

STATE CORPORATION COMMISSION

Richmond,

July 31, 1984

This is to Certify that the certificate of incorporation of OAKVIEW HOMEOWNERS ASSOCIATION OF LEESBURG,

was this day issued and admitted to record in this office and that the said corporation is authorized to transact its business subject to all the laws of the State applicable to the corporation and its business.



State Corporation Commission

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COMMONWEALTH OF VIRGINIA STATE CORPORATION COMMISSION

RICHMOND, July 31, 1984

\$72.00

RECEIVED OF

Donald E. Nelson, P.C. P. O. Box 343 Leasburg, Va. 22075

For: OAKVIEW HOMEOWNERS ASSOCIATION OF LEESBURG, VIRGINIA, INC. on account of fees for incorporation:

Filing Fee, \$10.00

Charter Fee, \$50.00

Recording Fee, \$12.00

The certificate of incorporation was issued and admitted to record in this office on the above date.

Respectfully,

Clark of the Commission

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OAKVIEW HOMEOWNERS ASSOCIATION OF LEESBURG, VIRGINIA, INC.

ARTICLE I NAME, PRINCIPAL OFFICE, AND DEFINITIONS

Section 1. <u>Name</u>. The name of the Association shall be Oakview Homeowners Association of Leesburg, Virginia, Inc. (hereinafter sometimes referred to as the "Association").

Section 2. <u>Principal Office</u>. The principal office of the Association shall be located as the Board of Directors may determine. The Association may have or use such other offices, as the Board of Directors may determine or as the affairs of the Association may require.

Section 3. <u>Definitions</u>. The words used in these Bylaws shall have the same meaning as set forth in that Declaration of Covenants, Conditions and Restrictions for the Association that was recorded as Schedule "A" to the Deed of Dedication and Subdivision and Imposition of Restrictive Covenants and recorded among the Land Records of Loudoun County, Virginia, at Deed Book 0855, Page 1349, et seq., (said Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context shall prohibit.

ARTICLE II ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

Section 1. <u>Membership</u>. The Association shall have one (1) class of membership, Class "A," as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference. (The holders of memberships are hereinafter referred to as "Members.")

Section 2. <u>Place of Meetings</u>. Meetings of the Association shall be held at such suitable place convenient to the Members as may be designated by the Board of Directors either within the Properties or as convenient thereto as possible and practical.

Section 3. Annual Meetings. The annual meeting of the Association shall be on a date and at a time set by the Board of Directors.

Section 4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution

of the Board of Directors or upon a petition signed by Members representing at least ten (10%) percent of the total Class "A" votes of the Association.

Section 5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, at least ten (10) days and in no event more than sixty (60) days in advance of the date of an annual meeting or a special meeting (unless the subject matter of the meeting requires a different minimum or maximum period of notice as a matter of law), by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when required by statute or these Bylaws, the date, time and place of such meeting and the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the Association, with postage thereon prepaid.

Section 6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called, at which time the number of members necessary for quorum shall be one-half the number required at the previous meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

Section 8. <u>Voting</u>. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 9. Proxies. Any Member entitled to vote may do so by written proxy (and must do so by written proxy, in the case of a Member which is a corporation, partnership, or other similar entity not a natural person or persons) duly executed by the Member, or in cases where the Member is more than one (1) person, by the person selected by the group to be the voting member, setting forth the meeting at which the proxy is valid. To be valid, a proxy must be in writing, signed by the Member and filed with the officer designated by the Board prior to the opening of the meeting for which it is to be used and must be dated. No proxy shall be revocable except by written notice delivered to the Association. A proxy may be revoked if the Member who has given such proxy is in attendance at a meeting. No proxy shall be valid after eleven (11) months from its date of execution unless otherwise specified in the proxy.

Section 10. <u>Majority</u>. As used in these Bylaws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

Unless otherwise provided by law or by specific provisions herein, the vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by such Members.

Section 11. <u>Ouorum</u>. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of the Members representing twenty percent (20%) of the total eligible Class "A" votes in the Association shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 12. <u>Conduct of Meetings</u>. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting. If the President and/or Secretary are not present then those directors present shall choose a substitute official.

Section 13. Action Without A Meeting. Any action required or permitted by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting, without prior notice and without a vote if written consent specifically authorizing the proposed action is signed by the Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. Such consents shall be signed within sixty (60) days after receipt of the earliest dated consent, dated and delivered to the Association at its principal place of business or such other location as specified by the Board. Such consents shall be filed with the minutes of the Association, and shall have the same force and effect as a unanimous vote of the Members.

ARTICLE III BOARD OF DIRECTORS: NUMBER, ELECTION, POWERS, MEETINGS

A. Composition and Selection.

Section 1. <u>Governing Body: Composition</u>. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) equal vote. No Member may have more than one such representative on the Board at a time.

Section 2. <u>Number of Directors</u>. The number of directors in the Association shall be five (5). Directors need not be members of the Association.

Section 3. <u>Election and Term of Office</u>. Directors shall be elected by the Members for terms of three (3) years, which terms will be staggered. To facilitate this, at the first annual meeting following the adoption of these Bylaws, the two (2) highest vote recipients shall have three (3) year terms, the next two (2) shall have two (2) year terms and the final one shall have a one (1) year term. All subsequently elected directors shall serve for terms of three (3) years. That is, in no election year shall all five (5) director positions be eligible for re-election.

