

DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS GOVERNING MARSHALL TOWNHOUSES

THIS DECLARATION made this 2nd day of November, 1977,
by RITTER BUILDINGS, INC. (hereinafter the "Declarant")

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain property in
the Town of Marshall, County of Fauquier, State of Virginia, which
is more particularly described as follows:

ALL THAT TRACT OR PARCEL of land consisting of
3.6678 acres, more or less, situate lying and
being in Marshall District, Fauquier County,
Virginia, and as shown and particularly de-
scribed on a plat and survey titled "Marshall
Townhouses, Section A, Marshall District,
Fauquier County, Virginia," which plat and
survey dated February 11, 1977 was made by
V H & D Inc., Consulting Engineers and
Surveyors, Warrenton, Virginia, 22186, and
signed by Richard H. Vogel, Va. C.L.S., and
which plat and survey as approved by the governing
body of the County of Fauquier, was recorded
in Deed Book 344, Page 39, on May 11, 1977 in
the office of the Clerk of the County of Fauquier.

AND ALL THAT TRACT OR PARCEL of land consisting
of 3.2685 acres, more or less, situate, lying
and being in Marshall District, Fauquier County,
Virginia, and as shown and particularly described
on a plat and survey titled "Marshall Townhouses,
Section B, Marshall District, Fauquier County,
Virginia," dated April 6, 1977 made by V H & D Inc.,
Consulting Engineers and Surveyors, Warrenton,
Virginia, and signed by Richard H. Vogel, Va.,
C.L.S., which plat and survey is attached to a
certain deed of conveyance made by George R. Thompson
and Eleanor G. Thompson, husband and wife, to
Frederick L. Spencer, Jr., recorded on May 11, 1977
in Deed Book 344, Page 50, in the office of the
Clerk of the Circuit Court of Fauquier County.

ALL OF WHICH is hereinafter referred to as the
"Property."

NOW, THEREFORE, Declarant hereby declares that the Property
shall be held, sold and conveyed subject to the following easements,
restrictions, covenants and conditions, which are established for the
purpose of protecting the value and desirability of, and which 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 Owner
thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Marshall Townhouse
Homeowners' Association, its successors and assigns.

Exd. Returned to:
Samuel Shayan
Rt 2 Bx 51
Marshall, Va.
Nov 28 1977
Carolyn Ashby
and

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

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

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as all of those driveways, parking areas, parks, open spaces and recreational areas and facilities shown on the plats of Marshall Townhouses Sections A and B as referred to hereinabove or that may be added to such plats. If and when additional properties are annexed pursuant to the provisions of Article III hereof, then all of those driveways, parking areas, parks, open spaces, and recreational areas and facilities shown on the plats of such annexed properties shall become Common Areas.

Section 5. "Lot" shall mean and refer to any single family plot of land together with any and all improvements thereto shown upon any recorded subdivision map of the Property with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Ritter Buildings, Inc., and 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. "Member" shall mean and refer to every person or entity who holds membership in the Association.

ARTICLE II

MEMBERSHIP IN THE ASSOCIATION AND VOTING RIGHTS

Section 1. Every person or entity who is an Owner of 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. 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 classes of membership, each with voting rights as follows:

Class A. Class A members shall be all those Owners as defined in Section 1 with the exception of Declarant. Each Lot owned by a Class A Member or Members shall be entitled to one vote, regardless of how many Class A Members hold ownership interests in such Lot. The vote for each such Lot shall be exercised as determined by those Class A Members having ownership interests in such Lot, but in no event shall more than one vote be cast with respect to any Lot. The vote of any Lot shall be determined by majority vote with respect thereto of the Owners of such Lot. In the event of deadlock in the determination of the vote of any Lot, no vote shall be cast for such Lot.

Class B. The Class B member shall be the Declarant. The Class B Member shall be entitled to cast three votes for each Lot in which it holds the interest required for membership by Section 1 of this Article, provided 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 first: (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or (b) on July 6, 1980.

