

**ARTICLES OF INCORPORATION
OF
BEAUREGARD ESTATES HOMEOWNERS ASSOCIATION**

This is to certify that I, the undersigned, do hereby establish a corporation under the provisions of the Virginia Nonstock Corporation Act, Chapter 10 of Title 13.1 of the Code of Virginia, for the purposes and in the name hereinafter stated and to that end set forth the following:

ARTICLE I

The name of the corporation is BEAUREGARD ESTATES HOMEOWNERS ASSOCIATION hereafter called the "Association."

ARTICLE II

The initial registered office of the Association is located at 7345 McWhorter Place, Suite 100, Annandale, Fairfax County, Virginia 22003.

ARTICLE III

Kerry M. Reilly, an initial director and resident of the Commonwealth of Virginia, whose address is 7345 McWhorter Place, Suite 100, Annandale, Fairfax County, Virginia 22003, is hereby appointed the initial registered agent of this Association.

**ARTICLE IV
PURPOSE AND POWERS OF THE ASSOCIATION**

This Association does not contemplate pecuniary gain or profit to itself or to the members thereof and the specific purposes for which this Association is formed are to provide for the preservation, maintenance and management of certain community land and facilities located within the community known as Rolling Woods Subdivision, Lots 1 – 90, both inclusive, and Parcels A-D in Town of Leesburg, Virginia, as recorded in the land records of Loudoun County, Virginia, together with any additions thereto, for the residential properties located therein, and to promote the health, safety and welfare of the residents of the community.

The purpose herein set forth applicable to the above-described property shall apply to any additions thereto as may hereafter be brought within the jurisdiction of this Association pursuant to that certain Declaration of Covenants, Conditions and Restrictions hereinafter referred to.

And for the purposes herein set forth, this Association shall:

(a) exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Office of the Clerk of the Circuit Court of Loudoun County, Virginia, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money; and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell, or transfer all or 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 has been signed by two-thirds (2/3) of each class of members agreeing to such dedication, sale or transfer;

(f) have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Stock Corporation Law of the State of Virginia by law may now or hereafter have or exercise.

ARTICLE V MEMBERSHIP AND VOTING RIGHTS

Membership and voting rights shall be as set forth in the Bylaws of the Association.

ARTICLE VI BOARD OF DIRECTORS

The number of Directors and their term of office shall be as set forth in the Bylaws of the Association.

ARTICLE VII DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the

Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

**ARTICLE VIII
DURATION**

The corporation shall exist perpetually.

**ARTICLE IX
AMENDMENTS**

Amendment of these Articles shall require the assent of Seventy-Five percent (75%) of the entire membership.

**ARTICLE X
FHA/VA APPROVAL**

Provided that any Lot in the project is encumbered by a deed of trust or Mortgage which is guaranteed by the Veterans Administration and/or the Federal Housing Administration and, provided further, 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 and approval of the Veterans Administration and/or the Federal Housing Administration.

- (a) abandon, partition, subdivide, consolidate, encumber, mortgage, sell, or transfer any of the Common Areas and community facilities; 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 meeting of this Section; or
- (b) abandon or terminate this Declaration; or
- (c) modify or amend any provision of these Articles; or
- (d) annex additional property to the property which is subject to these Articles, the Bylaws of the Association and the Declaration.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Virginia, I, the undersigned, constituting the incorporation of this Association, have executed these Articles of Incorporation this 5th day of October, 1987.

/s/ Robert W. Haas
Robert W. Haas

BYLAWS
OF
BEAUREGARD ESTATES HOMEOWNERS ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the corporation is Beauregard Estates Homeowners Association, hereinafter referred to as the “Association.” The principal office of the corporation shall be located at c/o 7345 McWhorter Place, Suite 100, Annandale, Virginia 22003, but meetings of members and directors may be held at such places within the Commonwealth of Virginia as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. “Association” shall mean and refer to Beauregard Estates Homeowners Association, its successors and assigns.

Section 2. “Properties” shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. “Common Area” shall mean all real property owned by the Association of the common use and enjoyment of the Owners, including but not limited to, the private streets of the community and all necessary easements therefore, subject to all requirements and verifications of record.

Section 4. “Lot” shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Properties with the exception of the Common Area, Parcels A-D, and areas dedicated as public streets.

Section 5. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, or equitable or beneficial title (or legal if same has merged) of any Lot. The foregoing does not include persons or entities who hold an interest in any Lot merely as security for the performances of an obligation. The term “Owner” shall not include a developer, builder, contractor, the Declarant or other person or entity who purchases a Lot for the purposes of resale thereof to a Public Purchaser, or for the purposes of construction improvements thereon for resale to a Public Purchaser.

Section 6. “Declarant” shall mean and refer to Fort Beauregard Development 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.

Section 7. “Declaration” shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded herewith in the Office of Clerk of Court, Loudoun County, Virginia.

Section 8. “Member” shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 9. “Public Purchaser” shall mean any person or other legal entity who becomes an Owner of any Lot within Beauregard Estates.

ARTICLE III

MEETING OF MEMEBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter at the hour of 7:30 p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors or upon written request of one-fourth (1/4) of all the votes outstanding in either class of membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of the secretary or person authorized to call the meeting, by mailing a copy of each notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to vote or of proxies entitled to vote of one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Number. The affairs of this Association shall be managed by a Board of not to exceed nine (9) in number, but not less than three (3) Directors, who need not be Members of the Association. The Declarant shall determine the initial number of Board Members, however, upon cessation of the Declarant's class of membership as more fully

defined in the Declaration, the Members of the Association shall determine the number of the Board Members.

Section 2. Term of Office. The Board of Directors shall be divided into three (3) classes of membership as near equal in number as possible with the term of office of one class expiring each year. At the first annual meeting of Members, Directors of the first class shall be elected for three (3) years, the Directors of the second class shall be elected for two (2) years and the Directors of the third class shall be elected for one (1) year. Thereafter, at each annual meeting of the Members, the successors to the class of Directors whose terms shall then expire shall be elected for a term of three (3) years. When the aggregate number of Directors is changed, any increase or decrease shall be so apportioned among the classes so as to make all classes as nearly equal in number as may be possible. No decrease in the aggregate number of Directors shall shorten the term of any incumbent Director.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without A Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting subject to procedural rules adopted by the Board. Such rules shall not be established so as to exclude any Member desiring to be a candidate or desiring to submit the name of a candidate from so doing. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of the Members and their guests thereon and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and present a statement thereof to the Members at the annual meeting of the Members, or at

any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

(b) Supervise all officers, agents and employees of this Association, and see that their duties are properly performed;

(c) As more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained; and

(h) approve an annual budget.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The Officers of this Association shall be a President and Vice President, who shall at all times be Members of the Board of Directors, and a Secretary and Treasurer.

Section 2. Election of Officers. The election of Officers shall take place at the first meeting of the Board of Directors and following each annual meeting of the Members.

Section 3. Term. The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the Officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes and checks from such accounts as the Board may from time to time determine. He shall make the appointment of committee Chairman of all Standing Committees.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association; cause the disbursement of such funds as directed by resolution of the Board of Directors; co-sign all promissory notes and checks from such accounts as the Board may from time to time determine; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; be the chief officer responsible for the preparation of an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX

COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. Interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XII
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Beauregard Estates Homeowners Association.

ARTICLE XIII
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of three-fourths (3/4) of the Members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws the Declaration shall control.

ARTICLE XIV
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of each year except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XV
FHA/VA CONSENTS

Provided that any Lot in the project is encumbered by a deed of trust or mortgage which is guaranteed by the Veterans Administration and/or the Federal Housing Administration and, provided further, 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 and approval of the Veterans Administration and/or the Federal Housing Administration:

(a) abandon, partition, subdivide, consolidate, encumber, mortgage, sell or transfer any of the Common Areas and community facilities; 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;
or

(b) abandon or terminate the project or Declaration; or

(c) modify or amend any provision of these Bylaws; or

(d) annex additional property to the property which is subject to these Bylaws, the Articles of Incorporation of the Association and the Declaration.

IN WITNESS WHEREOF, we being all the Directors of Beauregard Estates Homeowners Association have hereunto set our hands this _____ day of _____, 19__.

Carl Bernstein, Director

Kerry M. Reilly, Director

Sandy K. Lindsay, Director

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THIS DEED OF DEDICATION, SUBDIVISION, EASEMENT, VACATION AND CONVEYANCE is made this 11th day of May, 1995, by and between **BEAUREGARD, L.L.C.**, a **Virginia limited liability company** (“Owner”); **ROBERT W. HAAS** AND **ERIC A. ANDERSON**, TRUSTEES, either of whom may act (“Trustees”), **KEY FEDERAL SAVINGS BANK**, Beneficiary (“Key Federal”); the **TOWN OF LEESBURG, VIRGINIA**, a municipal corporation (“Town”); and **BEAUREGARD ESTATES HOMEOWNERS ASSOCIATION**, a Virginia non-stock corporation (“Association”).

W I T N E S S E T H :

WHEREAS, the Owner is the owner and proprietor of certain real property (the “Property”) as shown on plat number L202A, dated November 22, 1989 and revised through August 29, 1995 entitled “Final Plat, Beauregard Estates, Phases II and III,” and prepared by Paciulli, Simmons & Associates, Ltd. Of Leesburg, Virginia, certified land surveyors (the “Plat”) which Plat is attached hereto and incorporated herein by reference; and

WHEREAS, the Property is situate in the Town of Leesburg, Loudoun County, Virginia; Owner having acquired the Property by deed recorded in Deed Book 1384, at page 1902, among the land records of Loudoun County, Virginia; and

WHEREAS, the Property is subject to the lien of a certain Deed of Trust dated August 24, 1995, and recorded in Deed Book 1384, at page 1907, among the land records (“Key Federal Deed of Trust”) wherein the Property was conveyed to ROBERT W. HAAS and ERIC A. ANDERSON, trustees, in trust to secure the repayment of a certain indebtedness payable unto Key Federal, as more specifically set forth therein; and

WHEREAS, it is the desire and intent of Owner to subdivide the Property into lots and parcels, and to dedicate, grant, and convey to the Town, its successors and assigns, for public use, certain streets and thoroughfares in accordance with this Deed and the Plat; and

WHEREAS, it is the desire and intent of Owner to reserve unto itself and to grant to the Association certain maintenance, grading, ingress/egress and private storm drainage easements; and

WHEREAS, it is the desire and intent of the Owner to grant and convey to the Town an ingress and egress access easement over and across Parcels A and E on the Plat for the purpose of providing and maintaining public safety; and

WHEREAS, it is the desire and intent of Owner to establish and reserve easement areas for the use and benefit of public utilities; and

WHEREAS, it is the desire and intent of Owner to grant and convey unto the Association, it's successors and assigns, the common driveways labeled as Parcels A and E on the Plat. The Owner reserves unto itself, its successors and assigns an easement for ingress and egress over and across Parcels A and E; and

WHEREAS, it is the desire and intent of Owner to grant and convey unto the Association, its successors and assigns, the open space labeled as Parcel D on the Plat. The open space shall be for the benefit of the Association; and

WHEREAS, it is the desire and intent of owner to subject the Property to the Declaration of Covenants, Conditions and Restrictions attached hereto as Exhibit A and to annex the Property into the Association; and

WHEREAS, it is the desire and intent of the Owner to convey to the Town, in accordance with the Proffers applicable to the Property, the land for public park purposes labeled as Parcels B and C on the Plat with public access to aforesaid Parcels B and C from Lawson Road as shown on the Plat; and

WHEREAS, it is the desire and intent of the Town to vacate the existing storm drainage easement granted by instrument recorded in Deed Book 986 at page 1058 of the County of Loudoun, Virginia land records as more particularly shown on the Plat; and

WHEREAS, it is the desire and intent of the Association to vacate the existing Temporary Turnaround easements granted by instrument recorded in Deed Book 1017, at page 512 of the County of Loudoun, Virginia land records as more particularly shown on the Plat; and

WHEREAS, it is the desire and intent of Owner to grant and convey unto the Town the easements in the locations as shown on the Plat and as hereinafter provided.

NOW THEREFORE, in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, Owner does hereby subdivide the Property containing 55.4397 acres, more or less, into lots and parcels, to be known as Lots 30 and 45 through 90, inclusive, and Parcels A through E, inclusive, Beauregard Estates, Phases II and III, in accordance with the Plat which is expressly incorporated herein and made a part of this Deed; and

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00) cash in hand paid, receipt of which is hereby acknowledged, Owner does hereby dedicate, grant and convey to the Town in fee simple, the 23,716 square feet for public street purposes as shown on the Plat. This dedication is made in accordance with the statutes made and provided therefore.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, the Owner does hereby grant and convey unto the Association, with Special Warranty, all those certain parcels of land, situate, lying and being in the Town of Leesburg, Virginia, and being more particularly described as Parcel A, Parcel D and Parcel E, Beauregard Estates, Phases II and III, as shown on the Plat, subject to an ingress and egress access easement for the benefit of the Owner and its successor or assigns on and across the aforesaid Parcel A, Parcel D, and Parcel E.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, Owner does hereby grant and convey unto the Town, with Special Warranty, all those certain parcels of land, situate, lying and being in the Town of Leesburg, Virginia, and being more particularly described as Parcel B and Parcel C, Beauregard Estates, Phases II and III, for public park purposes. The aforesaid Parcels B and C shall have public access from Lawson Road as shown on the Plat.