Section 4. Removal of Directors and Vacancies. Any director elected by the Members may be removed, with or without cause, by the vote of the Members holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of the removed director.

Any director elected by the Members who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term.

In the event of the death, disability, or resignation of any director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members entitled to fill such directorship may elect a successor for the remainder of the term.

B. Meetings.

Section 1. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the time and place of the meeting shall be communicated to directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or any director. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

Section 3. <u>Waiver of Notice</u>. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if: (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 4. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice:

Section 5. Compensation. No director shall receive any compensation from the Association for acting as such. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.

Section 6. <u>Conduct of Meetings</u>. The President, or in his or her absence the Vice President shall preside, over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of

Directors and all transactions and proceedings occurring at such meetings.

Section 7. Open Meetings. All meetings of the Board shall be open to all Members. The President may adjourn any meeting of the Board of Directors and reconvene in executive session, excluding Members, but only in strict conformance with the procedures specified in § 55-510.E of the Virginia Property Owners' Association Act, § 55-508 et seq. of the Code of Virginia, 1950, as amended.

Section 8. Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

Section 1. <u>Powers</u>. The Board of Directors shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these Bylaws, the Articles of Incorporation, and as provided by law. The Board may do or cause to be done all acts and things as are not by the Declaration, Articles, these Bylaws, or Virginia law directed to be done and exercised exclusively by the Members.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, and by way of explanation, but not limitation:

- (a) preparation and adoption of annual budgets in which there shall be established the contribution of each Owner to the Common Expenses of the Association;
- (b) making assessments to defray the Common Expenses and establishing the means and methods of collecting such assessments;
- (c) providing for the operation, care, upkeep, and maintenance of all of the Common Area;
- (d) adopt and publish rules and regulations governing the use of the Common Area, including those areas designated for parking, and the personal conduct of the Members and their guests on the Common Area, and to establish penalties for infractions of such Rules and Regulations;
- (e) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of the Common Area and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

- (f) collecting the assessments, depositing the proceeds thereof in a federally insured bank depository which it shall approve, and using the proceeds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in federally insured depositories other than banks;
 - (g) making and amending rules and regulations;
- (h) opening of bank accounts on behalf of the Association and designating the signatories required;
- (i) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area;
- (j) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;
- (k) obtaining and carrying property and liability insurance and fidelity bonds, as deemed appropriate by the Board of Directors and as required by Article VIII of these Bylaws, paying the costs thereof, and filing and adjusting claims, as appropriate;
- (1) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;
- (m) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;
- (n) making available to any prospective purchaser of a Lot, any Owner, and the holders, insurers, and guarantors of a first Mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the Bylaws, rules and all other books, records, and financial statements of the Association;
- (o) indemnifying a director, or committee member, or former director, or committee member of the Association in accordance with Virginia law;
- (p) charging reasonable fees for the use of the Common Area and all services provided by the Association; and
- (q) creating any committees it determines are reasonable or necessary in the best interests of the Association, and appointing the members of such committees.
- Section 2. <u>Management</u>. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to

perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these Bylaws, other than the powers set forth in subparagraphs (a), with regard to budget adoption, (b), (g) and (h) and (j) of Section 1 of this Article.

- Section 3. <u>Accounts and Reports</u>. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:
- (a) the cash or modified accounting, as defined by generally accepted accounting principles, shall be employed;
 - (b) accounting and controls should conform to generally accepted accounting principles;
 - (c) cash accounts of the Association shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by a Board member or person acting for the Board from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association;
- (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;
 - (f) financial reports of the Association shall be prepared at least quarterly containing:
- (i) an income statement reflecting all income and expense activity for the preceding period on a cash basis;
- (ii) a statement reflecting all cash receipts and disbursements for the preceding period;
- (iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;
 - (iv) a balance sheet as of the last day of the preceding period; and
- (v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (any assessment or installment thereof shall be considered to be delinquent on the thirtieth (30th) day following the due date unless otherwise determined by the Board of Directors); and
- (g) an annual report consisting of at least the following shall be distributed to any Member requesting, in writing, such a report within one hundred eighty (180) days after the close of

the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited or reviewed basis, as determined by the Board, by an independent public accountant; provided, upon written request of any holder, guarantor or insurer of any first Mortgage on a Lot, the Association shall provide an audited financial statement.

Section 4. <u>Borrowing</u>. The Board of Directors shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Common Area without the approval of the Members of the Association. The Board shall also have the power to borrow money for other purposes, provided the Board shall obtain Member approval in the same manner provided in Article IV, Section 4 of the Declaration for special assessments in the event that the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year.

Section 5. <u>Rights of the Association</u>. In accordance with the Articles of Incorporation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or other owners or residential associations. Such agreements shall require the consent of a majority of the total number of directors of the Association.