ARTICLE III

ANNEXATION OF ADDITIONAL PROPERTIES
AND INCREASE IN MEMBERSHIP OF THE ASSOCIATION

Section 1. If within five years of the date of incorporation of the Association the Declarant shall develop additional properties within the area described as [refer to description of Sections C and D], such properties shall become part of the Property and subject to the provisions of this Declaration without the consent of the Class A Members of the Association; provided, however, that the development of the additional properties shall be in accordance with the general plan submitted to the Federal Housing Administration or the Veterans' Administration or any construction lender or permanent lender intending to provide long-term purchase money financing for more than 50% of the Lots to be sold from such Sections C and D.

Section 2. Annexation of properties other than those referred to in Section 1 of this Article shall require the assent of more than two-thirds of the votes of the Class A Members and more than two-thirds of the votes of the Class B Members, if any, of the Association, at a meeting called only for this purpose, written notice of which shall be sent to all Members not less than ten days nor more than fifty days in advance of the meeting, which notice shall set forth the purpose of the meeting. The presence of Members or of proxies entitled to cast 67% of the votes of each class of membership shall constitute a quorum. If such assent is given, such properties shall become part of the Property and subject to the provisions of this Declaration.

Section 3. If and when any additional properties become part of the Property, pursuant to the conditions set forth in Sections 1 or 2 of this Article, such annexation automatically entitles Owners of Lots within the additional properties to membership in the Association.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Members' Easements of Enjoyment. Every Member shall have a right and easement of enjoyment in and to the Common Area, and such right and easement shall be appurtenant to and shall pass with the title to every assessed Lot subject to the following provisions:

- a) the rights of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area;
- b) the rights of the Association, in accordance with its Articles and By-laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said Common Area, the rights of the mortgagee in said Common Area being subordinate to the rights of the Members hereunder;
- c) the rights of the Association to suspend a Member's voting rights and his right to use the recreational facilities for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed 30 days for any infraction of the Association's published rules and regulations;
- d) the rights of the Association to dedicate 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 signed by Members entitled to cast two-thirds of the votes of the Class A membership and two-thirds of the votes of the Class B membership, if any, has been recorded, agreeing to such dedication or transfer, and unless such written notice of the proposed action is sent to every Member not less than 10 days nor more than 50 days in advance; and

- c) the right of the individual Owners to the exclusive use of the parking spaces as provided in this Article.

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

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its heirs and assigns that it will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens, prior to the conveyance of the first Lot.

Section 4. Parking Rights. Ownership of each Lot shall entitle the Owners thereof to the use of not more than two automobile parking spaces per Lot, which spaces shall be as near and convenient to said Lot as reasonably possible, together with the right of ingress and egress in and upon said parking area. The Association shall permanently assign vehicle parking spaces for each Lot.

ARTICLE V

COVENANTS FOR MAINTENANCE ASSESSMENTS FOR THE ASSOCIATION

Section 1. Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) an annual assessment or charge, and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. During the period of construction of improvements, the Declarant for each Lot owned by it in the Property hereby covenants and agrees to pay to the Association Twenty-Five Percent (25%) of the annual assessment or charge and special assessments for capital improvements as provided immediately hereinabove as long as there is a Class B membership.

Section 2. Purpose of Assessment. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Property and in particular for the improvement and maintenance of the Property, the provision of trash removal, the provision of street lighting and for services and facilities devoted to these purposes and related to the use and enjoyment of the Common Area.

Section 3. Basis and Maximum of Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the annual assessment for each Lot shall not exceed \$120.00.

- a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment for each Lot may be increased effective January 1 of each year without a vote of the membership in accordance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D. C.) for the preceding month of July.
- b) The method of computation when using the Consumer Price Index shall be as follows: the Consumer Price Index establishes the United States City Average Numerical Rating for the month of July, 1977 at 182.6 (Base year is 1967=100.) This

will be the base rating. To determine the percentage to be applied to the maximum annual assessment for each Lot for each subsequent year, divide this base rating into the numerical rating established by the Consumer Price Index for the month of July preceding the proposed assessment year. This adjustment percentage, if in excess of 100 per centum, is multiplied by the original maximum annual assessment for each Lot to obtain the maximum assessment for each Lot for the subsequent year.