THIS DEED FURTHER WITNESSETH, that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, Owner reserves unto itself and grants to the Association (i) maintenance and grading easements to be used during construction, repair and maintenance of the Common Driveways and for drainage facilities associated therewith, and to be used during construction, repair and maintenance of utilities serving the Property, and to be used for maintenance and preservation of the slopes on the Property, and (ii) private storm drainage easements for the purpose of constructing, installing, maintaining and repairing storm drainage ditches, lines or other drainage structures, plus necessary inlet structures and appurtenances for the collection of storm waters, and its transmission through, across and upon the Property; whether within the boundaries of residential lots or common areas (excepting only approved building areas), provided that the person who directs any entry upon any portion of the Property subject to such easements shall restore said land, at such person's own expense, as nearly as practicable to the same condition as existed prior to each such entry, installation or maintenance. Such restoration shall include the backfilling of trenches, the replacement of fences and the resodding of lawns, the reseedling of pasture and woodland areas, and the replacement of shrubbery (to the extent that such shrubbery and other plantings have not interfered with the maintenance of any slope), but not the replacement of structures, trees or other obstructions.

The Association is and shall be solely responsible for the maintenance and repair of all private storm, grading and maintenance easements and the maintenance of such shall not be the responsibility of the Town.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, Owner does hereby grant and reserve unto itself, its successors and

assigns, and grants to the Association for the benefit of the owners of Lots created hereby, and to owners of lots in Phase I, their heirs, successors, assigns, guests and invitees, a non-exclusive ingress-egress easement over and across the Property for all purposes for which private streets are used, as more particularly bounded and described on the Plat as "Private Ingress Egress Easements," which are over Parcels A and E.

Costs and expenses incurred for the repair, upkeep maintenance and improvements of and snow removal from the Common Driveways labeled as Parcels A and E shall be part of the annual maintenance expenses administered by the Association and paid by the various lot owners as part of their annual maintenance assessments to which, by acceptance of a deed to a lot in this subdivision, they so agree. It is further acknowledged that maintenance, repair or snow removal for common driveways are private and not a public responsibility of the Town of Leesburg.

The Association shall prescribe the rules and regulations governing the use of and parking on the Common Driveways. No lot owner shall do anything to obstruct the free use and enjoyment of the easements granted herein, including any easements granted to the Town.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, the Association does hereby grant unto Owner, for the benefit of the owner of lots created hereby, their heirs, successors, assigns, guests and invitees, a non-exclusive ingress-egress easement over and across the private streets in Phase I, Beauregard Estates.

THIS DEED FURTHER WITNESSETH that Owner does hereby establish and reserve easement areas for the construction and maintenance of public utilities including telephone, electric and cable in the locations as shown on the Plat for the use and benefit of public telephone, electric and cable services.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, Owner does hereby grant and convey unto the Town, its successors and assigns, the easements as hereafter set forth in the respective locations shown on the Plat as follows:

A. A temporary construction and grading easement for the purpose of the necessary grading through and across the Property, as more particularly bounded and described on the Plat. This temporary construction and grading easement shall become null and void at such time as construction and grading is complete and the work accepted by the Town of Leesburg.

B. Easements for the purpose of installing, constructing, operating, maintaining, adding to, or altering present or future storm drainage ditches, lines, or other drainage structures, plus necessary inlet structures, manholes, and appurtenances for the collection of storm waters and its transmission through, upon, and across the Property, said easements being more particularly bounded and described on the Plat as “Public Storm Drainage Easements.”

C. Easements for the purpose of installing, constructing, operating, maintaining, adding to, or altering present or future water mains, including fire hydrants, valves, meters, building service connections, and other appurtenant facilities for the transmission and distribution of water through, and across the Property, said easements being more particularly bounded and described on the Plat as “Public Access to Water and Sanitary Sewer.”

D. Easements for the purpose of installing, constructing, operating, maintaining, adding to or altering present or future sanitary sewer lines, including building connection lines, manholes and other appurtenant facilities for the collection of sanitary sewage and its transmission through and across the Property, said easements being more particularly bounded and described on the Plat as “Sanitary Sewer Easements.”

The above-described storm drainage, sanitary sewer and waterline easements are subject to the following conditions:

1. All storm drainage lines, water lines, sanitary sewer lines and appurtenant facilities which are installed in the easements shall be and remain the property of the Town, its successors and assigns.
2. The Town and its agents shall have full and free use of said easements for the purposes named, and shall have all rights and privileges reasonably necessary to the exercise of the rights granted by the easements including the right of access to and from the easements and the right to use adjoining land where necessary; provided, however, that this right to use adjoining land shall be exercised only during periods of actual construction or maintenance, and then only to the minimum extent necessary for such construction and maintenance, and further, this right shall not be construed to allow the Town to erect any building or structure of a permanent nature on such adjoining land.
3. The Town shall have the right to trim, cut, and remove trees, shrubbery, fences, structures, or other obstructions or facilities in or near the easements being conveyed, deemed by it to interfere with the proper and efficient construction, operation and maintenance of said storm drainage lines, water lines, sanitary sewer lines and appurtenant facilities; provided, however, that the Town at its own expense shall restore as nearly as possible, to their original condition, all land or premises which are disturbed in any manner by the construction, operation, and maintenance of said storm drainage lines, water lines, sanitary sewer lines and appurtenant facilities. Such restoration shall

include the backfilling of trenches, the replacement of fences and shrubbery, the reseeding or resodding of lawns or pasture areas within and outside the easements and the replacement of structures and other facilities located outside the easements, but shall not include the replacement of structures, trees and other facilities located within the easements.

4. Owner reserves the right to make use of the easements herein granted, including without limitations, the right to construct and maintain roadways, which may not be inconsistent with the rights herein conveyed, or interfere with the use of said easements by the Town for the purposes named; provided, however, that Owner shall comply with all applicable Town ordinances and regulations prior to placing any building, roadway, other structure, or fence within the easement areas.

E. Surface drainage easements for the purpose of installing, constructing, operating, maintaining, adding to or altering present or future overland relief for the collection of storm waters and its transmission through, upon and across the surface of the Property, said easements being more particularly bounded and described on the Plat as "Surface Drainage Easements."

The above-described surface drainage easements are subject to the following conditions:

1. All channels, swales and appurtenant facilities which are installed in the easements shall be and remain the property of the Owner, its successors and assigns.

2. The Town and its agents shall have full and free use of said easements for the purposes named and shall have all rights and privileges reasonably necessary to the exercise of the rights granted in the easements including the right of access to and from the easements and the right to use adjoining land where necessary; provided, however, that this right to use adjoining land shall be exercised only during periods of actual construction or maintenance, and then only to the minimum extent necessary for such construction and maintenance, and further, this right shall not be construed to allow the Town to erect any building or structure of a permanent nature on such adjoining land.

3. The Town shall have the right to trim, cut, and remove trees, shrubbery, fences, structures, or other obstructions or facilities in or near the easements being conveyed, deemed by it to interfere with the proper and efficient construction, operation and maintenance of said channels, swales and appurtenant facilities; provided, however, that the Town at its own expense shall restore as nearly as possible, to their original condition, all land or premises which are disturbed in any manner by the construction, operation, and maintenance of said drainage lines and appurtenant facilities. Such restoration shall include the backfilling of trenches, the replacement of shrubbery, the reseeding or resodding of lawns or pasture areas within and outside the easements and the replacement of fences, structures and other facilities located outside the easements, but

shall not include the replacement of fences, structures, trees and other facilities located within the easements.

4. Owner reserves the right to make use of the easements herein granted, which may not be inconsistent with the rights herein conveyed, or interfere with the use of said easements by the Town for the purposes named; provided, however, that Owner shall not erect any fence or other structure or alter the surface and/or elevation of the ground within the easements without obtaining the prior written approval of the Town.

F. Floodplain easements as more particularly bounded and described on the Plat as "Floodplain Easements," subject to the following conditions:

1. Any use or activity within the floodplain easement, including installation of private drives, shall not interfere with the natural drainage and shall conform to the Town of Leesburg and Loudoun County Zoning and Subdivision Ordinances.

2. Notwithstanding anything herein to the contrary, the easement granted hereby is limited to the area designated as a floodplain easement on the Plat. However, the extent that a floodplain is dynamic in nature and is a function of land use which is subject to change; therefore, the boundary of the actual floodplain easement is subject to change with changing land use, and nothing herein shall be construed to limit the force and effect of the duly adopted floodplain regulations of the Town of Leesburg and Loudoun County.

G. Easements for ingress and egress over and across the Parcels A and E for the purpose of providing and maintaining public safety, it being recognized that maintaining safety and order is a primary governmental concern.

UNLESS OTHERWISE INDICATED HEREIN, the easements granted herein shall be perpetual and shall run with the land and shall be binding upon Owner, its successors and/or assigns and shall inure to the benefit of the Town, its successors and assigns.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, the Town does hereby terminate, vacate, extinguish, release and quitclaim unto Owner, in accordance with Virginia Code Section 15.1-478 and in accordance with the terms hereof, the existing storm drainage easement granted by instrument recorded in Deed Book 986 at Page 1058 of the County of Loudoun, Virginia land records, which is labeled as "Portion of Existing Storm Drain Esmt. Hereby Vacated" on the Plat.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby

acknowledged, the Association does hereby terminate, vacate, extinguish, release and quitclaim unto owner, the existing temporary turnaround easements granted by instrument recorded in Deed Book 1017, at page 512 of the County of Loudoun, Virginia land records, which is labeled "Existing Temporary Turnaround Esmt. Hereby Vacated" on the Plat.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, the Key Federal Trustees, as authorized to act by Key Federal, as shown by its execution hereof, do hereby release and discharge from the lien of the Key Federal Deed of Trust those portions of the Property dedicated for public street purposes and Parcels B and C, and do hereby subordinate the lien of the Key Federal Deed of Trust to the easements granted herein as shown on the Plat.

TO HAVE AND TO HOLD that portion of the Property dedicated for public street purposes and Parcels B and C unto the Owner, its successors and assigns, fully released and discharged from the liens and operation of the Key Federal Deed of Trust.

It is expressly understood that the release of the portion of the Property described above from the lien of the Key Federal Deed of Trust and the subordination of the lien of the Key Federal Deed of Trust to easements granted herein as more particularly bounded and described on the Plat shall not affect in any way the lien of the Key Federal Deed of Trust upon the other land conveyed thereby and not released hereby or subject to said easements, and the Key Federal Deed of Trust shall remain in full force and effect as to the land conveyed thereby and not released hereby, subject to said subordination.

This Deed of Dedication, Subdivision, Easement, Vacation and Conveyance is made in accordance with the statutes made and provided in such cases including Section 15.1-465 et seq. and including Section 15.1-477 et seq. of the Code of Virginia, 1950 as amended; with the approval of the proper authorities of the Town of Leesburg, Virginia, as shown by the signatures affixed to the Plat, and is with the free consent and in accordance with the desire of Owner, the owner and proprietor of the land embraced within the bounds of said subdivision.

IN WITNESS WHEREOF, Owner has caused this Deed of Dedication, Subdivision, Easement, Vacation and Conveyance to be signed by its duly authorized representative.

FURTHER WITNESS the following signatures and seals.

BEAUREGARD, L.L.C. _____,
A Virginia limited liability company

By: /s/ Steven Kull
Name: Steven Kull
Title: Manager

BEAUREGARD ESTATES HOMEOWNERS
ASSOCIATION, a Virginia non-stock corporation

By: /s/ Catherine M. Wilt
Name: Catherine M. Wilt
Title: President

THIS INSTRUMENT IS HEREBY APPROVED ON
BEHALF OF THE TOWN OF LEESBURG, VIRGINIA

THE TOWN OF LEESBURG

By: /s/ James E. Clem
James Clem
Mayor

s/s Robert W. Haas
Robert W. Haas, Trustee

s/s Eric A. Anderson
Eric A. Anderson, Trustee

Key Federal Savings Bank
Beneficiary

By: /s/ George G. Wachter

STATE OF MARYLAND)
) ss:
COUNTY OF Montgomery)

The foregoing Deed of Dedication, Subdivision, Easement, Vacation and Conveyance was acknowledged before me this 31st day of August, 1995 by Steven Kull as Manager of Beauregard, L.L.C., on behalf of the corporation.

[SEAL] /s/ Michaela Palumbo
Notary Public

My commission expires: 9/13/98

COMMONWEALTH OF VIRGINIA)
) ss:
COUNTY OF Loudoun)

The foregoing Deed of Dedication, Subdivision, Easement, Vacation and Conveyance was acknowledged before me this 11th day of May, 1995 by Cathy Wilt as President of BEAUREGARD ESTATES HOMEOWNERS ASSOCIATION, a Virginia non-stock corporation, on behalf of the corporation.

[SEAL] /s/ Cathy Stackhouse
Notary Public

My commission expires: 6/30/96

COMMONWEALTH OF VIRGINIA)
) ss:
COUNTY OF Fairfax)

The foregoing Deed of Dedication, Subdivision, Easement, Vacation and Conveyance was acknowledged before me this 7th day of September, 1995 by Robert W. Haas, Trustee.

[SEAL] /s/ Lorelei A. Lauro
Notary Public

My commission expires: 11/30/96

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

This Declaration, is made this 7th day of September, 1995, by BEAUREGARD, L.L.C., a Virginia limited liability company, (“Owner”); and ROBERT W. HAAS and ERIC A. ANDERSON, TRUSTEES, either of whom may act (“Trustees”); KEY FEDERAL SAVINGS BANK, Beneficiary (“Key Federal”); and BEAUREGARD ESTATES HOMEOWNERS ASSOCIATION, a Virginia non-stock corporation (“Association”).