Section 6. Enforcement. In addition to such other rights as are specifically granted under the Declaration and Virginia law, the Board shall have the power to assess charges against an Owner for his or her families', tenants', guests', residents' or other invitees', violation of any provision of this Declaration, Bylaws or rules of the Association, after notice and an opportunity for a hearing have been provided to the Owner pursuant to state law. The Board shall also have the power to suspend the voting rights for the nonpayment of assessments or the right of an Owner to use common facilities or services, including parking in the Common Area spaces, provided directly through the Association, for nonpayment of assessments which are more than sixty (60) days past due, to the extent that access to the lot through the Common Areas is not precluded and provided that such suspension shall not endanger the health, safety, or property of any owner, tenant or occupant, if any, (i) for any period during which any charge against such Owner's Lot remains delinquent for more than sixty (60) days, and (ii) for a period not to exceed sixty (60) days for a single violation or for a longer period in the case of any continuing violation, of the Declaration, Bylaws or rules of the Association, after notice and an opportunity for a hearing have been provided to the Owner pursuant to state law. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

(a) Notice. Prior to imposition of any sanction hereunder, the Board or its delegate shall serve the alleged violator with written notice describing: (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a period of not less than ten (10) days within which the alleged violator may present a written request to the architectural committee, if any, or Board of Directors for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained

in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed.

- (b) Hearing. If a hearing is requested within the allotted ten (10) day period, the Board shall send the owner notice of the date, time and place of the hearing by registered or certified mail, return receipt requested, to the member at the address of record with the association at least fourteen (14) days prior to the hearing. The hearing shall be held in executive session affording the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the director or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board of Directors or the architectural committee, if any, may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension of sanction shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.
- (c) <u>Appeal</u>. Following a hearing before the architectural committee, if any, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the manager, President, or Secretary of the Association within thirty (30) days after the hearing date.
- (d) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these Bylaws, or the rules and regulations of the Association by self-help or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees, actually incurred.

ARTICLE IV OFFICERS

Section 1. Officers. The officers of the Association shall be elected by the Board and shall be a President, Vice President/Secretary and a Treasurer.

Section 2. <u>Election. Term of Office.</u> and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. <u>Removal</u>. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby. A vacancy in any office arising because of death, resignation, removal or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 4. <u>Powers and Duties</u>. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. <u>Resignation</u>. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the 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. <u>Agreements, Contracts, Deeds, Leases, Checks, Etc.</u> All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Section 7. <u>Compensation</u>. Compensation of officers shall be subject to the same limitations as compensation of directors under Article III, Section B.5 of these Bylaws.

ARTICLE V COMMITTEES

The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

ARTICLE VI LIABILITY AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. <u>Liability and Indemnification of Officers and Directors</u>. The Association shall indemnify every officer, director and committee member of the Association against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the Board of Directors) to which the officer, director or committee member may be made a party by reason of being or having been an officer or director of the Association regardless of

whether he is an officer or director at the time such expenses are incurred. The officers, directors and committee members of the Association shall not be liable to the Members for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers, directors and committee members of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers, directors or committee members are liable as Members) and the Association shall indemnify and forever hold each officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member of the Association, or former officer, director or committee member of the Association, may be entitled.

- Section 2. Common or Interested Directors. The Board of Directors shall exercise its powers and perform its duties in good faith and with a view to the interests of the Association. A contract or other transaction between the Association and one or more of its directors, or between the Association and any corporation, firm or association in which one or more of the directors of the Association are directors or officers or are pecuniarily or otherwise interested, shall not be void or voidable because such director or directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because such director's or directors' votes are counted for such purpose, provided that any of the conditions specified in any of the following subparagraphs exist:
- (a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the minutes and the Board of Directors authorizes, approves, or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or
- (b) The fact of the common directorate or interest is disclosed or known to the Lot Owners, or a majority thereof, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or
- (c) The cost of any services or goods contracted for is competitive with the cost of like services or goods provided by other reputable companies offering such services or goods in Loudoun County, Virginia; or
- (d) The contract or transaction is commercially reasonable for the Association at the time it is authorized, ratified, approved or executed.

A common or interested director may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction as if he were not

ARTICLE VII MAINTENANCE ASSESSMENTS

- A. As more fully set forth in the Declaration, each Lot Owner covenants and agrees to pay annual and special assessments ("Common Expenses") and charges to the Association. All assessments, together with interest (at a rate equal to the greater of twelve percent (12%) per annum, or the legal rate of interest as defined in Section 6.1-330.53 of the Code of Virginia, as the same may be amended from time to time), as computed from the date of delinquency first occurs, late charges in the amount of Ten Dollars (\$10.00) per month or such other amount as determined by the Board of Directors, costs, costs of collection and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made until paid.
- B. Each such assessment, together with interest, late charges, costs, costs of collection and reasonable attorneys' fees also shall be the personal obligation of the Owner of such Lot at the time the assessment arose, and, in the event of a transfer of title, his or her grantee shall be jointly liable for such portion thereof as may be due and payable at the time of conveyance, except no first mortgagee (hereinafter "Mortgagee") who obtains title to a Lot pursuant to the remedies provided in the mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title, unless otherwise provided for by law.
- C. Any assessment not paid within thirty (30) days after it is due shall be deemed in default and, in addition to all other remedies available to the Association, the balance of the annual assessment for that year may be called due, accelerated, and be subjected to the enforcement provisions of this Article.
- D. Any payment that is received by legal counsel or the Association and which does not pay the Lot Owner's account balance with the Association in full, shall be credited first to the oldest debt in each category described below until each category is paid in full, in the following order:
- 1) Charges for the actual costs and reasonable attorneys' fees incurred by the Association subsequent to the delinquent account being turned over to legal counsel for the prosecution of an action to enforce payment of the debt, regardless of the results of litigation or whether litigation has been initiated against the delinquent Lot Owner;
 - 2) all returned check charges;
 - 3) all late fees;
 - 4) interest;
 - 5) unpaid installments of the annual assessment or special assessments which are the