- c) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment for each Lot may be increased above that established by the Consumer Price Index formula by a vote of the Members for the next succeeding year and at the end of each year's period, for each succeeding period of one year, provided that any such change shall have the assent of two-thirds of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than 30 days and no more than 60 days in advance of the meeting, which notice shall set forth the purpose of the meeting. The limitations of this Section 3(c) shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.
- d) After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessment authorized above, the Association may levy in any assessment year special assessments applicable to that year only, for the purposes of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than ten days nor more than 50 days in advance of the meeting, which notice shall set forth the purpose of the meeting.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, or at other intervals specified by the Board of Directors of the Association, and in a manner established by the Board.

Section 6. Quorum for any Action Authorized Under Sections 3 and 4. At the first meeting called to determine assessments, as provided in Sections 3 and 4 hereof, the presence at the meeting of members or of proxies entitled to cast sixty-seven percent (67%) of all votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another

meeting may be called, subject to the notice requirement set forth in Sections 3 and 4, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessment: Due Dates.

The annual assessment provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be prorated according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of annual assessment against each Lot at least 30 days in advance of each annual assessment. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due date or dates of all or any portion of such annual assessment shall be established by the Board of Directors. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessment or any portion thereof on a specified Lot has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Non-payment of Assessments. The annual assessment and special assessments, if any, and any portion thereof, together with interest thereon and costs of collection thereof as hereinafter provided, shall be a charge and continuing lien upon the Lot against which each such assessment or portion thereof is made, and shall be the personal obligation of the Owner(s) of such Lot at the time the assessment or portion thereof fell due. The personal obligation to pay such assessment shall not pass to such Owner's successors in title unless expressly assumed by them. Such lien and personal obligation are created at the time any portion of any such assessment becomes due and continue cumulatively as each such successive portion falls due.

Any assessment or portion thereof which is not paid when due, in accordance with the due dates established by the Board of Directors, shall be delinquent. If the assessment or portion thereof is not paid within 30 days after the due date, the Association may bring an action at law against the Owner(s) personally obligated to pay the same, or may foreclose the lien against the Lot.

Interest, at the rate of six percent (6%) per annum calculated from the date of delinquency of the assessment or portion thereof, costs, and reasonable attorneys' fees on any action at law on a personal obligation or a foreclosure action shall be added to the amount of any such assessment or portion thereof.

No Owner(s) may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien for Assessment to Mortgages.

The lien of the assessments provided for herein with respect to any Lot shall be subordinate to the lien of any mortgage given to a lender by the Owner for the acquisition of such Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any first mortgage pursuant to a foreclosure under any such mortgage or any proceeding in lieu of foreclosure thereof shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer; provided, however, that if there are surplus funds after payment of the first mortgage and any other liens or encumbrances having priority over the lien of assessments, such surplus funds shall be used first to pay any

unpaid assessments with respect to such Lot, and if additional surplus funds should remain thereafter, they may pass as by law to the former Owner of the Lot. Except for the period of time when the mortgagee is the record owner of such Lot pursuant to such foreclosure proceedings, 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) Common Area; (b) all property dedicated to and accepted by a local public authority; (c) all property owned by a charitable or non-profit organization or political subdivision exempt from taxation by the laws of the State of Virginia. However, no residence occupied as a dwelling shall be exempt from these assessments.

ARTICLE VI

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Property and placed on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualties, any Owner who has used the wall may restore it. If the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution of others under rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Provisions to Run With Land. Both the right to receive contribution and the obligation to contribute toward costs of support, repair or restoration of party walls under this Article shall be appurtenant to the land and shall pass to each Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator. Such arbitrator shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee: Composition and Procedures. The Architectural Control Committee shall be appointed by the Board of Directors and shall consist of three or more Members.

Application for any item covered in Section 2 of this Article shall be made to the Architectural Control Committee in writing accompanied by complete plans and specifications for such item. Said Committee is empowered to reject any plans and/or specifications which it does not deem adequate, suitable, and in harmony with the Property as a whole. The Architectural Control Committee's approval or disapproval as required in these covenants shall be in writing. In the event that the Committee or its designee fails to approve or disapprove within 30 days after plans and specifications have been submitted to it, approval shall not be required, and the related covenants shall be deemed to have been fully complied with.

