

Schedule "B"

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by EDW. R. CARR & ASSOCIATES, INC., a Virginia corporation, hereinafter referred to as "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain property in the County of Fairfax, State of Virginia, which is more particularly described on the legal description attach hereto and made part hereof as Exhibit "A".

NOW, THEREFORE, Declarant hereby declares that all of the Property described in Exhibit "A" hereto shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the Property described on Exhibit "A" hereto, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to LOFT RIDGE HOMEOWNERS ASSOCIATION, INC., a non-stock, non-profit corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property described on Exhibit "A" hereto, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described more particularly on the legal description attached hereto and made part hereof as Exhibit "B".

Section 5. "Lot" shall mean and refer to any plat of land shown upon any recorded subdivision plat of the Property with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to EDW. R. CARR & ASSOCIATES, INC., a Virginia corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development, but only to the extent that any of the rights, reservations, easements, interests, exemptions, privileges and powers of the Declarant are specifically assigned or transferred to such successors or assigns.

Section 7. "Mortgagee" shall mean the holder of any recorded mortgage, or the party secured 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, saving and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), all corporations and any agency or department of the United States Government 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.

ARTICLE II

Property Rights

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, including an easement for the use and enjoyment of the private streets and parking lots and walkways within the Common Area, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to suspend the voting rights of an Owner for any period during which an assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(b) the right of the Association to dedicate or transfer all of any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by all members entitled to vote has been recorded;

(c) the right of the Association to establish uniform rules and regulations pertaining to the use of the Common Area and the facilities thereon;

(d) the right of the Declarant (and its sales agents and representatives) to the non-exclusive use of the Common Area for display and exhibit purposes, which right Declarant hereby reserves; provided, however, that such use shall not be for a period of more than ten (10) years after the conveyance of the Common Area to the Association, or the sale of all the residential Lots within the Properties, whichever is the earlier; provided, further, that no such use by Declarant or its sales agents or representatives shall otherwise restrict the members in their use and enjoyment of the Common Area or facilities thereon;

(e) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility which may be situated on the Common Area.

(f) the right of individual owners to the exclusive use of parking spaces as provided in this Article.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property.

Section 3 Parking Rights. The Association shall have the right to permanently assign one (1) vehicular parking space for each unit, should it so elect.

ARTICLE III

Membership and Voting Rights

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership.

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to a Class A membership on the happening of either of the following events, which occurs earlier:

(i) when the total votes outstanding in Class A membership equal the total votes outstanding in the Class B membership; or

(ii) five (5) years from the date of recordation of this Declaration; provided, however, that if the Declarant is delayed in the improvement and development of the Property on account of a sewer, water or building permit moratorium or any other cause or event beyond the Declarant's control, then the aforesaid five (5)-year period shall be extended by a period of time equal to the length of the delays of three (3) years, whichever is less.

ARTICLE IV

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the Lot (including all improvements thereon), and shall be a continuing lien upon the Property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Property and for the improvement and maintenance of the Common Area.

Section 3. Basis and Maximum of Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual

assessment shall be Three Hundred and no/100 Dollars (\$300.00) for Class A members. The Class B member shall pay the same amount of assessment per Lot as the Class A members or at its option the Class B member may pay 25% of the Class A member assessment and in such event the Class B member covenants and agrees to maintain the Common Area without cost to the Association and to fund any budget deficits until the Class B member (Declarant) has conveyed 75% of said Lots to Owners, (other than Declarant). Notwithstanding the foregoing, Declarant shall pay full assessments on all lots owned by Declarant upon which a dwelling unit has been completed and is occupied.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by the Board of Directors of the Association, without a vote of the Class A membership, by an amount equal to five percent (5%) of the maximum annual assessment for the preceding year plus the amount by which any ad valorem real estate taxes and insurance premiums payable by the Association have increased over amounts payable for the same or similar items for the previous year.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above five percent (5%) by vote of at least two-thirds (2/3) of each class of members who are voting, in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may from time to time fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of at least two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Except as otherwise provided in Section 3 of this Article IV, both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected in advance on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the first conveyance of a Lot to a class A member. The first annual assessment shall be

adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The dues dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer for the Association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association with the status of assessments on the Lots shall be binding on the Association on the date of its issuance.

Section 8. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest within the due date at the maximum legal rate of interest allowed by law. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot (and all improvements thereon). No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No amendment to this Section shall affect the rights of the holder of any first mortgage on any Lot (or the indebtedness secured thereby); recorded prior to recordation of such amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

Section 10. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein:

- (a) all properties dedicated to and accepted by a local public authority;
- (b) the Common Area; and
- (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the Commonwealth of Virginia, provided that no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Additional Default. Any recorded first mortgage secured on a Lot shall provide that any default by the mortgagor in the payment of any assessment levied pursuant to this Declaration, or any installment thereof, shall likewise be a default in such mortgage (or the indebtedness secured thereby); but failure to include such a provision in any such mortgage shall not affect the validity or priority thereof and the protection extended to the holder of such mortgage (or the indebtedness secured thereby) by reason of Section 9 of this Article IV and the rights of any mortgagee shall not be altered, modified or diminished by reason of such failure.