subject matter of suit in the order of their coming due; and

- 6) unpaid installments of the annual assessments or special assessments which are not the subject matter of suit in the order of their coming due.
- E. In the event of a delinquency by a Lot Owner, the Board of Directors may reject any offer of partial payment and demand payment in full of all amounts owed to the Association. Acceptance of any partial payments or any waiver by the Board granted specifically to any Lot Owner's assessment account as to any of the fees and costs established herein or in the Bylaws or any Rule and Regulation, shall be made on a case by case basis, if at all, and in no way shall it constitute a waiver of the Board's authority to enforce payment of all amounts owed in accordance with this Declaration, including turnover of the account to the Association's legal counsel for collection.
- The total assessment against each Lot, including any regular assessment or special assessment or any other sum duly levied (including without limitation charges, interest, late charges, contractual charges, costs, attorney's fees, etc.), made pursuant to this Declaration, is hereby declared to be a continuing lien against such Lot. Until fully paid and satisfied, the lien shall apply to and encumber all of the Lots that were owned, as of the date when payment was due, by the Owner from whom payment was due, and shall also apply to and encumber any and all Lots thereafter acquired by that Owner from the time such Owner became the Owner thereof. The Board of Directors or the managing agent may file or record such other or further notice of any such lien, or such other or further document, as may be required to confirm the establishment and priority of such lien by § 55-516 of the Virginia Property Owners' Association Act or otherwise by law. The lien created by this section shall be prior to all liens and encumbrances hereafter recorded except first mortgagees or first deeds of trust encumbering a Lot and recorded prior to said lien, real estate taxes and other charges levied by governmental authority and made superior by law. The personal obligation of the Owner to pay such assessment shall, in addition, remain such Owner's personal obligation and a suit to recover a money judgment for non-payment of any assessment or installment thereof, levied pursuant hereto, may be maintained without foreclosing or waiving the lien herein created to secure the same. A foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment.

ARTICLE VIII INSURANCE AND CASUALTY LOSSES

Section 1. <u>Insurance</u>. The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain blanket "all-risk" property insurance, if reasonably available, for all insurable improvements on the Common Area. The face amount of such insurance shall be sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

In addition to the other insurance required by this Section, the Board shall obtain, as a Common Expense: workers' compensation insurance, if and to the extent required by law; directors' and officers' liability coverage, if reasonably available; a fidelity bond or bonds on directors, officers, employees,

and other persons handling or responsible for the Association's funds; and flood insurance, if reasonably available.

The amount of fidelity coverage shall be determined in the directors' best business judgment but, if reasonably available, may not be less than one sixth (1/6) of the annual assessments on all Lots, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and shall require at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal.

Premiums for all insurance on the Common Area shall be Common Expenses, which shall be included in the annual assessment. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the coverage required hereunder. The deductible shall be paid by the party who would be liable for the loss or repair in the absence of insurance and in the event of multiple parties, shall be allocated in relation to the amount each party's loss bears to the total.

All insurance coverage obtained by the Board of Directors shall be written in the name of the Association as trustee for the respective benefitted parties, as further identified in subsection (b) below.

Such insurance shall be governed by the following provisions:

- (a) All policies shall be written with a company authorized to do business in Virginia which holds a Best's rating of A or better and is assigned a financial size category of XI or larger as established by A.M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating which is available;
- (b) All insurance on the Common Area shall be for the benefit of the Association and its Members and shall be written in the name of the Association as trustee for the benefitted parties;
- (c) Exclusive authority to adjust losses under policies obtained by the Association on the Properties shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto;
- (d) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees;
- (e) All property insurance policies shall have an inflation guard endorsement, if reasonably available, and, if the policy contains a co-insurance clause, it shall also have an agreed amount endorsement; and
- (f) The Association's Board of Directors shall be required to use reasonable efforts to secure insurance policies that will provide the following:

- (i) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, officers, employees and manager, the Owners and occupants of Lots, and their respective tenants, servants, agents, and guests;
- (ii) a waiver by the insurer of its rights to repair and reconstruct, instead of paying cash;
- (iii) a statement that no policy may be canceled, invalidated, suspended, or subject to nonrenewal on account of any one or more individual Owners;
- (iv) a statement that no policy may be canceled, invalidated, suspended, or subject to nonrenewal on account of any curable defect or violation without prior demand in writing delivered to the Association to cure the defect or violation and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its manager, any Owner, or Mortgagee;
- (v) a statement that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and
- (vi) a statement that the Association will be given at least thirty (30) days prior written notice of any cancellation, substantial modification, or non-renewal.

Section 2. <u>Individual Insurance</u>. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry blanket "all-risk" property insurance on the Lot(s) and structures constructed thereon meeting the same requirements as set forth in Section 1 of this Article VIII for insurance on the Common Area.

Each Owner further covenants and agrees that in the event of a partial loss or damage resulting in less than total destruction of structures comprising his or her Lot, the Board may impose requirements regarding the standards for rebuilding or reconstructing structures on the Lot or the standard for returning the Lot to its natural state in the event the structures are not rebuilt or reconstructed.

Section 3. Damage and Destruction.

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

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless at least seventy-five percent (75%) of the total Class "A" vote of the Association decide within sixty (60) days after the casualty not to repair or reconstruct.