WITNESSETH:

WHEREAS, Owner is the sole owner and proprietor of certain real property (the “Property”) located in the Town of Leesburg, Virginia, containing 55.4397 acres, as more specifically described on the plat of subdivision attached to the Deed of Dedication, Subdivision, Easement, Vacation and Conveyance recorded immediately prior hereto, and known as Beauregard Estates, Phases II and III, Owner having acquired the Property by deed recorded in Deed Book 1384, at page 1902, among the land records of Loudoun County, Virginia;

WHEREAS, the Property is subject to that certain Deed of Trust dated August 24, 1995, and recorded in Deed Book 1384, at page 1907 among the land records of Loudoun County, Virginia wherein the owner did convey the Property to the trustees, in trust, to secure Key Federal the repayment of a certain indebtedness therein more particularly set forth;

WHEREAS, the Owner and the Association, for purposes of maintaining common property and improvements, desire to annex Beauregard Estates Phases II and III into Beauregard Estates, Phase I and to this end, desires to subject the Property to the covenants, restrictions, easements and conditions applicable to Beauregard Estates, Phase I, as modified herein and by order of the Circuit Court of Loudoun County, Virginia, in Chancery No. 15737;

NOW THEREFORE, Owner, as authorized by the Association as evidenced by its execution hereof, does hereby annex the real property described on plat number L202A dated November 22, 1989 and revised through February 2, 1994, entitled “Final Plat, Beauregard Estates, Phase II and III,” attached to the Deed of Dedication, Subdivision, Easement, Vacation and Conveyance recorded immediately prior hereto into Beauregard Estates Phase I, and subject the real property to the covenants, restrictions, easements and conditions set forth in Deed Book 1017, at page 479 et seq. and as amended in Deed Book 1035, at page 1320, et seq. among the land records of Loudoun County, Virginia,

and incorporated herein as if stated in the entirety, which covenants, restrictions, easements and conditions are for the purpose of protecting the value and desirability of, and shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each other thereof, except as to the Town of Leesburg for all property conveyed to the Town of Leesburg.

NOTWITHSTANDING THE ABOVE, for purposes of this annexation and incorporation of covenants: (1) there shall be no Class B members of the Association, (2) in addition to the Town of Leesburg's road maintenance bond posted during construction, Owner shall pay a one-time assessment of \$14,100 to the Association at the time Phase II and III have base paving installed which sum shall be utilized for the sole purpose of private street maintenance and no other or further special or general assessment or dues shall be due or payable by Owner, however, upon the sale of a lot improved with a house each successor in interest to owner shall be subject to the full benefits and liabilities, including further assessments, provided under this Declaration, and (3) no new document, bylaw, builders guidelines or agreement governing the Association, its members and/or the development and construction of a lot unimproved with a house within Beauregard Estates Phases II and III, shall be hereafter amended or created by the Association, except such amendments as may be necessary to conform with and implement the final Consent Decree entered by the Circuit Court of Loudoun County, Virginia in Chancery No. 15737, without the prior written consent of the owner of any lot unimproved with a house in Phase II or III.

The benefits and burdens of this Declaration shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns.

WITNESS the following signatures and seals:

BEAUREGARD, L.L.C.,
a Virginia limited liability company

By: /s/ Steven Kull ,
Name: Steven Kull
Title: Manager

BEAUREGARD ESTATES HOMEOWNERS ASSOCIATION,
a Virginia non-stock corporation

By: /s/ Catherine M. Wilt ,
Name: Catherine M. Wilt
Title: President

THIS DEED OF DEDICATION, SUBDIVISION, EASEMENT, AND CONVEYANCE made this 15th day of November, 1988, by and between FORT BEAUREGARD DEVELOPMENT CORPORATION, a Virginia corporation, party of the first part; CLYDE A. PINKSTON and FRED A. DeHART, Trustees, party of the second part; AMERICAN HOME FUNDING, INC., and CITIZENS SAVINGS BANK, F.S.B., assignee, Beneficiaries, party of the third part; ROYCE GIVENS, JR. and SAMUEL ENGLE, Trustees, party of the fourth part; WILLIAM AND HELEN ALBERTS, Beneficiaries, party of the fifth part; STEVEN OWENS, Trustee, party of the sixth part; BRUCE BROWNELL, Beneficiary, party of the seventh part; and BEAUREGARD ESTATES HOMEOWNERS ASSOCIATION, a Virginia corporation, party of the eighth part; and THE TOWN OF LEESBURG, a body corporate and politio, party of the ninth part.

W I T N E S S E T H :

WHEREAS, the party of the first part is the owner of the hereinafter described property, by virtue of a certain deed recorded in Deed Book 925 at page 1165, et seq., of the land records of Loudoun County, Virginia;

WHEREAS, it is the desire of the party of the first part to subdivide the hereinafter described property (which is the same property acquired in Deed Book 925 at page 1165) into lots and parcels, to dedicate, grant and convey for private use the streets and easements in accordance with this Deed of Dedication, Subdivision, Easement and Conveyance and the plat of Beauregard Estates, dated August 22, 1988, prepared by Patton, Harris, Rust and Associates, attached hereto and made a part hereof, and known as Beauregard Estates, Phase I; and, in accordance with the Declaration of Covenants attached hereto as Exhibit A.

WHEREAS, it is the desire and intent of the party of the first part hereto to grant and convey unto the party of the ninth part, certain easements in the locations as shown on the plat attached hereto and as hereinafter provided;

WHEREAS, it is the desire and intent of the party of the first part hereto to grant and convey unto the party of the ninth part, the storm drainage, sanitary sewer, and waterman easements in the locations as shown on the plat attached hereto and as hereinafter provided;

WHEREAS, the hereinafter described property is subject to the liens of these Deeds of Trust, dated December 24, 1986 and recorded in Deed Book 925 at page 1175, and dated August 21, 1987 and recorded as Instrument Number 18836, among the aforesaid land records wherein the property was conveyed to the party of the second part, in trust, to secure those certain indebtednesses unto the party of the third part, as more particularly set forth therein;

WHEREAS, the hereinafter described property is subject to the lien of the Deed of Trust, dated November 30, 1984 and recorded in Deed Book 854 at Page 343, among the aforesaid land records wherein the property was conveyed to the party of the fourth part, in trust, to secure a certain indebtedness unto the party of the fifth part, as more particularly set forth therein;

WHEREAS, the hereinafter described property is subject to the lien of the Deed of Trust, dated December 31, 1987 and recorded in Deed Book 943 at Page 660, among the aforesaid land records wherein the property was conveyed to the party of the sixth part, in trust, to secure a certain indebtedness unto the party of the seventh part, as more particularly set forth therein;

WHEREAS, it is the desire and intent of the party of the first part hereto to grant and reserve unto itself, its successors and assigns, certain private street easements in the locations as shown on the plat attached hereto and as hereinafter provided;

WHEREAS, it is the desire of the party of the first part to grant and convey unto the party of the ninth part certain property described below; and

WHEREAS, it is the desire of the party of the first part to grant and convey unto the party of the ninth part for use as a park certain property described below.

NOW, THEREFORE, in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, the party of the first

part does hereby subdivide all that certain tract of land located in Loudoun County, Virginia, containing 27.44 acres, more particularly described on Schedule A attached hereto and made a part hereof, to be know as LOTS 1 through 44, both inclusive, and PARCEL A, including private streets, BEAUREGARD ESTATES, Phase I, all in accordance with the attached plat dated August 22, 1988, prepared by Patton, Harris, Rust and Associates, P.C., which is attached hereto and made a part hereof.

THIS DEED FURTHER WITNESSETH, that for and in consideration of the sum of One Dollar (\$1.00), cash in hand paid, the receipt and sufficiency of which is hereby acknowledged, the party of the first part does hereby grant and reserve unto itself and its successors and assigns including the future owners of Lots 1 – 44 and the party of the eighth part, an exclusive ingress and egress easement (by vehicle and pedestrian traffic) for all purposes for which private streets are used over and across the street and thoroughfares as shown on the plat, (the “Private Streets”) all as shown on the plat attached hereto.

Costs and expenses incurred for the repair, up-keep, maintenance and improvements of and snow removal from the Private Streets shall be a part of the annual maintenance expenses administered by the party of the eighth part and paid by the various lot owners as a part of their annual Maintenance assessments and by acceptance of a deed to a lot in this subdivision they so agree.

The party of the eighth part shall prescribe the rules and regulations governing the use of and parking on the Private Streets. No lot owner shall do anything to obstruct the free use and enjoyment of the easements granted herein.

This easement and the covenants contained herein shall inure to the benefit of the owners of each lot and shall be a condition of ownership and a covenant running with each lot and shall be binding upon and inure to the benefit of the heirs, successors and assigns of each low owner for a period of 20 (twenty) years and shall be automatically renewable for successive periods of 20 (twenty) years.

THIS DEED FURTHER WITNESSETH, that for and in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, the receipt and

sufficiency of which is hereby acknowledged, the party of the first part does hereby grant unto the party of the ninth part (the "Town") the storm drainage and storm water detention easements as hereafter set forth in the respective locations shown on the plat attached hereto and made a part hereof.

Notwithstanding the grant of these easements to the party of the ninth part, it is understood and agreed that the responsibility for the maintenance of these easements shall rest solely with the homeowners association, and the party of the ninth part shall have no responsibility for such maintenance.

The storm drainage easements herein created shall be for the purpose of constructing, operating, maintaining, adding to, or altering present or future storm water lines or other drainage structures, plus necessary inlet structures and appurtenances for the collection of storm sewage and its transmission through and across the property of the party of the first part, within the bounds of the storm drainage and storm water detention easements, using more particularly bounded and described on the plat attached hereto and made a part hereof, subject to the following conditions:

1. All manholes, inlet structures, and appurtenant facilities which are installed in the easements and rights-of-way shall be and remain the property of the Town, its successors and assigns;

2. The Town and its agents shall have full and free use of the said easements and rights-of-way for the purpose named and shall have all rights and privileges reasonably necessary to the exercise of the easements and rights-of-way including the right of access to and from the right-of-way, where necessary, provided, however, that this right shall be exercised only during periods of actual construction or maintenance, and, further, this right shall not be construed to allow the TOWN to erect any building or structure of a permanent nature on such adjoining land;

3. The Town shall have the right to trim, cut, and remove trees, shrubbery, fences, structures, and other obstructions or facilities in the easements being conveyed, which interfere with the proper and efficient construction, operation and maintenance of said sewers; provided, however, that the Town, at its own expense, shall restore, as nearly as

possible, the premises to their original condition, such restoration to include the backfilling of trenches, the replacement of fences and shrubbery, and the reseeding or resodding of lawns or pasture areas, but not the replacements of structures, trees and other obstructions;

4. The party of the first part, and its successors in interest, reserve the right to construct and maintain roadways over said easements and to make any use of the easements herein granted which may not be inconsistent with the rights herein conveyed or interfere with the use of said easements by the Town for the purposed named; provided, however, that the party of the first part shall not erect any building or other structure, excepting a fence, on the easements without obtaining the prior written approval of the Town.

This DEED FURTHER WITNESSETH, that in consideration of the premises and the sum of One Dollar (\$1.00) cash in hand paid, the receipt and sufficiency of which is hereby acknowledged, the party of the first part does hereby grant and convey unto the party of the ninth part where necessary, its successors and assigns (the "Town"), AN EASEMENT for ingress and egress, for construction and maintenance of utilities, for Town and other emergency vehicles, and for the purpose of performing any and all functions, governmental or proprietary, which the Town may find necessary or desirable to perform, including, but not limited to, police and fire protection and other public vehicles or public service employees, over and across the easement as is more particularly bounded and described on the attached plat.

THIS DEED FURTHER WITNESSETH, that for and in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, the receipt and sufficiency of which is hereby acknowledged, the party of the first part grants unto the party of the ninth part, its successors and assigns, the sanitary sewer, water line and water meter easement(s) and right(s)-of-way, all as shown or noted on the attached plat for the purpose of installing, constructing, operating, maintaining, adding to or altering and replacing present or future sanitary sewer and water lines, including appurtenant facilities, together with the rights and privileges reasonably necessary to the exercise of

the easement and right of way. All sanitary sewer and water lines and appurtenant facilities which are installed in the easements and rights-of-way shall be or become (when accepted) and remain, the property of the Town, its successors and assigns.

THIS DEED FURTHER WITNESSETH that inconsideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, the receipt and sufficiency of which is hereby acknowledged, the parties of the second and third parts, as Trustees and Beneficiary under the following Deed of Trust, do hereby release and discharge from the lien of the Deed of Trust recorded as aforesaid in Deed Book 925 at page 1175, and from the lien recorded as aforesaid in Instrument Number 18836 those portions of the herein described property dedicated for common or public use as shown on the plat attached hereto and incorporated herein by reference, and Parcel A, BEAUREGARD ESTATES and private streets. The parties of the second and third parts do hereby subordinate the lien of the Deed of Trust recorded in Deed Book 925 at page 1175, and from the lien recorded as aforesaid in Instrument Number 18836 to the easements created herein and do further consent to their establishment.

TO HAVE AND TO HOLD SAID property unto the party of the first part, its successors and assigns, fully released and discharged from the lien and operation of the aforesaid Deed of Trust.