Section 12. Reserves for Replacements. The Association may establish and maintain a reserve fund for replacements of the Common Area by the allocation and payment monthly to such

reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense of the Association and may be deposited in any banking institution, the accounts of which are insured by any State or 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. The reserve for replacements of the Common Areas and community facilities may be expended only for the purpose of affecting the replacement of the Common Areas, major repairs to any equipment replacement, and for start-up expenses and operating contingencies of a non-recurring nature relating to the Common Areas and community facilities. The Association may establish such other reserves for such other purposes as the Board of Directors may from time to time consider to be necessary or appropriate. The proportional interest of any member in any such reserves shall be considered an appurtenance of his Lot and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Lot to which it appertains and shall be deemed to be transferred with such Lot.

ARTICLE V

Architectural Control

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made (including change in color) until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location with thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article V will be deemed to have been fully complied with. Notwithstanding any provision of this Declaration to the contrary, the provisions of this Article V shall not be applicable to the Declarant or any part of the Property owner by the Declarant.

ARTICLE VI

Use Restrictions

In addition to all other covenants contained herein, the use of the Property and each Lot therein is subject to the following:

Section 1. The Lots shall be used for residential purposes exclusively, and no building shall be erected, altered, placed or permitted to remain on any such Lot other than one used as a single-family dwelling, except that a professional office may be maintained in a dwelling, provided that such maintenance and use is limited to the person actually residing in the dwelling and, provided, further, that such maintenance and use is in strict conformity with the provisions of any applicable zoning law, ordinance or regulation. As used in this Section, the term "professional office" shall mean rooms used for office purposes by a member of any recognized profession, including doctors, dentists, lawyers, architects and the like, but not including medical or dental clinics. The terms "dwelling" and "dwelling unit," as used in this Declaration, shall include a townhouse. Nothing contained in this Article VI, or elsewhere in this Declaration, shall be construed to prohibit the Declarant from the use of any Lot or dwelling, or improvement thereon, for promotional or display purposes, or as "model homes," a sales office, or the like.

Section 2. No part of the Property shall ever be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending or other such non-residential purposes, except Declarant may use the Property for model home sites and display and sales offices during the construction and sales period.

Section 3. No sign or billboard of any kind shall be displayed to the public view on any portion of the Property or any Lot, except one (1) sign for each building site, of not more than eighteen inches (18") by twenty-four inches (24"), advertising the Property for sale or rent, except signs used by Declarant to advertise the Property during the construction and sales period.

Section 4. No noxious or offensive activity shall be carried on upon any Lot or any part of the Property, nor shall anything be done thereupon which may be, or may become, an annoyance or nuisance to the neighborhood, or which shall in any way unreasonably interfere with the quiet enjoyment of each of the Owners of his respective dwelling unit, or which shall in any way increase the rate of insurance.

Section 5. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other out-building shall be used on any Lot at any time as a residence either temporarily or permanently. Except for Declarant's construction purposes, no trailer, camper, boat or similar equipment shall be permitted to remain upon any property within the Property.

Section 6. No motorized vehicle may be used or maintained on the yards or sidewalks of any Lot and no unlicensed vehicles are allowed on the Property. The Board of Directors shall have the right to tow any vehicle(s), the keeping or parking of which in the Common Area violates this Declaration upon forty-eight (48) hours notice.

Section 7. No junk vehicle or other vehicle on which current registration plates are not displayed, shall be kept within any Lot or on any part of the Common Area, nor shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out on any of the Common Areas.

Section 8. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept on the Lot subject to such rules and regulations as may be adopted by the Association and provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animals or fowl may be kept on the Property which result in an annoyance or are obnoxious to residents in the vicinity.

Section 9. All rubbish, trash and garbage shall be regularly removed from the Property, and shall not be allowed to accumulate thereon. All clotheslines, refuse containers, wood piles, storage areas and machinery and equipment shall be prohibited upon any Lot, unless obscured from view of adjoining Lots and streets by a fence or appropriate screen approved by the Architectural Committee. Nothing herein shall be deemed to apply to the storage on the Property by Declarant of building materials during, and for use in, the construction of the improvements on the Property.

Section 10. No radio or television receiving or transmitting antennae or external apparatus shall be installed on any Lot. Normal radio and television installations wholly within a building are excepted.

Section 11. All owners and occupants shall abide by the Bylaws and any rules and regulations adopted by the Association.