If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such funds or information shall be made available; provided, however, such extension shall not exceed sixty (60) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to Common Area shall be repaired or reconstructed.

(c) In the event that it should be determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then the affected portion of the Properties shall be cleared of all debris and ruins and maintained by the Association in a neat and attractive, landscaped condition consistent with standards adopted by the Board, if any.

Section 4. <u>Disbursement of Proceeds</u>. If the damage or destruction for which the proceeds of insurance policies held by the Association are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvements account. In the event no repair or reconstruction is made, any proceeds remaining after making such settlement as is necessary and appropriate with the affected Owner or Owners and their Mortgagee(s), as their interests may appear, shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of any Mortgagee of a Lot and may be enforced by such Mortgagee.

Section 5. Repair and Reconstruction. If the damage or destruction to the Common Area for which insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Members, levy a special assessment against those Owners of Lots responsible for the premiums for the applicable insurance coverage under Section 1 of this Article. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

ARTICLE IX USE RESTRICTIONS

The Properties shall be used only for residential, recreational, and related purposes. The Association, acting through its Board of Directors, shall have standing and the power to enforce such standards as are provided in these Bylaws, the Declaration, the Articles of Incorporation and any rules and regulations promulgated.

The Association, acting through its Board of Directors, shall have authority to make and to enforce standards and restrictions governing the use of the Properties, in addition to those contained herein and including architectural restrictions pursuant to Article V of the Declaration, and to impose reasonable user fees for use of Common Area facilities. Such regulations and use restrictions shall be binding upon all Owners, occupants, tenants, guests, invitees and licensees, if any, until and unless overruled, canceled or modified in a regular or special meeting of the Association by the vote of the Members representing at least two-thirds (2/3) of the total Class "A" votes in the Association.

Section 1. <u>Signs</u>. A single "for sale" or "for lease" sign shall be permitted on any Lot being offered for sale or for lease, provided it does not exceed two (2) feet by three (3) feet in size. No other signs of any kind shall be erected within the Properties or on the Common Area, including any Lot if visible from outside the Lot, without the written consent of the Board of Directors, except signs installed by the Association.

Section 2. Parking and Prohibited Vehicles.

- (a) <u>Parking</u>. Vehicles owned, leased or operated by an Owner or an occupant or his or her tenant, guest, family member or other invitee shall be parked only in the driveway serving the Lot, or in such other paved areas as have been designated by the Board of Directors for parking vehicles. A maximum of two (2) vehicles may be parked in each driveway and one (1) vehicle per Lot may be parked in the cul de sac spaces at one time. No vehicles shall be parked across or straddling sidewalks or curbs at any time. There shall be no additional paving to increase the size of any driveway without prior approval by the Board of Directors. At no time shall there be any parallel parking on the private roads within the Properties.
- (b) <u>Prohibited Vehicles</u>. Commercial vehicles which are prohibited by the laws of the Town of Leesburg from parking in residential neighborhoods, tractors, mobile homes, and trailers (either with or without wheels) shall be prohibited on the Properties. Recreational vehicles, campers, camper trailers, boats, other watercraft, and boat trailers shall not be stored or parked on the streets and driveways of the Properties. Stored vehicles which are either obviously inoperable or do not have current operating licenses, license plates or permits, shall not be permitted on the Properties.

Vehicles that become inoperable while on the Properties must be removed within seventy-two (72) hours thereof. For purposes of this Section, a vehicle shall be considered "stored" if it is mounted on blocks or covered and remains on blocks or so covered for fourteen (14) consecutive days without the prior approval of the Board. Notwithstanding the foregoing, service and delivery vehicles may be parked in the Properties during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Lot or the Common Area. Any vehicle parked in violation of this Section or parking rules promulgated by the Board may be towed in accordance with the Rules and Regulations adopted by the Board.

Section 3. Occupants Bound. All provisions of the Declaration, Bylaws, and rules and regulations promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants, residents, tenants, guests and invitees

(collectively "occupants") of any Lot. Every Owner shall cause all occupants of his or her Lot to comply with the Declaration, Bylaws, and all rules and regulations of the Association. Every Owner shall be responsible for all violations and losses to the Common Area caused by such occupants, notwithstanding the fact that such occupants of a Lot are fully liable and may be sanctioned for any violation of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto.

Section 4. Animals and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any portion of the Properties, except that dogs, cats, or other usual and common household pets may be permitted in a Lot. No pets shall be kept, bred or maintained for any commercial purpose. All pets shall be subject to leash and waste collection regulations, as may be maintained by the Town of Leesburg, at any time they are permitted outside a residence on the Lot property or Common Area. Each Owner shall be absolutely liable to each and all remaining Owners, their families, guests, permittees and invitees and to the Association, for any and all damage to person or property caused by any such pet brought upon or kept on the Properties by such Owner or by his or her family, guests, permittees, or invitees. Each Owner keeping pets on his or her Lot will comply with all requirements of law applicable to such animal. The Board of Directors shall have the power to adopt, publish, amend and enforce rules and regulations governing the keeping of pets by members of the Association and their families and guests and to establish penalties for the infraction thereof.

Section 5. Quiet Enjoyment. No portion of the Properties shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any portion of the Properties that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property.