It is expressly understood that the release of the portion of real estate hereinabove described from the lien of the Deeds of Trust recorded in Deed Book 925 at page 1175 and Instrument Number 18836, shall not affect in any manner the lien of the Deed of Trust upon the other land conveyed thereby and not released hereby, and the Deed of Trust shall remain in full force and affect as to the land conveyed thereby and not released hereby.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, the receipt and sufficiency of which is hereby acknowledged, the parties of the fourth and fifth parts, as Trustees and Beneficiary under the following Deed of Trust, do hereby release and discharge from the lien of the Deed of Trust recorded as aforesaid in Deed Book 854 at Page 343, those

portions of the herein described property dedicated for common or public use as shown on the plat attached hereto and incorporated herein by reference, and PARCEL A, BEAUREGARD ESTATES and the Private Streets. The parties of the fourth and fifth parts do hereby subordinate the lien of the Deed of Trust recorded in Deed Book 854 at Page 343 as the easements created herein and do further consent to their establishment.

TO HAVE AND TO HOLD SAID property unto the party of the first part, its successors and assigns, fully released and discharged from the lien and operation of the aforesaid Deed of Trust.

It is expressly understood that the release of the portion of real estate hereinabove described from the lien of the Deeds of Trust recorded in Deed Book 854 at Page 343 shall not affect in any manner the lien of the Deed of Trust upon the other land conveyed thereby and not released hereby, and the Deed of Trust shall remain in full force and effect as to the land conveyed thereby and not released hereby.

THIS DEED FURTHER WITNESSETH that in consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, the receipt and sufficiency of which is hereby acknowledged, the parties of the sixth and seventh parts, as Trustees and Beneficiary under the following Deed of Trust, do hereby release and discharge from the lien of the Deed of Trust recorded as aforesaid in Deed Book 943 at page 660, these portions of the herein described property dedicated for common or public use as shown on the plat attached hereto and incorporated herein by reference, and PARCEL A, BEAUREGARD ESTATES and the Private Streets. The parties of the sixth and seventh parts do hereby subordinate the lien of the Deed of Trust recorded in Deed Book 943 at Page 660 to the easements created herein and do further consent to their establishment.

TO HAVE AND TO HOLD SAID property unto the party of the first part, its successors and assigns, fully released and discharged from the lien and operation of the aforesaid Deed of Trust.

It is expressly understood that the release of the portion of real estate hereinabove described from the lien of the Deeds of Trust recorded in Deed Book 943 at Page 660, shall not offset in any manner the lien of the Deed of Trust upon the other land conveyed

thereby and not released hereby, and the Deed of Trust shall remain in full force and affect as to the land conveyed thereby and not released hereby.

THIS DEED FURTHER WITNESSETH that for and in consideration of the sum of Ten Dollars (\$10.00) cash, in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the party of the first part does hereby grant and convey unto the party of the eighth part, with SPECIAL WARRANTY, all that certain parcel of land, situate and being in The Town of Leesburg, Virginia, and being more particularly described as: PARCEL A, BEAUREGARD ESTATES, and all of the private streets, as shown on the plat attached hereto, subject to the easements, covenants and restrictions herein set forth.

THIS DEED FURTHER WITNESSETH that for and in consideration of the sum of Ten Dollars (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the party of the first part does hereby grant and convey unto the party of the ninth part, with Special Warranty all that certain parcel of land, situate and being in The Town of Leesburg, Virginia and being more particularly described as that certain parcel being .13471 acres more or less and located immediately to the south of Lot 1, Beauregard Estates, as shown on the plat attached hereto.

The grants herein made are all subject to conditions, restrictive covenants, agreements, rights-of-way, easements, and other restrictions, if any, contained in the Deeds forming the chain of title to this property.

THIS DEED OF DEDICATION, SUBDIVISION, EASEMENT, and CONVEYANCE is made in accordance with the statutes made and provided in such cases, and the plat has been approved by the proper officials of The Town of Leesburg, Virginia, as shown by their endorsement thereon and is in accordance with the free consent and desire of the party of the first part, sole owner and proprietor of the land.

WITNESS the following signatures and seals:

FORT-BEAUREGARD DEVELOPMENT
CORPORATION

By: /s/ Carl Bernstein, President (SEAL)
Carl Bernstein, President

TRUSTEES:

/s/ Clyde A. Pinkston (SEAL)
Clyde A. Pinkston, Trustee

/s/ Freda P. DeHart (SEAL)
Freda P. DeHart, Trustee

BENEFICIARY:

CITIZENS SAVINGS BANK, F.S.B. Assignee of
AMERICAN HOME FUNDING, INC.

BY: David A. Zwart (SEAL)

TRUSTEES:

/s/ Royce Lee Givens, Jr. (SEAL)
Royce Lee Givens, Jr.

/s/ Samuel D. Engle (SEAL)
Samuel D. Engle

BENEFICIARY:

/s/ William A. Alberts (SEAL)
William A. Alberts

/s/ Helen A. Alberts (SEAL)
Helen A. Alberts

TRUSTEES:

/s/ Steven O. Owens (SEAL)
Steven O. Owens

BENEFICIARY:

/s/ Bruce Brownell (SEAL)
Bruce Brownell

BEAUREGARD ESTATES HOMEOWNERS
ASSOCIATION

BY: /s/ Cathy Wilt, President,
Cathy Wilt, President

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that CARL BERNSTEIN, President of Fort Beauregard Development Corporation, whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 23rd day of November, 1988.

/s/ Alethea E. Layne
Notary Public

My Commission Expires: November 30, 1988

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that CLYDE A. PINKSTON, Trustee, whose name is signed to the foregoing Deed of Dedication, subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 15th day of November, 1988.

/s/ Joyce M. Young
Notary Public

My Commission Expires: 7/13/88

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that FRED A. DeHART, trustee, whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 15th day of November, 1988.

/s/ Joyce M. Young
Notary Public

My Commission Expires: 7/13/88

STATE OF NEW YORK)
COUNTY OF Tompkins) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that David A. Zwart, of Citizens Savings Bank, F.S.B., whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 24th day of October, 1988.

/s/ Gloria J. Shutters-Hiuzinga
Notary Public

My Commission Expires: December 31, 1989

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that ROYCE LEE GIVENS, JR., whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 21st day of November, 1988.

/s/ Margaret R. Loy
Notary Public

My Commission Expires: 1/02/89

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that SAMUEL D. ENGLE, whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 23rd day of November, 1988.

/s/ Teresa G. Swartz,
Notary Public

My Commission Expires: 10/20/89

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that WILLIAM A. ALBERTS, whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 21st day of November, 1988.

/s/ Margaret R. Loy,
Notary Public

My Commission Expires: 1/02/89

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that HELEN A. ALBERTS, whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 21st day of November, 1988.

/s/ Margaret R. Loy,
Notary Public

My Commission Expires: 1/02/89

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that STEVEN O. OWENS, whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 17th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 17th day of November, 1988.

/s/ Terry C. Owens,
Notary Public

My Commission Expires: 1/06/92

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that BRUCE BROWNELL, whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 15th day of November, 1988.

/s/ Renee J. Stump,

Notary Public

My Commission Expires: 3/8/92

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that CARL BERNSTEIN, of Beauregard Estates Homeowners Association, whose name is signed to the foregoing Deed of Dedication, Subdivision, Easement and Conveyance, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 23rd day of November, 1988.

/s/ Aletha E. Layne,
Notary Public

My Commission Expires: 12/28/91

SCHEDULE A
LEGAL DESCRIPTION
OF
BEAUREGARD ESTATES
PHASE I

Legal description of 27.4380 acres of land known as Beaugard Estates Phase I, a portion of land as conveyed as Fort Beaugard Development Corporation in Deed Book 925, Page 1165 of the Loudoun County, Virginia, Deed Records, said 27.4380 acres being more fully described as follows:

BEGINNING at an iron pipe for the southeast corner of herein described tract, same pipe being the southwest corner of a tract conveyed to Leah H. Reisner in Deed Book 676, Page 116 of the Loudoun County, Virginia, Deed Records, said pipe also being in the north right-of-way of Lawson Road. (State Route #654).

THENCE with said north right-of-way of Lawson Road, the following three (3) courses:

- 1) S 89° 34' 41" W, 147.10 feet to a point
- 2) S 76° 32' 58" W, 180.81 feet to a point
- 3) S 88° 26' 48" W, 72.74 feet to a point.

THENCE departing said right-of-way and following the future east boundary line of the future Beaugard Estates townhouse site, the following four (4) courses:

- 1) N 08° 00' 00" E, 241.28 feet to a point
- 2) N 01° 04' 00" W, 341.19 feet to a point
- 3) N 45° 00' 00" W, 323.40 feet to a point
- 4) N 12° 08' 00" W, 171.01 feet to a point hole in a fast rock, being the northeast corner of said future townhouse site and also being the southeast corner of a tract of land conveyed to Patricia Horrocks, recorded in Deed Book 525, Page 84 of the Loudoun County, Virginia, Deed Records.

THENCE with the east line of said Horrocks tract, N 00° 05' 18" W, 800.46 feet to a point being the northwest corner of herein described tract.

THENCE following the south line of the future Beaugard Estates, Phase II, the following eleven (11) courses:

- 1) S 79° 30' 00" E, 173.82 feet to a point
- 2) N 10° 30' 00" E, 63.78 feet to a point
- 3) N 85° 43' 06" E, 54.72 feet to a point

4) S 05° 30' 00" E, 65.00 feet to a point
5) N 84° 30' 00" E, 239.18 feet to a point
6) S 00° 35' 45" E, 162.22 feet to a point
7) N 88° 08' 11" E, 235.43 feet to a point
8) N 25° 41' 48" E, 40.00 feet to a point
9) S 64° 18' 12" E, 40.00 feet to a point
10) S 25° 41' 48" W, 40.00 feet to a point
11) N 88° 08' 11" E, 216.09 feet to a point for the northeast corner of herein described tract also being in the west line of a tract conveyed to Leo E. Dudeck in Deed Book 464, Page 420 of the said County deed records.

THENCE along the east boundary line of herein described tract the following eight (8) courses:

1) S 19° 31' 02" W, 224.28 feet to an iron pipe
2) S 70° 16' 54" E, 148.40 feet to an iron pipe
3) S 07° 22' 02" E, 287.24 feet to an iron pipe
4) S 89° 03' 23" W, 252.14 feet to an iron pipe
5) S 07° 22' 02" E, 287.53 feet to an iron pipe
6) S 00° 59' 05" W, 220.53 feet to an iron pipe
7) S 89° 02' 29" W, 200.18 feet to an iron pipe
8) S 00° 58' 47" W, 500.00 feet to the PLACE OF BEGINNING containing 27.4380 acres as constructed from a plat of Beauregard Estates Phase I by Patton, Harris, Rust & Associates. Legal description prepared by Paciulli, Simmons & Associates, Ltd.

EXHIBIT A TO
DEED OF DED. – BEAUREGARD

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, is made this 15th day of November, 1988 by FORT BEAUREGARD DEVELOPMENT CORPORATION, a Virginia corporation (hereinafter sometimes called the “Declarant”); CLYDE PINKSTON and FREDA DeHART, Trustees, either of whom may act (“Trustees”); AMERICAN HOME FUNDING, INC., and CITIZENS SAVINGS BANK, F.S.B., assignee, Beneficiary (“AHF”); ROYCE LEE GIVENS, JR. and SAMUEL ENGLE, Trustees, either of whom may act (“Trustees”); WILLIAM AND HELEN ALBERTS, Beneficiaries (“Alberts”); STEVEN OWENS, Trustee (“Trustee”); BRUCE BROWNELL, Beneficiary (“Brownell”).

W I T N E S S E T H:

WHEREAS, Delcarant is the sole owner of certain real property located in the Town of Leesburg, Virginia, containing 27.44 acres, as more specifically described in the notes and bounds description attached as Schedule A to the Deed of Dedication, Subdivision, Easement and conveyance recorded immediately prior hereto, to which Deed of Dedication, Subdivision, Easement and conveyance and recorded immediately prior hereto, and known as BEAUREGARD ESTATES, PHASE I;

WHEREAS, the Property is subject to that certain Deed of Trust dated December 24, 1987 and recorded in Deed Book 925 at Page 1175 among the land records of Loudoun County, Virginia wherein the Declarant did convey the Property to the Trustees in trust to secure to AHF the repayment of a certain indebtedness therein more particularly set forth;

WHEREAS, the Property is subject to that certain Deed of Trust dated August 21, 1987 and recorded as Instrument Number 18836 among the land records of Loudoun County, Virginia wherein the Declarant did convey the Property to the Trustees in trust to secure to AHF the repayment of a certain indebtedness therein more particularly set forth;

WHEREAS, the Property is subject to that certain Deed of Trust dated November 30, 1984 and recorded in Deed Book 854 at Page 343 among the land records of Loudoun County, Virginia wherein the Declarant did convey the Property to the Trustees in trust to secure to the Alberts the repayment of a certain indebtedness therein more particularly set forth;

WHEREAS, the Property is subject to that certain Deed of Trust dated December 31, 1986 and recorded in Deed Book 854 at Page 343 among the land records of Loudoun County, Virginia wherein the Declarant did convey the Property to the Trustee in trust to secure to Brownell the repayment of a certain indebtedness therein more particularly set forth;

WHEREAS, Declarant desires to create on the Property a residential community with permanent open spaces and other common facilities for the benefit of the community, including, but not limited to certain private streets and such other areas as may be subjected to this Declaration by Declarant, and for the maintenance of the open spaces and other facilities and, to this end, desires to subject the Property to the covenants, restrictions, easements, conditions, charges, and liens hereinafter set forth, it being intended that the covenants, restrictions, easements and conditions shall run with the Property and shall be binding on all persons or entities having or acquiring any right, title, or interest in the Property or any part thereof, and shall inure to the benefit of each other thereof;

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the values and amenities of the community to create an association which shall be delegated and assigned the powers of maintaining and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has caused to be incorporated under the laws of the Commonwealth of Virginia, as a non-stock, not-for-profit, corporation, Beauegard Estates Homeowners Association, for the purposes of exercising the aforesaid functions.