Section 12. Any lease agreement between a Lot Owner and a lessee shall provide that the terms of the lease are subject in all respects to the provisions of this Declaration, and the Articles of Incorporation and Bylaws of the Association, and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All such leases shall be in writing.

Section 13. None of the foregoing restrictions shall be applicable to the activities of:

(a) Declarant, its officers, employees, agents or assigns, in their development, marketing and sale of Lots or other parcels within the Property; or

(b) To the Association, its officers, employees and agents, in connection with the proper maintenance, repair, replacement and improvement of the Common Areas and community facilities.

ARTICLE VII

Exterior Maintenance

Each Owner shall keep each Lot owned by him, and all improvements therein or thereon, in good order and repair and free of debris, including but not 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. In the event an Owner of any Lot in the Property shall fail to maintain the Lot and the improvements situated thereon, as provided in the Bylaws and approved by vote of the Board of Directors, shall have the right to enter upon said Lot to correct drainage and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon. All costs related to such correction, repair or restoration shall become a lien upon such Lot, and such lien may be enforced in the same manner as an annual assessment levied in accordance with Article IV hereof. Any such lien shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect such lien. However, the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure or any proceeding in lieu thereof, shall extinguish any such lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No amendment to this Article VII shall affect the rights of the holder of any first mortgage on any Lot (of the indebtedness secured thereby); recorded prior to recordation of such amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

ARTICLE VIII

Party Walls

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

Section 1. 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.

Section 2. 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.

Section 3. Repairs Caused by 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.

Section 4. 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.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article VIII shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Dispute. In the event of a dispute between Owners with respect to the repair or rebuilding of a party wall or with respect to the sharing of the cost thereof, then, upon written requires of one of such Owners addressed to the Association, the matter shall be submitted to its Board of Directors, who shall decide the despite, and the decision of such Board of Directors shall be final and conclusive upon the parties.

ARTICLE IX

Management

Section 1. Management Agent. The Board of Directors may employ for the Association a management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and serves as the Board of Directors shall from time to time authorize in writing. The Management Agent shall perform such duties and services as the Board of Directors shall authorize in writing.

Section 2. Duration of Management Agreement. In the event any Management Agent is employed, 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 upon ninety (90) days' written notice to the other party. The term of any such management agreement may be renewable by mutual agreement of the parties for successive one (1)-year periods.

Section 3. Limitation of Liability. The Association shall not be liable for any failure of any services to be obtained by the Association or paid for out of the common expense funds, or for injury or damage to person or property caused by the elements or resulting from water which may leak or flow from any portion of the Common Areas or community facilities, or from any wire, pipe, drain, conduit or the like. The Association shall not be liable to any member for loss of damage, by theft or otherwise, of articles which may be stored upon the Common Areas or community facilities. No diminution or abatement of assessments, as herein elsewhere provided for, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Areas or community facilities, or from any action taken by the Association to comply with any of the provisions of this Declaration or with any law or ordinance or with the order or directive of any municipal or other governmental authority.

ARTICLE X

General Provisions

Section 1. Enforcement. The Association, or any Owner, or any mortgagee of any Lot shall have the right to enforce, by any proceeding at law and/or in equity, all restrictions, conditions, covenants, reservations, liens, charges or other obligations or terms now or hereafter imposed by the provisions of this Declaration, or the Articles of Incorporation or Bylaws of the Association. Failure by the Association or by an Owner or by any mortgagee of any Lot to enforce any covenant or restrictions herein contained or any provision of the Bylaws or Articles of Incorporation of the Association shall in no event be deemed a waiver of the right to do so thereafter. There shall be and there is hereby created and declared to be a conclusive presumption that any violation or breach or attempted violation or breach of any of the within covenants or restrictions or any provision of the Bylaws or Articles of Incorporation of the Association cannot be adequately remedied by action at law or exclusively by recovery of damages.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions, which shall remain in full force and effect.

Section 3. Duration and Amendment. Except where permanent easements or other permanent rights or interests are herein created, the covenants and restrictions of the 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. This Declaration may be amended during the first twenty (20)-year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter, by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots. Any amendment must be recorded.

Section 4. Annexation. The Declarant shall have the right to annex and bring within the scheme of this Declaration additional land in future stages of the development, provided that any said Land annexed lies within the land area represented in Exhibit "C" and further provided that so long as there are Class B memberships of the Association, the Federal Housing Administration and/or the Veterans Administration shall approve any such annexations. The additions authorized shall be made by filing of record Supplementary Declarations of Covenants with respect to the

additional land which shall extend the scheme of the covenants and restrictions of the Declaration to such land and thereby subject such land to the effect and operation of this Declaration. Said Supplementary Declarations may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added Lots and as are not inconsistent with the scheme of this Declaration.