No noxious, illegal, or offensive activity shall be carried on upon any portion of the Properties, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any portion of the Properties. There shall not be maintained any plants or animals or devices or things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Properties. No outside burning of wood, leaves, trash, garage or household refuse shall be permitted within the Properties. No speaker, horn, whistle, bell or other devices, except alarm devices used exclusively for security purposes, shall be installed or operated on any Lot. The use and discharge of firecrackers and other fireworks which are illegal to possess, discharge or ignite in the Commonwealth of Virginia is prohibited within the Properties.

Section 6. <u>Unsightly or Unkept Conditions</u>. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkept condition of his or her Lot. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkept conditions, shall not be pursued or undertaken on any part of the Properties. Notwithstanding the above, the disassembly and assembly of motor vehicles to perform repair work shall be permitted provided such activities are not conducted on a regular or

frequent basis, and are either conducted entirely within an enclosed garage or, if conducted outside, are begun and completed within twelve (12) consecutive hours.

Section 7. Antennas. Except as otherwise provided by law, including the Federal Telecommunications Act of 1996 and the rules promulgated by the Federal Communications Commission pursuant thereto, no satellite dishes or antennas shall be allowed on any Lot property. To the extent it is reasonable, the preferred location and installation site for permissible satellite dishes or antennas shall be only in the rear of a dwelling or in the rear portion of the Lot property. If such preferred locations preclude the receipt of an acceptable quality signal on any Lot property, then the Owner should use his or her best efforts to install the equipment in the most innocuous location available where an acceptable quality signal can be received. Satellite dishes which are one meter or less in diameter or other antennas should be reasonably screened from view from any other Lot or Common Area and should be painted in a fashion that will not interfere with reception or warranties so that they blend into the background against which they are mounted.

Section 8. <u>Clothesline</u>, <u>Garbage Cans</u>, <u>Etc</u>. No clotheslines shall be erected or installed on the exterior portion of any Lot, and no clothing, linens or other material shall be aired or dried on the exterior portion of any Lot. All garbage cans, woodpiles, yard equipment and other similar items on Lots shall be located adjacent to the residence located on the Lot and behind the rear plane of the home. All rubbish, trash, and garbage shall be stored in appropriate containers and shall regularly be removed from the Properties and shall not be allowed to accumulate thereon.

Section 9. <u>Subdivision of Lot and Time Sharing</u>. No Lot shall be subdivided or its boundary lines changed except with the prior written approval of the Board of Directors of the Association. Any such division, boundary line change, or replanting shall not be in violation of the applicable subdivision and zoning regulations.

No Lot shall be made subject to any type of timesharing, fraction-sharing or similar program whereby the right to exclusive use of the Lot rotates among members of the program on a fixed or floating time schedule over a period of years.

Section 10. <u>Explosives: Firearms: Bows and Arrows</u>. The discharge of high explosives, firearms and bows and arrows within the Properties is prohibited. The term "firearms" includes "BB" guns, pellet guns, and other firearms of all types, regardless of size.

Section 11. <u>Pools</u>. No in-ground swimming pool shall be erected, constructed or installed on any Lot. Jacuzzis, whirlpools, or spas approved by the architectural committee shall not be considered an in-ground pool for the purposes of this Section.

Section 12. <u>Tents. Mobile Homes and Temporary Structures</u>. No tent, shack, mobile home, or other structure of a temporary nature shall be placed upon a Lot or any part of the Properties. The foregoing prohibition shall not apply to restrict the construction or installation of a single utility or similar outbuilding to be permanently located on a Lot, provided it receives the prior approval of the architectural committee or Board. In addition, party tents or similar temporary structures may be

erected for a limited period of time for special events with prior written approval of the architectural committee or Board.

Section 13. <u>Tree Removal</u>. No trees shall be removed, except diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved by the architectural committee or Board. In the event of an intentional or unintentional violation of this Section, the violator may be required to replace the removed tree with one (1) or more comparable trees of such size and number, and in such locations, as the committee or Board may determine necessary, in its sole discretion, to mitigate the damage.

Section 14. <u>Sight Distance at Intersections</u>. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem.

Section 15. <u>Lighting</u>. Except for traditional holiday decorative lights, which may be displayed for two (2) months prior to and one (1) month after any commonly recognized holiday for which such lights are traditionally displayed, all exterior lights must be approved by the architectural committee or Board. The rights of owners to display lighting as provided for herein shall not be abridged, except that the Association may adopt reasonable time, place and manner restrictions for the purpose of minimizing damage and disturbance to other Owners and occupants.

Section 16. Exterior Decorations, Exterior Sculpture, and Similar Items. The rights of Owners to display signs, symbols and decorations, including religious and holiday ones, on their Lots of the kinds normally displayed in or outside of homes located in similar residential neighborhoods shall not be abridged, except that the Association may adopt reasonable time, place and manner restrictions for the purpose of minimizing damage and disturbance to other Owners and occupants.

Section 17. <u>Energy Conservation Equipment</u>. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed on any Lot unless it is an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the architectural committee or Board. No windmills, wind generators or other apparatus of generating power from the wind shall be erected or installed on any Lot.

Section 18. <u>Playground</u>. No jungle gyms, swing sets or similar playground equipment shall be erected or installed on any Lot without the prior approval of the architectural committee or Board.