Now, THEREFORE, Declarant does hereby declare that the real property described in Schedule A attached to the Deed of Dedication, Subdivision, Easement and Conveyance recorded as aforesaid, shall be held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions, easements, conditions, hereinafter set forth, which are for the purpose of protecting the value and desirability of, and shall run with, the real property and be binding on all parties having any right, title or interest in the described properties 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 the Beauregard Estates Homeowners Association, its successors and assigns.

Section 2. “Property” shall mean and refer to that certain real property hereinabove described, and such additions thereto, if any, as may hereafter be brought within the jurisdiction of the Association, in accordance with the terms of this Declaration.

Section 3. “Common Area” shall mean all real property with appurtenants thereto (including any improvements thereon) owned by the Association for the common use and enjoyment of the Members of the Association and being initially composed of Parcel A and private streets, Beauregard Estates, as the same is dedicated, platted and recorded immediately prior hereto among the land records of Loudoun County, Virginia.

Section 4. “Lot” shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property, but with the exception of the Common Areas and areas dedicated as public or private streets.

Section 5. “Member” shall mean and refer to every person or entity who holds Membership in the Association.

Section 6. “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 7. “Declarant” shall mean and refer to The Fort Beauregard Development 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, and the owner of any other property which might be annexed under the provisions hereof.

Section 8. “Dwelling” shall mean and refer to any building or portion of a building situated upon the Property and designed and intended for use and occupancy as a residence.

Section 9. “Mortgagee,” as used herein, means the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed or trust, encumbering one or more of the Lots. “Mortgage,” as used herein, shall include deed 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 mortgages. As used in this Declaration, the term “institutional mortgagee” or “institutional holder” shall include mortgages which are banks, trust companies, insurance companies, mortgage insurance companies, savings and loans 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 or of any state or municipal government. As used in this Declaration, the terms “holder” and “mortgagee” shall include the parties secured by any deed of trust or any beneficiary thereof.

Section 10. “Private streets” as used herein is defined in the Deed of Dedication, Subdivision, Easement and Conveyance recorded immediately prior hereto, and as provided for herein. It is the intent of the Declarant that these streets be aesthetically pleasing and provide for more open space, further allowing the residents a relatively

exclusive and attractive alternative to public thoroughfares while at the same time relieving the Town of Leesburg from maintenance responsibilities.

Whenever in this Declaration any action is required to be taken by a specified percentage of “each class of the then Members” of the Association, then such action shall be required to be taken separately by the specified percentage of the then outstanding Members of each class of the Association. Whenever in this Declaration any action is required to be taken by a specified percentage of the “then Members” of the Association, then such action shall be required to be taken by the specified percentage of the then outstanding cumulative Membership of the Association.

ARTICLE II

Section 1. Property Subject to Declaration. The real property which is, and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to this Declaration is located in Loudoun County, Commonwealth of Virginia, and is more particularly described on “Schedule A” attached to the Deed of Dedication, Subdivision, Easement and Conveyance recorded immediately prior hereto, to which Deed of Dedication, Subdivision, Easement and conveyance this Declaration is specifically made a part.

Section 2. Additions. Within seven (7) years from the date of recordation of this Declaration and so long as there are Class B Members of the Association, additional property may be annexed to the above-described property without the consent of the Class A Members of the Association, if any.

Any annexations made pursuant to this Article, or otherwise, shall be made by recording a deed of dedication, and subdivision, among the land records of Prince William County, Virginia, which deed of dedication and subdivision shall extend the scheme of this Declaration to such annexed property. Such annexations need not be made by the Declarant; provided, however, that any such annexation accomplished by persons other than the Declarant shall have the consent of the Declarant.

So long as any Lot is encumbered by a deed of trust or Mortgage which is guaranteed by the Veterans Administration or insured by Federal Housing Authority, no annexation shall be made pursuant to this Article, or otherwise, except following a determination by the Veterans Administration and/or Federal Housing Authority that the annexation conforms to a general plan for the development of the community previously approved by the Veterans Administration and/or Federal Housing Authority or, if no such general plan was approved by the Veterans Administration and/or Federal Housing Authority, except following the prior written approval of the Veterans Administration and/or Federal Housing Authority. Such general plan for development, however, shall not bind the Declarant to make any of the additions to the Property which are shown on such plan or to improve any portion of such lands in accordance with such plan unless and until a deed of dedication and subdivision is filed by the Declarant for such property which subjects it to this Declaration.

ARTICLE III **MEMBERSHIP**

Section 1. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one Membership for each Lot owned. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for Membership.

Section 2. The Association shall have two (2) classes of voting Membership:

Class A: Class A Members shall be all those Owners as defined in Article I, who own and hold title to a Lot upon which a single family detached dwelling unit is or can be constructed, with the exception of the Declarant. Class A Members shall be entitled to

one vote for each Lot in which they hold the interest required for Membership by this Article. When more than one person holds such 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 vote be cast with respect to any Lot. In the event of annexation of additional properties, Class A memberships shall arise with respect to such additional properties upon recordation of a deed of dedication and subdivision among the aforesaid land records which deed of dedication and subdivision shall extend the scheme of this Declaration to such annexed property and upon acquisition of a Lot by an Owner.

Class B: The Class B Member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each Lot in which it holds the interest required for Membership by this Article, provided, however, that the Class B Membership shall cease and be converted to Class A Membership, on the happening of either of the following events, whichever occurs earlier:

(a) When seventy-five percent (75%) of the Lots in the Subdivision are acquired by individual owners; or

(b) Three (3) years after sale of the first lot to an Owner other than Declarant; provided however, that in the event of annexation of additional properties, Class B Membership shall be revived with respect to those Lots contained in the annexed property; which Class B Membership shall cease and be converted to Class A Membership, on the happening of either of the following events, whichever occurs earlier:

(i) When seventy-five percent (75%) of the Lots in such annexed property are acquired by individual owners; or

(ii) Three (3) years from the date of recordation of the deed of dedication and subdivision for such annexed property.

ARTICLE IV

Section 1. Member's Right of Enjoyment. Each Member, in common with other Members, shall have a right and easement of enjoyment in and to the Common Areas and community facilities and such easement shall be appurtenant to and shall pass with the fee title to every Lot subject to the following:

(a) the right of the Association, in accordance with its Articles of Incorporation and By-Laws, and with the consent of sixty-seven percent (67%) of each Class of the then Members of the Association, voting separately, to borrow money for the purpose of improving the Common Areas and community facilities in a manner designed to promote the enjoyment and welfare of the Members and in aid thereof to mortgage any of the Common Areas and community facilities;

(b) the right of the Association to take such steps as are reasonably necessary to protect the property of the Association against mortgage default and foreclosures; provided, however, that the same are in conformity with the other provisions of this Declaration;

(c) the right of the Association to adopt reasonable rules respecting use of the Common Areas and community facilities to reasonably limit the number of guests of Members to the use of any facilities which are developed upon the Property;

(d) the right of the Association to suspend the voting rights and the rights to use the Common Areas and community facilities for any period during which any assessment remains unpaid and for any period not to exceed sixty (60) days for any infraction of any of the published rules and regulations of the Association;

(e) the right of the Association to dedicate or transfer all or any part of the Common Areas or community facilities to any public or municipal agency, authority or utility for purposes consistent with the purpose of this Declaration and subject to such conditions as may be agreed to by the Members and further subject to the then existing laws and applicable ordinances; provided, however, that no such dedication or transfer or determination as to the purposes or as to the conditions thereof, shall be effective unless

sixty-seven percent (67%) of each class of the then voting Members of the Association consent to such dedication, transfer, purpose and conditions, at any special meeting of the Members duly called for such purpose;

(f) the right of the Association, acting by and through its Board of Directors, to grant licenses, rights of way and easements for access or for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Declarant or any other person; provided, however, that no such licenses, rights of way or easements shall be unreasonably and permanently inconsistent with the rights of the Members to the use and enjoyment of the Common Areas and community facilities;

(g) the right of the Association, acting by and through its Board of Directors, to enter into agreements whereby the Association acquires leaseholds, Membership or other possessory or use interests in real or personal property for the purpose of promoting the enjoyment, recreation or welfare of the Members of the Association and to declare expenses incurred in connection therewith to be common expenses of the Association; and

(h) the right of the Association, acting by and through its Board of Directors, and its agents to enter a Lot and a Dwelling or other improvements located on a Lot to perform emergency repairs; and

(i) the right of the Association, acting by and through its Board of Directors, by a committee thereof specifically designated by them, to provide for the maintenance of the private streets of the community including, but not limited to the right to prescribe rules and regulations governing the use of the Private Streets and to grant easements for the use of the Private Streets to adjoining residential subdivisions. This committee shall be responsible for preparing a budget projection of at least five (5) years initially and shall establish a staff to obtain and contract for maintenance work, to resolve complaints, to collect other assessments through the process established in Article V, Section 2, and to monitor the said budget including the maintenance of the Special Reserve Fund established in Article V, Section 4.

(j) each of the Lot owners specifically and unconditionally agree that they are responsible for the maintenance of the private streets and that they, in conjunction with the above-mentioned committee and the Architectural Control Committee, shall contribute any pro rata amount when and, if required, whether herein or subsequent hereto, to maintain said roads in attractive and useable condition, including those streets shared in common with adjoining subdivisions.

(k) no action may be taken by an owner or the Association to denude, deface or otherwise disturb the Common Area without the consent of the Town of Leesburg.

(l) the Town of Leesburg and the County of Loudoun shall have the right, for all governmental, emergency, and proprietary functions, to use the Private Streets created herein.

Section 2. Delegation of Right of Use. Any Member of the Association may delegate his rights to the use and enjoyment of the Common Areas and community facilities to the Members of his family who reside permanently with him and to his tenants, contract purchasers and guests, all subject to such reasonable rules and regulations which the Association may adopt and uniformly apply and enforce.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Annual Maintenance Assessments. The Declarant hereby covenants and each person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who becomes a fee owner of a Lot within the Property, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay the Association Annual Maintenance Assessments as hereinafter defined, in advance, in monthly installments equal to one-twelfth (1/12) of the Member's proportionate share of the sum required by the Association, as estimated by its Board of Directors, to meet its annual expenses,

(herein elsewhere sometimes referred to as “Annual Maintenance Assessments”)
including but in no way limited to the following:

(a) the cost of all operating expenses of the Common Areas and community facilities including recreation facilities and the services furnished to or in connection with the Common Areas and community facilities, including recreational facilities, including charges by the Association for any services furnished by it;

(b) the cost of necessary management and administration of the Common Areas and community facilities, including fees paid to any Management Agent;

(c) the amount of all taxes and assessments levied against the Common Areas and community facilities;

(d) the cost of liability insurance on the Common Areas and community facilities and the cost of such other insurance as the Association may effect with respect to the Common Areas;

(e) the cost of utilities and other services which may be provided by the Association including snow removal on the Common Areas and community facilities;

(f) the cost of maintaining, replacing, repairing and landscaping the Common Areas, including, without limitation, maintenance of any storm water detention basins or the like located upon the Common Areas and the cost of the maintenance of all pathways and any retaining walls upon the Property, together with such equipment as the Board of Directors shall determine to be necessary and proper in connection therewith;

(g) the cost of funding all reserves established by the Association, including, when appropriate, a general operating reserve and a reserve for replacements;

(h) the cost of any leasehold, Membership, or other possessory or use interests in real or personal property arranged by the Association for the purpose of promoting the enjoyment, recreation or welfare of the Members of the Association;

(i) the carrying out and enforcing of this Declaration, including but not limited to court costs and attorney’s fees; and

(j) the required annual contribution to the fire and rescue companies serving the subdivision in the amount of \$60.00 per Lot (\$30.00 for fire service and \$30.00 for rescue services), if applicable.

(k) the costs and expenses incurred for the repair, maintenance and improvement of and snow removal from the Private Streets.

The Board of Directors may also authorize landscaping for the front yards of all owner's Lots, in which event such costs shall be a common expense and subject to maintenance assessments as herein provided.

In addition, each Lot Owner agrees to contribute to the working capital of the Association a sum equal to two (2) months of the maintenance expenses attributable to the Lot at the time the Lot Owners acquires the Lot from the Declarant. This shall be in addition to the contribution required for the private streets in Article V, Section 4.

As a part of the Annual Maintenance Assessments, the Association shall contribute \$60.00 per Lot per year to the fire and rescue companies (\$30.00 for fire services and \$30.00 for rescue services) serving the subdivision.

The Board of Directors shall determine the amount of the maintenance assessment annually, but may do so at more frequent intervals should circumstances so require. Upon resolution of the Board of Directors, installments of annual assessments may be levied and collected on a quarterly, semi-annual or annual basis rather than on the monthly basis hereinabove provided for. Any Member may prepay one or more installments on any Annual Maintenance Assessment levied by the Association, without premium or penalty.