Annexations to the Property by the Declarant shall not require the consent of the Class A members if such annexations are made within five (5) years from the date of recordation of this Declaration; provided, however, that if the Declarant is delayed in the improvement and development of the Property on account of a sewer, water or building permit moratorium or any other cause or event beyond the Declarant's control, then the aforesaid five (5) year period shall be extended by a period of time equal to the length of the delays or three (3) years, whichever is less.

Except as otherwise hereinabove provided, annexations to the Property shall require the consent of two-thirds (2/3) of the Class A members.

Section 5. FHA-VA Approvals. Provided that there are then Class B memberships 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 other than as provided for pursuant to Section 4 of Article X of this Declaration; or

(b) abandon, partition, 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 Common Areas and community facilities by the members of the Association shall not be considered a transfer within the meaning of this Section 5; 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.

Section 6. Consents by Lenders. Any other provisions of this 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 with the prior written consent and approval of not less than two-thirds (2/3) in number of the holders of the first mortgages of 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 Common Areas and community facilities by the members of the Association shall not be considered a transfer within the meaning of this Section 6; 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 Common Area walks or common fences and driveways, or the upkeep of lawns and plantings with the Property; or

(g) fail to maintain fire and extended coverage on insurable Association Common Area on property 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 Common Area or property for other than the repair, replacement or reconstruction of such Common Area or Property.

Section 7. Additional Rights of Mortgagees – Notice. 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 mortgages of any Lot may pay any taxes, utility charges or other charge levied against any of the Common Areas and community facilities which are in default and which may or have become a charge or lien against any of the Common Areas and community facilities and any such first mortgages 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 Common Areas and community facilities. Any first mortgagee who advances any such payment shall be due immediate reimbursement of the amount so advanced from the Association.

Section 8. Casualty Losses. In the event of substantial damage or destruction to any of the Common Areas or 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 the Declaration or the Articles of Incorporation or these 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 any insurance proceeds paid or payable on account of any damage or destruction of any of the Common Areas or community facilities.

Section 9. Condemnation or Eminent Domain. In the event any part of the Common Areas and 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 notices 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 Common Areas and community facilities.

Section 10. Captions and Gender. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all genders and the singular shall include the plural.

ARTICLE XI

Easements, Etc.

Section 1. General Easement. The Declarant 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 Common Area.

Section 2. Crossover Easement. If the Owner (including the Declarant) of any Lot must, in order to make responsible repairs or improvements 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 or any other Lot Owner if 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 Architectural Committee of the Association, unless such approval has been given.

Section 3. Blanket Easement. An easement is hereby retained in favor of Declarant and the Association over the Lots and any area owned or to be owned by the Association for the construction of a common cable television system, a common sprinkler, or any other item 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 constructed. 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 Declarant harmless from the cost of repairing or replacing any portion damaged or destroyed buy such owner, his family, his guests or invitees.

Section 4. 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 Fairfax County, and to vehicles operated by said personnel while in the pursuit of their duties. Said emergency personnel shall also have the right of enforcement of cleared emergency vehicle access on roadways and driveways on the Property.

Section 5. 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 Declarant, together with the right to grant and transfer the same. Declarant also reserves the right to enter onto the Common Area for the purpose of completing the improvements thereon, and on the Lots, and for the further purpose of carrying out any 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, 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 anyone 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.

Section 7. 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 Declarant thereon requires. Declarant reserves an easement over all Lots and Common Area for the purpose of correcting any drainage deficiency.

Section 8. Encroachment Easement. Each Lot within the Property is hereby declared to have an easement, not exceeding one foot (1') in which, over all adjoining Lots for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, roof overhangs, gutters, architectural or other appendages,

Note: there is no Section 6 in original Declaration of Covenants.

draining of rain water from roofs, or any other similar cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners 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 of Owners of said encroachment occurred due to the willful 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 Lots shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

ARTICLE XII

Dissolution of Association

The Owners of Lots shall not dissolve or disband the Association, nor shall the Association dispose of any common open space by sale, or otherwise, except to an organization conceived and organized to own and maintain the common open space, without first offering to dedicate the same to Fairfax County, Virginia, or such other appropriate governmental agency.

ARTICLE XIII

Additional Covenants

Section 1. Compliance Fairfax County Zoning Ordinance. These covenants, conditions, restrictions and easement shall be subject to the regulations set forth in Section 2-702 of the Fairfax County Zoning Ordinance entitled "Common Open Space and Common Improvement Regulation" as said regulation may be amended from time to time.

Section 2. Except for such temporary construction facilities of Declarant, no building shall be permitted on the Common Area of the Property except those which were approved by Fairfax County, Virginia, in its final site plan concerning this Property or are subsequently approved as revisions to the final site plan.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this instrument on the 2nd day of August, 1982.

EDW. R. CARR & ASSOCIATES, Inc.

By John E. Cowles, Vice President
1/21/85