Section 19. <u>Business Use</u>. No garage sale, moving sale, rummage sale or similar activity and no trade or business may be conducted in or from any Lot, except that an Owner or occupant residing in a Lot may, as determined and approved in the sole discretion of the Board, conduct business activities within the Lot so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Lot; (b) the business activity conforms to all zoning requirements for the Properties; (c) the business activity does not involve regular visitation of the Lot by clients, customers, suppliers or other business invitees or door-to-door solicitation of residents of the Properties; and (d) the business activity is consistent with the residential

character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties.

The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods and services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor.

Notwithstanding the above, the leasing of a Lot shall not be considered a trade or business within the meaning of this Section.

Section 20. On-Site Fuel Storage. No on-site storage of gasoline, kerosene or fuel oils shall be permitted on any part of the Properties except that up to five (5) gallons of fuel may be stored on each Lot for emergency purposes and operation of lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators and similar equipment.

Section 21. Leasing of Lots.

(a) <u>Definition</u>. "Leasing," for purposes of these Bylaws, is defined as regular, exclusive occupancy of a Lot by any person or persons other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument.

(b) Leasing Provision.

- (i) General. Lots may be rented only in their entirety; no fraction or portion may be rented. All leases shall be in writing and shall be for an initial term of not less than six (6) months, except with the prior written consent of the Board of Directors. Notice of any lease, together with such additional information as may be required by the Board, shall be given to the Board by the Lot Owner within ten (10) days of execution of the lease. The Owner must make available to the lessee copies of the Declaration, Bylaws, and the rules and regulations, as amended. The Board may adopt reasonable rules regulating leasing and subleasing.
- (ii) <u>Compliance with Declaration.</u> Bylaws and Rules and Regulations. Every Owner shall cause all occupants of his or her Lot to comply with the Declaration, Bylaws, and the rules and regulations adopted pursuant to the foregoing, and shall be responsible for all violations and losses to the Common Area caused by such occupants, notwithstanding the fact that such occupants of a Lot are fully liable and may be sanctioned for any violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant to the foregoing.
- (iii) Notification of Owners and Tenants. The Board of Directors, through its managing agent, if applicable, shall notify Owners and tenants, as applicable, of violations of the

Association's Declaration, Bylaws and rules and regulations, of the imposition of rules violation charges, and of the suspension of the right to use the recreational facilities of the Association by and against the other party.

Section 22. <u>Laws and Ordinances</u>. Every Owner and occupant of any Lot, their guests and invitees, shall comply with all laws, statutes, ordinances and rules of federal, state and municipal governments applicable to the Properties and any violation thereof may be considered a violation of these Bylaws; provided, however, that the Board shall have no obligation to take action to enforce such laws, statutes, ordinances and rules.

Section 23. <u>Doors and Windows</u>. No "burglar bars," steel or wrought iron bars, or similar fixtures, whether designed for decorative, security or other purposes, shall be installed on the exterior of any windows or doors of any dwelling. No signs, numerals or other writing shall be written on or placed on the doors or windows of any dwelling, either temporary or permanently. All windows of an occupied dwelling on a Lot which are visible from the street or other Lots shall have draperies, curtains, blinds or other permanent interior window treatments, and all portions thereof which are visible from outside the dwelling shall be of colors which are harmonious with those of the exterior of the house. Sheets or similar temporary window treatments may be used for a short time after taking occupancy of a dwelling, provided they are removed and replaced with permanent window treatments within a reasonable time after taking occupancy of the dwelling, as determined in the sole discretion of the Board of Directors. No window air conditioning units shall be permitted (1) unless for temporary purposes and (2) with the approval of the Board of Directors.

Section 24. <u>Speed Limit</u>. The speed limit on Oakview Drive is twenty-five miles per hour (25 MPH) and the speed limit on all cul-de-sacs within the community is fifteen miles per hour (15 MPH). Any motor vehicle operation in a dangerous manner shall be a violation of these Bylaws.

ARTICLE X MAINTENANCE

Section 1. Association Responsibility. The Association shall maintain and keep in good repair (unless necessitated by the negligence, misuse or neglect of an Owner, in which case such cost shall be charged to such Owner) the Common Area, the cost of which shall be charged to all Owners as a Common Expense. There are hereby reserved to the Association blanket easements over the Properties as necessary to enable the Association to fulfill responsibilities under this Section. The Association shall not be liable for any damage or injury occurring on, or arising out of the condition of, property which it does not own, except to the extent that it has been negligent in the performance of its maintenance responsibilities.

Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Common Area shall be a Common Expense to be allocated among all Lots, subject to the right of the Association to seek reimbursement from other persons responsible for certain portions of the Common Area or other agreements. In the event the need for maintenance or repair

to be provided by the Association pursuant to this Section 1 is caused through the willful or negligent act or omission of an Owner, his family, guests, tenants or invitees, the costs of such maintenance or repair shall be charged to the Owner as an assessment and charge upon the land in addition to the annual and special assessments.

Section 2. Owner's Responsibility. Each Owner shall be responsible for the maintenance, repair and replacement, at his or her own expense, of the Lot and the exterior and the interior of his or her residence located on his or her Lot, including but not limited to painting, steps, walkways, landscaping, siding and gutters. Each Owner shall promptly report to the Board or managing agent in writing any defect or need for repairs for which the Association is responsible as set forth in Section 1 hereof. All maintenance required by this section shall be performed in a manner consistent with any written standards established by the Board or the architectural committee and all applicable covenants.