The Board of Directors shall prepare, or cause the preparation of an annual operating budget for the Association which shall provide, without limitation, for the management, operation and maintenance of the Common Areas. The Board of Directors of the Association shall make reasonable efforts to fix the amount of the Annual Maintenance Assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and the Annual Maintenance Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner upon reasonable

notice to the Board. Written notice of the Annual Maintenance Assessments shall thereupon be sent to the Members. The omission by the Board of Directors, before the expiration of any assessment period to fix the amount of the Annual Maintenance Assessment hereunder for that or the next period shall not be deemed a waiver or modification in any respect of the provisions of this Article or a release of any Member from the obligation to pay the Annual Maintenance Assessment, or any installment thereof, for that or any subsequent assessment period, but the Annual Maintenance Assessment fixed for the preceding period shall continue until a new maintenance assessment is fixed. No Member may exempt himself from liability for maintenance assessments by abandonment of any Lot belonging to him or by the abandonment of his right to the use and enjoyment of the Common Areas and community facilities.

Except as may be specifically provided for herein, this Declaration does not contemplate that the Association shall have any responsibility for the maintenance or repair of the dwellings or their appurtenances and the responsibility and duties of the Association for maintenance and repairs shall be limited to the Common Areas and community facilities. The Owner of any Lot shall, at his own expense, maintain his Lot and dwelling, and any and all appurtenances thereto, in good order, condition and repair and in a clean, sightly and sanitary condition at all times. In the event any Owner shall fail to maintain his Lot, dwelling and/or appurtenances thereto, as aforesaid, the Association shall have the right, after thirty (30) days notice of its intent to exercise this right to the Owner, to make the necessary repairs and/or maintenance to the Lot, dwelling and/or appurtenances thereto, and to charge the cost of such repairs to the Owner, which amount shall be due and payable to the Association from that Owner as an additional assessment hereunder.

Section 2. Special Maintenance Assessments. In addition to the regular maintenance assessments authorized by this Article, the Association may levy in any assessment year a special maintenance assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, inordinate repair or replacement of a described capital improvement

located upon, or forming a part of the Common Areas and community and recreational facilities, including the Private Streets, including the necessary fixtures and personal property related thereto, or for such other purposes as the Board of Directors may consider appropriate; provided that any such assessment shall have the assent of the Members representing sixty-seven percent (67%) of each class of the then Members of the Association. A meeting of the Members shall be duly called for this purpose, after thirty (30) days notice of such meeting to all Members.

Section 3. Reserves for Replacements. The Association shall establish and maintain a reserve fund for replacements of the Common Areas and community and recreational facilities by the allocation and payment monthly to such reserve fund of an amount to be designed 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 with any banking institution, the accounts of which are insured by any State or by any 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 and recreational facilities may be expended only for the purpose of affecting the replacement of the Common Areas and community facilities, major repairs to any sidewalks, parking areas, streets, or roadways developed as a part of the Property, equipment replacement, and for start-up expenses and operating contingencies of a nonrecurring 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 to the Lot to which it appertains and shall be deemed to be transferred with such Lot.

Section 4. Special Reserve for Private Streets. A road maintenance fund shall be established in the same manner as contemplated by “Section 3” immediately preceding

and shall be initially funded by a special initial assessment equal to two (2) months of the annual maintenance assessment attributable to the Lot which shall be levied upon each initial purchaser of any lot at the time of settlement upon that lot. This fund shall be administered as required in Article IV, Section 1(i), hereinabove.

Section 5. Maximum Annual Maintenance Assessments. The initial maximum Annual Maintenance Assessment for each of the Lots to which Class A Membership is appurtenant shall not exceed the sum of Three Hundred Dollars (\$300.00) per annum. The Annual Maintenance Assessment shall be levied at a uniform rate for each Lot to which Class A Membership is appurtenant.

The initial maximum Annual Maintenance Assessment for each of the Lots to which Class B Membership is appurtenant shall be equal to twenty-five percent (25%) of the actual Annual Maintenance Assessment which would be assessed against the Lot were it owned by a Class A Member. In consideration of the Declarant's exemption from a full assessment, Declarant hereby covenants and agrees to maintain (exclusive of real estate taxes, insurance premiums, utility bills, trash collection and snow removal) the Common Area within this section or any other section subsequently annexed hereto, including any budget deficit, without cost to the Association, until such time as there are no longer any Class B Memberships applicable to the section. Said maintenance shall apply upon subsequent annexation pursuant to Section 2, Article II, with respect to the Common Area contained in the property so annexed. This maintenance shall end when the Declarant has conveyed seventy-five percent (75%) of the Lots contained in such annexed property to Owners. Upon the occupancy of any house located on a Lot in the property described herein or any annexed properties subjected to Class B Membership, such lot shall be subjected to full assessment.

Section 6. Increase in Maximum Annual Maintenance Assessment.

(a) From and after January 1, 1988, the maximum Annual Maintenance Assessment for all Class A Memberships hereinabove provided for may be increased by the Board of Directors of the Association, without a vote of the Class A Membership, by an amount equal to ten percent (10%) of the maximum annual assessment for the

preceding year, plus the amount by which any ad valorem real estate taxes and casualty and other 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, 1988, the maximum Annual Maintenance Assessments for all Class A Memberships hereinabove provided for may be increased above that established by the preceding paragraph by a vote of the Members, as hereinafter provided, for the next succeeding year and, thereafter, at the end of such year, for each succeeding year. Any change made pursuant to this paragraph shall have the assent of sixty-seven percent (67%) of each class of the Members of the Association. A meeting of the Members shall be duly called for this purpose.

Section 7. Non-Payment of Assessments – Memorandum of Lien for Assessments. Any assessment levied pursuant to this Declaration, and any installment thereof, which is not paid on the date when due shall be delinquent and shall, together with interest thereon and the cost of collection thereof, as hereinafter provided, become a continuing lien upon the Lot or Lots belonging to the Member against whom such assessment is levied. Upon notice on such delinquency, the Association may declare the entire balance of such Annual or Special Maintenance Assessment due and payable in full and may file a Memorandum of Lien or similar instrument among the land records or other appropriate office, recording the Association's continuing contractual lien against the owner's Lot for assessments.

The lien evidenced hereby shall bind the Lot or Lots herein described in the hands of the then Owner thereof, his heirs, devisees, personal representatives and the personal obligation of the Member to pay such assessment shall, in addition, remain his personal obligation for the statutory period and a suit to recover a money judgment for nonpayment of any assessment levied pursuant to this Declaration, or any installment thereof, may be maintained without establishing, perfecting, foreclosing or waiving the lien herein provided for to secure the same.

No suit or other proceeding may be brought to enforce or foreclose the lien evidenced herein after twenty-four (24) months from the date the assessment became due

and owing. No suit or other proceeding may be brought to enforce or foreclose the lien except after ten (10) days' written notice to the Member, given by Registered or Certified Mail – Return Receipt Requested, postage prepaid, to the address of the Member shown on the roster of Members maintained by the Association.

Any assessment levied pursuant to this Declaration, or any installment thereof, which is not paid within ten (10) days after it is due, may bear interest at the rate of ten percent (10%) per annum and the Association may bring an action at law against the Member personally obligated to pay the same, or foreclose on the lien against the Lot or Lots then belonging to said Member in the manner now or hereafter provided by law or, if no separate provision is made by law, then in the manner now or hereafter provided by law for the foreclosure of mortgages, deeds of trust, or other liens on real property in the Commonwealth of Virginia containing a power of sale or consent to a decree, and subject to the same requirements, both substantive and procedural, or as may otherwise from time to time be provided by law, in either of which events interest, costs and reasonable attorneys' fees of not less than twenty percent (20%) of the sum claimed shall be added to the amount of each assessment. Suit for any deficiency may be maintained in the same proceeding.

The Association shall notify the holder of the First Mortgage on any Lot for which any assessment levied pursuant to this Declaration becomes delinquent for a period in excess of thirty (30) days and in any other case where the Owner of such Lot is in default with respect to the performance of any other obligation hereunder for a period in excess of thirty (30) days, but any failure to give such notice shall not affect the validity of the lien for any assessment levied pursuant to this Declaration, nor shall any such failure affect any of the priorities established in this Article.

Section 8. Assessment Certificates. The Association shall, upon written demand at any time, by registered or certified mail, furnish to any Member liable for any assessment levied pursuant to this Declaration (or any other party legitimately interested in the same) a certificate in writing and in form sufficient for recordation signed by an officer of the Association, setting forth the status of said assessment, i.e., whether the same is paid or

unpaid as to a particular Lot. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid. Failure of the Association to furnish or make available such a certificate within ten (10) business days following the receipt of such a written request shall extinguish the right of the Association to claim the lien for such assessment provided by law and provided for in this Declaration, for the period prior to the written request. A charge not to exceed Fifteen Dollars (\$15.00) may be levied in advance by the Association for each certificate so requested.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any First Trust or Mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments thereof 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.

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, including the Private Streets; (c) all properties owned by charitable or other organizations exempt from taxation by the laws of the Commonwealth of Virginia. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence on the Lots subject to the Declaration on the first day of the month following the conveyance by the Declarant of the first Lot to an Owner, to be applied on a sectional basis for annexed properties. No Lot shall be subject to such assessment until the first day of the month following the conveyance of the first Lot in that section to an Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year.

Section 12. Dissolution of Association. In the event of dissolution of the Association, in accordance with the terms of its Articles of Incorporation, each Lot shall

continue to be subject to the annual assessment specified in Section 1 of this Article, and each Owner shall continue to be personally obligated for such assessment, to the extent that such assessments are required to enable the grantee of the real property owned by the Association to properly maintain it. In no event, however, shall the assessment exceed the amount that would otherwise be payable to the Association in accordance with the provisions of Section 4 of this Article.

ARTICLE VI

Section 1. Architectural Control Committee. Except for construction or development by, for, or under contract with the Declarant and except for any improvements to any Lot or to the Common Areas accomplished by the Declarant concurrently with said construction and development, and except for purposes of proper maintenance and repair, no building, fence, wall, or other improvements or structures shall be commenced, directed, placed, moved, altered, or maintained upon the Property, nor shall any exterior addition to or change (including any change of color) or other alteration thereupon be made until the complete plans and specifications showing the location, nature, shape, height, material, color, type of construction and any other proposed form of change (including, without limitation, any other information specified by the Architectural Control Committee) shall have been submitted to and approved in writing as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the design concept for the community by an Architectural Control Committee designated by the Board of Directors.

Section 2. Architectural Control Committee – Operation. The Board of Directors shall appoint an Architectural Control Committee. The Architectural Control Committee shall be composed of three (3) or more natural persons designated from time to time by the Board of Directors. The affirmative vote of a majority of the Members of the Architectural Control Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any

permit, consent, authorization, approval, or the like pursuant to the authority contained in this Article.

Section 3. Approvals, etc. Upon approval by the Architectural Control Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of such Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within sixty (60) days after such plans and specifications (and all other materials and information required by the Architectural Control Committee) have been submitted to it in writing, then approval will not be required and this Article will be deemed to have been fully complied with.

Section 4. Limitations. Construction or alterations in accordance with plans and specifications approved by the Architectural Control Committee pursuant to the provisions of this Article shall be commenced within six (6) months following the date upon which the same are approved by the Architectural Control Committee (whether by affirmative action or by forbearance from action, as in Section 3 of this Article provided), and shall be substantially completed within twelve (12) months following the date of commencement, or within such other period as the Committee shall specify in its approval. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required. There shall be no deviation from the plans and specifications approved by the Committee without the prior consent in writing of the Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

Section 5. Rules and Regulations, etc. The Architectural Control Committee may from time to time adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted for approval and may publish and record such statements of policy, standards, guidelines and establish such criteria relative to architectural styles or details, fences, colors, set-backs, materials or other matters relative to architectural control and the protection of the environment, as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of this Declaration. The Architectural Control Committee may charge and collect a reasonable fee for the examination of any plans and specifications submitted for approval pursuant to the provisions of this Article. The decisions of the Architectural Control Committee shall be final except that any Member who is aggrieved by any action or forbearance from action by the Committee (or by any policy, standards or guidelines established by the Committee) may appeal the decision of the Architectural Control Committee to the Board of Directors and, upon the request of such Member, shall be entitled to a hearing before the Board of Directors of the Association.