Section 2. Items Subject to Committee's Approval. No building, accessory building, shed, awning, porch or porch covering, garage, trailer, tent, driveway, fence, hedge, screen, barn, driveway, wall or other structure, improvement, appurtenance or addition shall be allowed, constructed, or altered upon any finished Lot without the prior approval of the Architectural Control Committee as to the quality of workmanship, design, colors, materials, suitability, compatibility and harmony of the same to the Property as a whole.

No roof top or sidewall antenna may be installed or used upon any Lot or structure thereon except upon the approval of the Architectural Control Committee.

Section 3. Items Prohibited. No fence, wall, hedge, tree, or shrub over three feet high shall be erected, planted or constructed in the front of any Lot which is located at the intersection of two streets, the purpose of such covenant being to avoid the obstruction of view at such intersections.

No permanent clothes line or hanging device shall be allowed upon any Lot.

ARTICLE VIII

USE RESTRICTIONS

No Lots shall be used except for residential purposes, as permitted by the Fauquier County zoning regulations or for a builder's construction or sales office during the construction and sales period.

No sign of any kind shall be displayed to the public view on any Lot except as permitted by the Fauquier County zoning regulations. No animals or livestock of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other ordinary household pets may be kept, provided that they are not kept, bred or maintained for a commercial purpose. Dogs shall be leashed at all times when not on their Owners' lots. Owners shall be responsible for the actions of their pets and for damages to the Property caused by such pets.

No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage of such material shall be kept in a clean and sanitary condition.

No individual sewage disposal system nor individual water supply system shall be permitted on any Lot.

No noxious or offensive activities shall be carried on or such conditions allowed to obtain or exist upon any Lot, nor shall anything be done or allowed to exist thereon which may be or may become an annoyance or nuisance to the neighborhood.

No Lot may be leased for transient or hotel purposes (i.e., for less than 30 days) or leased in any manner which would detract from the value of the Property as a whole. Any lease entered into by an Owner must be filed with the Association. Lessees must comply with all provisions of this Declaration; failure so to comply will be a breach of the lease, and the Association has the right to terminate said lease.

ARTICLE IX

MAINTENANCE

Section 1. Exterior Maintenance. The Owners of Lots in the Property shall be required to maintain the exteriors of their Lots and the improvements thereon in a manner satisfactory to the Association.

Section 2. Maintenance Duties of the Association. It shall be the duty of the Association to provide for proper maintenance of the Property in the event that the Owners fail to maintain the Property in accordance with their duties under Section 1 as set forth in Section 1 of this Article, and in particular, the maintenance of the Common Area. Such maintenance of the Common Area shall include but not be limited to the following:

- a) trash removal
- b) grass mowing.

Section 3. Remedies of the Association. In the event any Owner of any Lot in the Property shall fail to maintain the Lot and the improvements situated thereon in such a manner as to protect the value and enjoyment of the Property and in a manner satisfactory to the Board of Directors, the Association, after approval by at least a two-thirds vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to repair, restore and maintain the Lot and any improvements located thereon. The costs of such maintenance shall be added to and become part of the assessments to which such Lot is subject.

ARTICLE X

UTILITY EASEMENTS; EASEMENTS

Section 1. Utility Easements. Easements for installation and maintenance of utilities and drainage facilities, and access to all Lots and Common Areas are reserved by the Declarant as shown on the plat entitled Marshall Townhouses, Section A, Marshall District, Fauquier County, Virginia, recorded in Deed Book 344, Page 39, in the Office of the Clerk of Fauquier County and as may be shown on or described in such additional plats or grants of easements which may be hereafter given and recorded by the Declarant in connection with the development of the Property or all other properties which become part of the Property pursuant to the annexation provisions hereof. Within these easements, no structure, planting or other material shall be placed or permitted to remain which shall damage or interfere with the maintenance of said utilities or access to Lots and Common Areas. The easement area of each Lot and all improvements, if any, on it shall be maintained continuously by the Owner of the Lot except for those improvements for which a public authority or utility company is responsible.

