be hand delivered or mailed by registered or certified United States mail, return receipt requested, to such owner at the address or addresses required for notices of meetings pursuant to the Bylaws. The amount of any charges so assessed shall not exceed fifty dollars for a single offense or ten dollars per diem for any offense of a continuing nature, and shall be treated as an assessment against such Owner's Lot.

13.05 Acts of Non-Owners. Each Owner shall be responsible for the acts of his family members, tenants, guests or other invitees. The enforcement actions and activities provided herein may be taken against a tenant for his actions or the actions of his family members, subtenants, guests or other invitees.

Article XIV General Provisions

14.01 Duration. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded after which time they shall be automatically extended for successive periods of ten (10) years unless amended or terminated as provided in this Article.

14.02 Amendment or Termination. The provisions of this Declaration may be amended in whole or in part or terminate with the approval of at least sixty-six and two-thirds percent (66 2/3%) of the Owners of all Lots. Agreement of the

required majority of Owners to termination of this Declaration or to any amendment hereof shall be evidenced by their execution of the termination agreement or amendment, or of ratifications thereof, and the same shall become effective only when a copy of the termination agreement or amendment is recorded together with a certification, signed by the President or Vice-President of the Association, that the requisite majority of the Owners executed the termination agreement or amendment or ratifications thereof. Each Owner hereby grants the President and Vice-President of the Association his power of attorney for this purpose. Any amendment or termination shall become effective only with the written consent of the Developer during the Development Period.

Notwithstanding anything to the contrary herein contained, the Developer reserves the right during the Development Period, to amend this Declaration without the consent of any Owners, Residents or any other Persons claiming an interest in the Property or the Association if such amendment is necessary to bring this Declaration into compliance with any rule, regulation or requirement of the Federal Housing Administration, the Veterans Administration, The Federal National Mortgage Association, The Federal Home Loan Mortgage Corporation, or Fairfax County, Virginia. Any instrument amending this Declaration shall not be effective unless at least one lot owner who is not the Developer joins in the signing of such instrument.

14.03 Contract Services. The Association may, in the sole discretion of the Board of Directors, provide additional services to Owners (including the Developer), and to any condominium unit owners association located within the Property on a contractual basis at the request of such Persons. The charges for such services shall be assessed to the Lot of the Owner or charged to the condominium unit owners association.

Services which may be provided to a condominium unit owners association include without limitation: (i) the Upkeep of any common elements maintained by the condominium unit owners association; (ii) the enforcement of any declaration creating a condominium; (iii) the collection of assessments under the declaration creating a condominium on behalf of and in the name of the condominium unit owners association; (iv) financial and physical property management services; and (v) obtaining insurance for such condominium unit owners association.

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

14.05 Construction. The Board of Directors shall have the right to construe the provisions of this Declaration, and, in the absence of an adjudication by a court of competent jurisdiction to the contrary, such construction shall be final and binding as to all persons and entities benefitted or bound by the provisions of this Declaration.

14.06 Invalidity. The determination by a court of competent jurisdiction that any provision of this Declaration is invalid for any reason shall not affect the validity of any other provision hereof.

14.07 Headings. The headings of the Articles and Section of this Declaration are for convenience only and shall not affect the meaning or construction of the contents of this Declaration.

14.08 Gender. Throughout this Declaration, the masculine gender shall be deemed to include the feminine and neuter, and the singular, the plural, and vice versa.

14.09 Encroachments. In the event any portion of Dwelling Unit inadvertently encroaches upon the Community Facilities as a result of the construction, reconstruction, repair, shifting, settlement, or movement of any Structure, a valid easement for the encroachment and for the maintenance of same shall exist so long as the encroachment exists.

IN WITNESS WHEREOF, the undersigned, being the Develope
herein, has executed this instrument on the 21ST day o
December, 1982.

CAMERON GENERAL PARTNERSHIP
A Virginia General Partnership

By: Presidential Greens, Inc.,
A Virginia Corporation,
General Partner

By: Ira S. Saul, President
Ira S. Saul, President

By: Long Signature Homes, Inc.,
A Virginia Corporation,
General Partner

By: Robert A. Guaglianone, Executive
Robert A. Guaglianone, Executive
Vice President

COMMONWEALTH OF VIRGINIA

COUNTY OF FAIRFAX

: towit:
:

The foregoing instrument was acknowledged before me t
15 day of December, 1988, by IRA S. SA
 President of Presidential Greens, Inc., A Virginia Corporation
 General Partner of Cameron General Partnership, a Virgi
 general partnership.

Joachim Q. Karczewski
 Notary Public

My commission expires: September 30, 1990

COMMONWEALTH OF VIRGINIA

COUNTY OF PRINCE WILLIAM

: towit:
:

The foregoing instrument was acknowledged before me t
1st day of December, 1988, by Robert
 Guaglianone, Executive Vice President of Long Signature Horn
 Inc., A Virginia Corporation, A General Partner of Came
 General Partnership, A Virginia General Partnership.

Willy Ann Ludolph
 Notary Public

My commission expires: August 1, 1992

EXHIBIT "A"

SUBMITTED LAND

Lots 34 through 57, inclusive, Parcels B-1 and B-2 and common area of Section 1, Quaker Hill; and

Lots 58 and 59, Lots 8 through 33, inclusive, and common area of Section 2, Quaker Hill; and

Lots 1 through 7, inclusive, Lots 21 through 25 inclusive, Parcels A-2 and C-2, and common area of Section 3, Quaker Hill.

All as duly dedicated, platted and recorded among the land records of the City of Alexandria, Virginia in Deed Book 1261 at Page 816.

EXHIBIT "B"ADDITIONAL LAND WHICH MAY BE SUBMITTED

Lot 605, Quaker Hill as duly dedicated, platted and recorded among the land records of the City of Alexandria, Virginia in Deed Book 1251 at Page 243.

VIRGINIA:
In the Clerk's Office of the Circuit
Court-City of Alexandria this deed
was received and the taxes imposed
by Sec. 58-54.1 in the amount of \$
have been paid & with the Annexed
certificate admitted to record on

Edmund Semmes

Clerk

SEP 20 1 15 PM '89

REC'D
CITY TAX
CITY TAX
TRANSFER FILE