Section 6. Prohibited Uses and Nuisances. Except for the activities of the Declarant during the construction or development of the community, or except with the prior written approval of the Board of Directors of the Association or the Architectural Control Committee, or as may be necessary in connection with reasonable and necessary repairs or maintenance to any dwelling or upon the Common Areas:

(a) No noxious or offensive trade or activity shall be carried on upon any Lot or within any dwelling, nor shall anything be done therein or thereon, which may be or become an annoyance or nuisance to the neighborhood or other Members. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any dwelling or upon the exterior of any other improvements;

(b) The maintenance, keeping, boarding, or raising of animals, livestock, or poultry of any kind, regardless of number, shall be and is hereby prohibited on any Lot or within any dwelling, except that this shall not prohibit the keeping of dogs, cats or caged birds as domestic pets provided they are not kept, bred or maintained for commercial purposes and, provided further, that such domestic pets are not a source of annoyance or nuisance to the neighborhood or other Members. The Board of Directors or, upon resolution of the Board of Directors, the Architectural Control Committee, shall have the authority, after hearing, to determine whether a particular pet is a nuisance or a source of annoyance to other Members, and such determination shall be conclusive. Pets shall be attended at all times and shall be registered, licensed and inoculated as may from time to time be required by law. Pets shall not be permitted upon the Common Areas unless accompanied by a responsible person and unless they are carried or leashed. The Board of Directors shall have the right to adopt such additional rules and regulations regarding pets as it may from time to time consider necessary or appropriate;

(c) No burning of any trash and no accumulation or storage of litter, lumber, scrap metals, refuse, bulk materials, waste, new or used building materials, or trash of any other kind shall be permitted on any Lot;

(d) Except as herein elsewhere provided, no junk vehicle, trailer, camper, camp truck, house trailer, boat or other similar machinery or equipment of any kind or character (except for such equipment and machinery as may be reasonable, customary and usual in connection with the use and maintenance of any dwelling and except for such equipment and machinery as the Association may require in connection with the maintenance and operation of the Common Areas and community facilities) shall be kept upon the Property nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out thereon. The Association may, in the discretion of the Architectural Control Committee, provide and maintain a suitable area designated for the parking of such vehicles or the like;

(e) Trash and garbage containers shall not be permitted to remain in public view except on days of trash collection. No incinerator shall be kept or maintained upon any

Lot. Garbage, trash and other refuse shall be placed in covered containers or plastic bags as designed by the Association. The Association reserves the right to remove such containers left in violation of this provision;

(f) No Lot shall be divided or subdivided and no portion of any Lot (other than the entire Lot) shall be transferred or conveyed for any purpose. No portion of any dwelling (other than the entire dwelling) shall be leased. The provisions of this subsection shall not apply to the Declarant and, further, the provisions hereof shall not be construed to prohibit the granting of any easement or right of way to any municipality, political subdivision, public utility or other public body or authority, or to the Association, the Declarant or any other person for any purpose;

(g) Except for hoses and the like which are reasonably necessary in connection with normal lawn maintenance, no water pipe, sewer pipe, gas pipe, drainage pipe, hoses, television cable or similar transmission line shall be installed or maintained on any Lot above the surface of the ground;

(h) No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth;

(i) No sound hardwood trees measuring in excess of six (6) inches in diameter two (2) feet above the ground shall be removed from any Lot without written approval of the Association acting through the Architectural Control Committee or duly appointed subcommittee. The Architectural Control Committee may from time to time adopt and promulgate such additional rules and regulations regarding the preservation of trees or other natural resources and wildlife as it may consider appropriate;

(j) No structure of a temporary character, and no trailer, tent, barn, pen, kennel, run, stable or outdoor clothes line shall be erected, used or maintained on any Lot at any time.

(k) Except for entrance signs, directional signs, signs for traffic control or safety, including "No Parking" signs on the Private Streets, community "theme areas" and such promotional sign or signs as may be maintained by the Declarant or the Association, no signs or advertising devices of any character shall be erected, posted or displayed upon,

in or about any Lot or Dwelling, provided, however, that one temporary real estate sign not exceeding six (6) square feet in area, may be erected upon any Lot or attached to any dwelling placed upon the market for sale or rent. Any such temporary real estate sign shall be removed promptly following the sale or rental of such Dwelling. The provisions and limitations of this subsection shall not apply to any institutional first mortgagee of any Lot who comes into possession of the Lot by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure sale or other judicial sale or as a result of any proceeding, arrangement, assignment or deed in lieu of foreclosure;

(l) No structure, planting or other material shall be placed or permitted to remain upon any Lot which may damage or interfere with any easement for the installation or maintenance of utilities, or which may unreasonably change, obstruct or retard direction or flow of any drainage channels. No storage shall be allowed outside of the fenced rear yard;

(m) No outside television aerial, "satellite dish" or like device, or radio antenna, or other aerial or antenna for either reception or transmission, shall be maintained upon the Property, except that such aerials or antenna may be erected and maintained within the Dwellings located upon the property; and

(n) No Member shall make any private or exclusive or proprietary use of any of the Common Areas except with the specific approval of the Architectural Control Committee and then only on a temporary basis and no Member shall engage or direct any employee of the Association on any private business of the Member during the hours such employee is employed by the Association, nor shall any Member direct, supervise or in any manner attempt to assert control over any employee of the Association.

Section 7. Residential Use – Leasing. All Dwellings shall be used for private residential purposes exclusively. Nothing contained in this Article, or elsewhere in this Declaration, shall be construed to prohibit the Declarant from the use of any Lot or Dwelling for promotional or display purposes, or as "model homes," a sales office, construction office or the like.

Any lease or rental agreement for the lease of a Lot and the improvements thereon shall be in writing and are subject to the conditions, restrictions and requirements of this Declaration. No Lot shall be leased for a period of less than thirty (30) days and the initial term of such lease shall be for a minimum period of six (6) months.

Section 8. Fences. Any fence constructed upon the Property shall be either horizontal, rustic, unfinished split rail or vertical split sapling, or vertical board (stockade) and shall not extend beyond the front building line (wall) of the Dwelling on the Lot upon which any such fence is erected or the front building line (wall) of the Dwellings on all immediately adjacent Lots. No fence shall be more than six (6) feet in height. Chain link (except around recreational areas) and other wire fencing are specifically prohibited. The erection of all fences shall be subject to the provisions of this Article.

Section 9. Parking. Parking upon the Common Areas and Private Streets may be regulated by the Board of Directors and parking spaces may initially be assigned by the Declarant and thereafter by the Board of Directors of the Association or by such Committee as the Board of Directors may designate for that purpose. In the event parking spaces upon the Common Areas are assigned as aforesaid, then no Member shall make use of any parking space other than the space or spaces assigned to his Lot by the Board of Directors without the express written consent of both the Owner of the Lot to which such other space has been assigned and the Board of Directors of the Association, nor shall any Member invite, encourage or permit the use by his guests of parking spaces assigned to Lots other than his own. No vehicle belonging to any Member, or to any guest or employee of any Member, shall be parked in a manner which unreasonably interferes with or impedes ready vehicular access to any other parking space upon the Common Areas. No commercial vehicle, whether owned by the Owner or any other person, shall be permitted to remain on or be parked on the Common Area overnight. Nothing shall be stored upon any of the parking areas nor shall the same be permitted to accumulate trash or debris. In the event the Board of Directors elects to assign parking spaces upon the Common Areas as herein provided for, then the Board of Directors may

make reasonable efforts to assign parking spaces in a manner calculated to make reasonable adjustments to accommodate the elderly and the handicapped.

Section 10. House Rules, etc. There shall be no violation of any rules for the use of the Common Areas and community facilities or “house rules” or other community rules and regulations not inconsistent with the provisions of this Declaration which may from time to time be adopted by the Board of Directors of the Association and promulgated among the Membership by them in writing, and the Board of Directors is hereby and elsewhere in this Declaration authorized to adopt such rules.

Section 11. Enforcement – Right to Remove or Correct Violations. In the event any violation or attempted violation of any of the covenants or restrictions contained in this Article shall occur or be maintained upon any Lot, or in the event of any other conduct in violation of any of the provisions or requirements of this Article, then the same shall be considered to have been undertaken in violation of this Article and without the approval of the Architectural Control Committee or the Board of Directors required herein, and, upon written notice from the Architectural Control Committee or the Board of Directors, such violation shall be promptly removed or abated. In the event the same is not removed, or the violation is not otherwise terminated or abated, within fifteen (15) days (or such shorter period as may be required in any such notice) after notice of such violation is delivered to the Owner of the Lot upon which such violation exists, or to the Member responsible for such violation if the same shall be committed or attempted on premises other than the Lot owned by such Member, then the Association shall have the right, through its agents and employees (but only after a resolution of the Architectural Control Committee) to enter upon such Lot and to take such steps as may be necessary to remove or otherwise terminate or abate such violation and the cost thereof may be assessed against the Lot upon which such violation occurred and when so assessed, a statement for the amount thereof shall be rendered to the owner of said Lot at which time the assessment shall become due and payable and a continuing lien upon such Lot, and a binding personal obligation of the Owner of such Lot, in all respects (and subject to the same limitations) as provided in Article V of this Declaration. The Association shall have

the further right, through its agents, employees or committees, to enter upon and inspect any Lot at any reasonable time for the purpose of ascertaining whether any violation of the provisions or requirements of this Declaration, exist on such Lot; and neither the Association nor any such agent or employee shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection. Notwithstanding anything else contained in this Section 11 to the contrary, the Association shall initiate judicial proceedings before any item of construction can be altered or demolished.

Section 12. Private Street Maintenance. The Architectural Control Committee, in conjunction with the committee established in Article IV, Section 1(i), shall meet at least semi-annually to determine the need for maintenance upon the private streets and provide for those needs.

The covenants contained herein shall be a condition of ownership and covenant running with each affected Lot and shall be binding upon and inure to the benefit of each Lot Owner and the heirs, successors and assigns of each affected Lot Owner.

ARTICLE VII

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 services 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.

Any management agreement entered into by the Association shall provide inter alia, that such agreement may be terminated, with or without cause and without the payment of any penalty or termination fee, by either party upon ninety (90) days’ written notice thereof to the other party. The term of any such management agreement shall not exceed one (1) year; provided, however, that the term of any such management

agreement may be renewable by mutual agreement of the parties for successive one-year periods.

Section 2. Limitation of Liability. The Association shall not be liable to any Member for loss or 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 VIII

Section 1. Reservation of Easement Rights by the Declarant. The Declarant hereby reserves a non-exclusive easement and right of way in, through, over and across the Lots, Common Areas and community facilities for the purpose of the storage of building supplies and materials, the installation, construction, maintenance, reconstruction and repair of sanitary sewer lines, water lines, cables, storm drains and appurtenances to any of the same and for all other purposes reasonably related to the completion of construction and the provisions of utility services, whether public or private, to the community and to other property adjacent to, or in the vicinity of, the community. Any and all instruments of conveyancing made by the Declarant to the Association with respect to any of the Common Areas and community facilities shall be conclusively deemed to incorporate this reservation, whether or not specifically set forth in such instruments. At the request in writing of the Declarant, the Association shall from time to time execute, acknowledge and deliver to the Declarant such further assurances of this reservation as may be necessary.

Section 2. Easements for Utilities and Related Purposes. The Association is authorized and empowered to grant (and shall from time to time grant) such other

licenses, easements and rights of way over the Common Areas and community facilities for sewer lines, water lines, electrical cables, television or telephone cables, gas lines, storm drains, cables, underground conduits and such other purposes related to the provisions of utility services to the community as may be considered necessary and appropriate by the Board of Directors for the orderly maintenance, preservations and enjoyment of the Common Areas and community facilities and for the preservation of the health, safety, convenience and welfare of the Owners of the Lots or the Declarant.

ARTICLE IX
INSURANCE REQUIREMENTS

The Association shall maintain insurance against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage and all risk endorsements on the Common Areas and community facilities except for those items normally excluded from coverage such as land, foundations and excavation; but including fixtures, building service equipment, common personal property and supplies. Insurance should be in the amount of 100% of the current replacement cost of Common Areas and community facilities with maximum deductible of the lesser of \$10,000.00 or 1% of the face amount of the policy. The following endorsements should be obtained if applicable and available: Construction Code Endorsement; Agreed Amount and Inflation Guard Endorsement; and Steam Boiler and Machinery Coverage Endorsement. Flood Insurance should also be obtained if applicable.

The Association shall maintain a comprehensive general liability insurance policy covering all Common Areas or other areas under its supervision. The policy should provide coverage of at least \$1,000,000.00 for bodily injury and property damage for any single occurrence.

The Association shall maintain a blanket fidelity bond for anyone who either handles or is responsible for funds held or administered by the Association, whether or not he or she receives compensation. The amount of the fidelity bond should cover the

maximum funds that will be in the Association's custody or the amount of three (3) months' assessments on all Lots plus the Association's reserve funds whichever is greater.

All insurance policies shall provide for ten (10) days written notice to the Association before cancellation or substantial modification of any policy. All premiums shall be paid as a common expense by the Association.

ARTICLE X

Section 1. Amendment. Subject to the other limitations set forth in this Declaration, prior to the lapse of all of the Class B Memberships in the Association, as in Article III provided, this Declaration may be amended only by an instrument executed and acknowledged by sixty-seven percent (67%) of each class of the then Members of the Association, if any, and by the Declarant, which instrument shall be recorded among the Land Records for the jurisdiction in which this Declaration is recorded. Subject to the other limitations set forth in this Declaration, following the lapse of all of the Class B Memberships in the Association, as in Article III provided, this Declaration may be amended by an instrument executed and acknowledged by sixty-seven percent (67%) of each class of the then Members of the Association, which instrument shall be recorded among the land records for the jurisdiction in which this Declaration is recorded. Unless a later date is specified in any such instrument, any amendment to this Declaration shall become effective on the date of recording, provided, however, that no amendment shall be effective unless it is executed by at least one Class A Member, should there be any Class A Members.

Section 2. Duration. Unless amended in accordance with the provisions of Section 1 of this Article and the other requirements of this Declaration, and except where permanent easements or other permanent rights or interests are herein created, the covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot

subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date of recordation of this Declaration, after which the said covenants shall be automatically extended for successive period of twenty (20) years each.

Section 3. Construction and Enforcement. The provisions hereof shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the community. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenants of restriction, either to restrain or enjoin violation or to recover damages or both, and against any Lot to enforce the lien created hereby; and the failure or forbearance by the Association or the Owner of any Lot to enforce any covenant or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

The provisions hereof may be enforced, without limitation, by the Declarant, by the Association, by any Owner or any Mortgagee of any Lot which becomes subject to the provisions hereof and by any other person, firm, corporation or other legal entity who has any right to the use of any of the Common Areas and community facilities owned by the Association.