Section 2. Adjoining Areas. Each Owner is hereby declared to have an easement and the same is hereby granted by the Declarant, over all adjoining parcels for the purpose of accommodating any encroachment due to engineering error, errors in original construction, settlement or shifting of the building, or any other similar cause. Easements are hereby granted for the maintenance of said

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encroachment, settlement or shifting; provided, however, that in no event shall a valid easement for the encroachment be created in favor of an Owner or Owners, if said encroachment occurred due to the willful misconduct of said Owner or Owners. In the event a structure on any Lot is partially or totally destroyed and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

Section 3. Overhanging Roofs and Eaves. Each Lot and its Owners within the Property is hereby declared to have an easement, and the same is granted by the Declarant, over each adjoining Lot and/or Common Area, as the case may be, for overhanging roofs and eaves and for the maintenance thereof.

Section 4. Duties of the Association. There is hereby reserved to the Association such easements as are necessary to perform the duties and obligations of the Association as are set forth in this Declaration.

Section 5. Priority of Easements. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall henceforth be deemed to be covenants running with the land for the use and benefit of the Lots and the Common Area, superior to all other encumbrances which may hereafter be applied against or in favor of the Property or any portion thereof.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Nature, Duration and Amendment of Declaration. The covenants and restrictions of this Declaration shall run with the land 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 30 years from the date of recordation of this Declaration, after which time said covenants shall be automatically extended for successive periods of ten years. The covenants and restrictions of this Declaration may be amended during the first 30 year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (70%) of the Lot Owners. Any amendment must be properly recorded.

Section 2. Enforcement. The Association, its successors or assigns, or any Owner, shall have the right to enforce, by any proceeding at law or equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, its successors or assigns or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

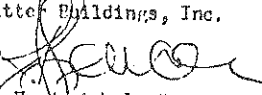
Section 4. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration, the Veterans' Administration and the Virginia Housing Development Authority: Annexation of additional properties, dedication of Common Area, mortgaging of Common Area, and amendment of this Declaration of Covenants, Conditions, and Restrictions.

INSURANCE

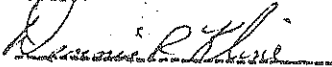
Section 1. Insurance of Common Area. The Association shall obtain adequate liability and hazard insurance of the Common Area. In the event that such insurance is inadequate and/or the premiums are not paid when due, the Virginia Housing Development Authority or any other construction or permanent lender reserves the right to increase coverage and/or pay premiums due, in order to protect its investment. The Association shall be held accountable for any and all sums expended for such purposes and hereby covenants to pay such lender the amount of such sums so expended.

Section 2. Insurance of Individual Lots. Each Owner shall obtain adequate hazard insurance on his Lot (and his personal property, as he may desire). Such insurance shall, at a minimum, be for fire and extended coverage. Such insurance must be carried by a company that has a "B+" or better rating in Best's Insurance Reports, and coverage must be for the full replacement cost of his Lot without deduction for depreciation.

Ritter Buildings, Inc.

by 
Frederick L. Spencer, Jr.
President

Attest:



Dennis R. Kline
Secretary

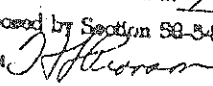
(corporate seal)

STATE OF VIRGINIA)
County of Fauquier) ss

On this 2nd day of November, 1977 before me personally appeared Frederick L. Spencer, Jr. President, and Dennis R. Kline, Secretary, of Ritter Buildings, Inc., who acknowledged to me that they had signed the foregoing instrument bearing date November 2nd, 1977 in my state and county aforesaid.

Given my hand this 2nd day of November, 1977


Samuel Shayon
Notary Public
My comm. expires April 22, 1978

Witness: In the Clerk's Office of Fauquier Circuit Court, 3 Nov 1977
This instrument was this day received in said Office
and with oaths duly administered to record at 10:50 AM
Tax of \$ — imposed by Section 59-54(b) Paid
 Clerk