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 cannot be adequately remedied by action at law or exclusively by recovery of damages.

Section 4. Successors of Declarant. Any and all rights, reservations, easements, interests, exemptions, privileges and powers of the Declarant hereunder, or any part of them, may be assigned and transferred (exclusively or non-exclusively) by the Declarant, with or without notice to the Association.

Section 5. Incorporation by Reference on Resale. In the event any Owner sells or otherwise transfers any Lot, any deed purporting to effect such transfer shall contain a provision incorporating by reference the covenants, restrictions, servitudes, easements,

charges and liens set forth in this Declaration. The failure to include such a reference shall not relieve the Lot or Owner from the effect or obligation imposed by this Declaration.

Section 6. Notices. Except as otherwise provided herein, any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by ordinary mail, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 7. No Dedication to Public Use. Nothing herein contained shall be construed as a dedication to public use or as an acceptance for maintenance of any Common Areas or community facility by any public or municipal agency, authority, or utility and no public or municipal agency, authority or utility shall have any responsibility or liability for the maintenance or operation of any of the Common Areas or community facilities.

Section 8. Severability. Invalidation of any one of these covenants or restrictions by judgment, decree, or order shall in no way affect any other provisions hereof, each of which shall remain in full force and effect.

Section 9. Mortgagee Consents. Any other provision of this Declaration 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 at least fifty-one percent (51%) of the institutional holders of all First Mortgages of record on the Lots:

- (a) amend or modify the provisions relating to voting rights established herein;
- (b) amend or modify the provisions relating to maintenance assessments or common expenses or their collection;
- (c) amend or modify the provisions relating to reserves for maintenance, repair and replacement of Common Areas or community facilities;
- (d) amend or modify the provisions relating to maintenance and repair responsibilities;

(e) reallocate the interests of the Lot Owners in the Common Areas or rights to their use;

(f) amend or modify the provisions relating to the boundary of any Lot or Common Areas once the Lot is sold by the Declarant to an Owner or once the Common Areas are conveyed to the Association;

(g) amend or modify the provisions relating to the annexation of property to the subdivision;

(h) amend or modify the provisions relating to insurance or fidelity bond coverage;

(i) amend or modify the provisions relating to the leasing of Lots;

(j) impose a restriction on an Owner's right to sell or transfer a Lot;

(k) implement a decision to establish self management when professional management had been required previously by a mortgage holder;

(l) amend or modify the provisions relating to the restoration or repair of the project after hazard damage or partial condemnation;

(m) terminate the legal status of the project after substantial destruction or condemnation occurs;

(n) amend or modify the provisions expressly benefiting mortgage holders;

(o) resolve to use the proceeds of casualty insurance for any other purpose than the repair, replacement or restoration of the Common Areas and community facilities; or

(p) amend or modify any material or substantive provision of this Declaration or the By-Laws of the Association.

Neither the Members, Board of Directors nor the Association shall, by act or omission, terminate the legal status of the project for reasons other than the substantial destruction or condemnation of the property without the prior written consent and approval of at least sixty-seven percent (67%) of the institutional holders of all First Mortgages of record on the lots.

In the event of a proposed non-material addition or amendment to this Declaration, including but not limited to a correction of a technical error or clarification

of a statement, the consent and approval of a holder of an institutional mortgage shall be deemed given if such a holder fails to submit a response to any written proposal for an amendment or addition within thirty (30) days after it is made.

Section 10. Consent of Veterans Administration and/or Federal Housing Administration. Provided that any Lot in the project is then encumbered by a deed of trust or Mortgage which is guaranteed by the Veterans Administration and/or the Federal Housing Administration and, provided further, 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 and approval of the Veterans Administration and/or the Federal Housing Administration:

(a) abandon, partition, subdivide, consolidate, encumber, mortgage, sell or transfer any of the Common Areas and community facilities; 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; or

(b) abandon or terminate the project or Declaration; or

(c) modify or amend any provision of this Declaration, the Articles of Incorporation or the By-Laws of the Association.

Section 11. Additional Rights of Mortgagees – Notice. Upon written request of any holder of a First Mortgage, the Association shall promptly notify such 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.

Any institutional first mortgagee of any Lot within the Property may pay any taxes, utility charges or other charge levied against 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 institutional first mortgagee 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 12. 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 this Declaration or the By-laws 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 13. 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, who are hereby designated and appointed attorney-in-fact to represent the Members in such proceedings and related negotiations, 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 By-Laws 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. Any proceeds from any such condemnation or eminent domain proceeding shall be payable to the Association for the benefit of the Lot Owners and their Mortgagees. Any distribution of funds received in connection therewith shall be on a pro-rata per Lot basis.

Section 14. Captions and Gender. The captions contained in this Declaration are for the 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 and vice versa.

Section 15. Trustees and Beneficiaries Consent. The beneficiaries of any Deeds of Trust and their Trustees join in the execution of this Declaration to evidence their consent to the encumbering of the Property with the terms of this Declaration.

WITNESS the following signatures and seals:

FORT BEAUREGARD DEVELOPMENT
CORPORATION

By: /s/ Carl Bernstein, President (SEAL)
Carl Bernstein, President

TRUSTEES:

/s/ Clyde A. Pinkston (SEAL)
Clyde A. Pinkston, Trustee

/s/ Freda P. DeHart (SEAL)
Freda P. DeHart, Trustee

BENEFICIARY

CITIZENS SAVINGS BANK, F.S.B. Assignee of
AMERICAN HOME FUNDING, INC.

BY: /s/ David A. Zwart (SEAL)

TRUSTEES:

/s/ Royce Lee Givens, Jr. _____ (SEAL)
Royce Lee Givens, Jr.

/s/ Samuel D. Engle _____ (SEAL)
Samuel D. Engle

BENEFICIARY:

/s/ William A. Alberts _____ (SEAL)
William A. Alberts

/s/ Helen A. Alberts _____ (SEAL)
Helen A. Alberts

TRUSTEE:

/s/ Steven O. Owens _____ (SEAL)
Steven O. Owens

BENEFICIARY:

/s/ Bruce Brownell _____ (SEAL)
Bruce Brownell

BEAUREGARD ESTATES HOMEOWNERS
ASSOCIATION

BY: /s/ Catherine M. Wilt, President _____

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that CARL BERNSTEIN, President of Fort Beauregard Development Corporation, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 23rd day of November, 1988.

/s/ Aletha E. Layne
Notary Public

My Commission Expires: December 30, 1989

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that CLYDE A. PINKSTON, Trustee, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 15th day of November, 1988.

/s/ Joyce M. Young
Notary Public

My Commission Expires: 7-13-89

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that FRED A. DeHART, Trustee, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 15th day of November, 1988.

/s/ Joyce M. Young
Notary Public

My Commission Expires: 7-13-88

STATE OF NEW YORK)
COUNTY OF TOMPKINS) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that David A. Zwart, of Citizens Savings Bank, F.S.B., whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 24th day of October, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 24th day of October, 1988.

/s/ Gloria J. Shutters-Hiuzinga
Notary Public

My commission Expires: December 31, 1989

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that ROYCE LEE GIVENS, JR., whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 21st day of November, 1988.

/s/ Margaret R. Loy
Notary Public

My Commission Expires: January 2, 1989

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that SAMUEL D. ENGLE, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 23rd day of November, 1988.

/s/ Teresa G. Swartz
Notary Public

My Commission Expires: 10/20/89

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that WILLIAM A. ALBERTS, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 21st day of November, 1988.

/s/ Margaret R. Loy
Notary Public

My Commission Expires: January 2, 1989

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that HELEN A. ALBERTS, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 21st day of November, 1988.

/s/ Margaret R. Loy
Notary Public

My Commission Expires: January 2, 1989

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that STEVEN O. OWENS, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 17th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 17th day of November, 1988.

/s/ Terry C. Owens
Notary Public

My Commission Expires: 1/6/92

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that BRUCE BROWNELL, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 15th day of November, 1988.

/s/ Renee J. Stump
Notary Public

My Commission Expires: 3/8/92

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that Carl Bernstein, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 15th day of November, 1988, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 23rd day of November, 1988.

/s/ Aletha E. Layne
Notary Public

My Commission Expires: December 31, 1989

**AMENDMENT TO THE BEAUREGARD ESTATES SUBDIVISION
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS AMENDMENT is made this 25th day of January, 1989 by FORT BEAUREGARD DEVELOPMENT CORPORATION, a Virginia Corporation (hereinafter sometimes called the “Declarant”); INDEPENDENT BANK, Trustee (“Trustee”); SIGNET BANK, Beneficiary (“SIGNET”); WILLIAM AND HELEN ALBERTS, Beneficiaries (“Alberts”); STEVEN OWENS, Trustee (“Trustee”); BRUCE BROWNELL, Beneficiary (“Brownell”), ROYCE LEE GIVENS, JR., Trustee

W I T N E S S E T H:

WHEREAS, Declarant is the sole owner of certain real property located in the Town of Leesburg, Virginia, and subject to that certain Declaration of Covenants, Conditions and Restrictions (“the Declaration”), which is attached as Exhibit “A” to the Deed of Dedication, Subdivision, Easement, and Conveyance creating the subdivision known as Beauregard Estates, and recorded as Instrument #23880, among the land records of the County of Loudoun.

WHEREAS, the Declarant has deemed it advisable to amend the Declaration to allow an increase in the initial annual maintenance assessment, including the assessment for the private roads which are a part of the community.

NOW, THEREFORE, IN consideration of the premises and the sum of One Dollar (\$1.00), cash in hand paid, receipt of which is hereby acknowledged, Article V, Section 5 of the Declaration is hereby amended to allow the initial annual maintenance assessment to be set at no greater than \$500.00 (Five Hundred Dollars), to be applied consistent with the terms of the Declaration.

All other terms and conditions of the Declaration are continued in full force and effect and this amendment shall be considered a part of the Declaration.

The beneficiaries of any Deeds of Trust and their Trustees join in the execution of this Declaration to evidence their consent to the encumbering of the Property with the terms of this Declaration.

WITNESS the following signatures and seals:

FORT BEAUREGARD DEVELOPMENT
CORPORATION

By: /s/ Carl Bernstein, President (SEAL)
Carl Bernstein, President

TRUSTEE:

INDEPENDENT BANK

By: /s/ Gary R. English, President (SEAL)

BENEFICIARY
SIGNET BANK

BY: /s/ Pamela J. Shipp (SEAL)

TRUSTEE:

/s/ Royce Lee Givens, Jr. (SEAL)
Royce Lee Givens, Jr.

BENEFICIARY:

/s/ William S. Alberts (SEAL)
William S. Alberts

/s/ Helen A. Alberts (SEAL)
Helen A. Alberts

TRUSTEE:

/s/ Steven O. Owens, Trustee (SEAL)
Steven O. Owens

BENEFICIARY:

/s/ Bruce Brownell (SEAL)
Bruce Brownell

BEAUREGARD ESTATES HOMEOWNERS
ASSOCIATION

BY: /s/ Karen M. Reilly, V.P.

COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that CARL BERNSTEIN, President of Fort Beauregard Development Corporation, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 25th day of January, 1989, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 25th day of January, 1989.

/s/ Sandra K. Lindsay
Notary Public

My Commission Expires: 4/12/92 .

COMMONWEALTH OF VIRGINIA)
COUNTY OF PRINCE WILLIAM) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that Gary R. English as President of Independent Bank, Trustee, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 25th day of January, 1989, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 17th day of March, 1989.

/s/ Cheryl Ann Speing
Notary Public

My Commission Expires: 2/13/90. I was commissioned under the name of
Cheryl Ann Miskewicz

State of Maryland
COMMONWEALTH OF VIRGINIA)
CITY OF PALTO) to-wit:

I, the undersigned, a Notary Public in and for the State and City aforesaid, do hereby certify that Pamela J. Shipp, of Signet Bank/Maryland, whose name is signed to

the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 25th day of January, 1989, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 7th day of March, 1989.

/s/ Carol Younger
Notary Public

My Commission Expires: 7/1/90.

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that ROYCE LEE GIVENS, JR., trustee, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 25th day of January, 1989, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 25th day of January, 1989.

/s/ Pamela P. Shettu
Notary Public

My Commission Expires: 2/7/92

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that WILLIAM S. ALBERTS, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 25th day of January, 1989, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 25th day of January, 1989.

/s/ Pamela P. Shettu
Notary Public

My Commission Expires: 2/7/92

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that HELEN A. ALBERTS, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 25th day of January, 1989, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 25th day of January, 1989.

/s/ Pamela P. Shettu
Notary Public

My Commission Expires: 2/7/92

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that STEVEN O. OWENS, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 28th day of January, 1989, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 23rd day of March, 1989.

/s/ Terry C. Owens
Notary Public

My Commission Expires: 1/6/92

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that BRUCE BROWNELL, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 25th day of January, 1989, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 23rd day of March, 1989.

/s/ Terry C. Owens
Notary Public

My Commission Expires: 1/6/92

COMMONWEALTH OF VIRGINIA)
COUNTY OF LOUDOUN) to-wit:

I, the undersigned, a Notary Public in and for the State and County aforesaid, do hereby certify that KERRY M. REILLY, Director-VP of Beauregard Estates Homeowners Association, whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, bearing date on the 25th day of January, 1989, has signed and acknowledged the same before me in my State and County aforesaid on behalf of the corporation.

GIVEN under my hand and seal this 25th day of January, 1989.

/s/ Sandra K. Lindsay
Notary Public

My Commission Expires: 4/12/92