ARTICLE XI MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 2. <u>Parliamentary Rules</u>. Except as may be modified by Board resolution, *Robert's Rules of Order* (current edition) shall govern the conduct of Association proceedings when not in conflict with Virginia law, the Articles of Incorporation, the Declaration, or these Bylaws.

Section 3. <u>Conflicts</u>. If there are conflicts between the provisions of Virginia law, the Articles of Incorporation, the Declaration, and these Bylaws, then the order of prevailing documents shall be: Virginia law, the Declaration, the Articles of Incorporation, and the Bylaws.

Section 4. Books and Records.

- (a) <u>Inspection by Members and Mortgagees</u>. The Board shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Lot, or by a Member of the Association in good standing, or by the duly appointed representative of any of the foregoing, for a purpose reasonably related to interest in the Lot, upon five (5) days' written notice at a mutually convenient time and location: the Declaration, Bylaws, and Articles of Incorporation, any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees. Any books or records kept by or on behalf of the Association may be withheld from inspection to the extent permitted by § 55-510.C. of the Virginia Property Owners' Association Act, § 55-508 <u>et seq</u>. of the Code of Virginia, 1950, as amended, and §§ 13.1-932 through 13.1-934 of the Virginia Nonstock Corporation Act, § 13.1-801, et seq. of the Code of Virginia, 1950, as amended.
 - (b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the actual cost of materials and labor for reproducing copies of documents requested prior to providing the requested copies.
- (c) <u>Inspection by Directors</u>. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association.
- Section 5. <u>Notices</u>. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:
 - (a) if to a Member, at the address of record with the Association; or
- (b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Section 6. Amendment.

These Bylaws may be amended by the affirmative vote or written consent, or any combination thereof, of Members representing sixty-six and two-thirds percent (66 2/3%) of the total votes in the Association.

CERTIFICATION

OAKVIEW HOMEOWNERS ASSOCIATION OF LEESBURG, VIRGINIA, INC. By:

79		
President		

[CERTIFICATION ON NEXT PAGE]

I, the undersig	med, do hereby	certify:		•			
That I am the Leesburg, Virginia, In	duly elected ar	nd acting S	ecretary of O	akview Ho	meowners	Associatio	n of
at a meeting of the Bo		on the	day of			2002.	•
IN WITNESS Association this	WHEREOF, I h		the state of the s	my name ai	nd affixed ti	ne seal of	said
	day or			. (•	•
			. ,		•		
		Secr	etary			 .	

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

BROWNELL, INC., a Virginia corporation, the Declarant, is the owner of certain property is the County of Loudons, State of Virginia, which is more particularly described on the attached Plat.

NOW, THEREFORE, Declarant hereby declares the Lots shown on the subdivision plat shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real estate property and be binding on all parties baving any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall issues to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to the OAKVIEW HOMEOWNERS ASSOCIATION, OF LEESBURG INC., a Virginia 2 to corporation, its successors and assigns.

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

Section 3. "Properties" 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 and refer to 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 on the plat, a copy of which is attached hereto.

Section 5. "Lot" shall mean and refer to the Lots in OAKVIEW Subdivision as shown upon the recorded subdivision plat, with the exception of Common Area.

Section 6. "Declarant" shall mean and refer to BROWNELL, INC., a Virginia corporation, its successors and assigns, if such successors or assigns acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

- Section 1. Owners Easements of Enjoyment: Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:
- (a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon Common Area;
- (b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against the Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) the right 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 agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Areas and facilities to the mambers of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Notwithstanding the other provisions of this Declaration, all right, title and interest in and to the Common Area shall be subject to the provisions and requirements of the lawful ordinances of the County of Loudoun, Virginia, existing on the date of this Declaration.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

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

Section 2. The Association shall have two classes of voting membership.

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

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

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) on January 1, 1989.

ARTICLE IV

COVENANTS FOR MAINTENANCE ASSESSMENTS

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

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

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- Section 3. Maximum monthly Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment shall be Ten Dollars (\$10.00) per Lot.
- (a) From and after Jahuary 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment shall be the same as the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum monthly assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the montal assessment at an amount not in excess of the maximum.

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

Section 4-A. Notwithstanding any other provisions contained herein, the assessments for the Class B members will be as set forth hereinbelow; provided the Declarant funds all budget deficits and maintains the Common Area at no cost to the Homeowners Association:

- (a) Twenty-five percent (25%) of the assessments established herein for unoccupied lots.
- (b) Full assessments established herein on any dwellings for which a Residential Use Permit has been issued.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxice entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 6. Uniform Rate of Assessment. Both mnnual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Due Dates. The annual assessments 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 monthly assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the monthly assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a pertificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

the Association as to the status of assessments on a Lot "is binding upon the Association as of the date of its issuance.

Section 8. Effect of Monpayment of Assessments:

Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring action at law against the Owner personally obligated to pay the same, or bring an action at law against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for berein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, material and location of the same shall have been submitted to and approved in writing as to narmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Pasociation, or by an architectural committee composed of three (3) or more

representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The Declarant does not have to seek the requirements of the Architectural Comtrol provisions.

ARTICLE VI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens or charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association 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 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The Covenants and restrictions of this Declaration shall run with the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of twenty (20) years. This Declaration may be amended during the first twenty- (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. No amendment shall be effective unless the amending instrument is signed by at least one Lot Owner who is a Class A member. Any amendment must be recorded.

Section 4. Annexation. (a) Within twenty-one (11) years from the date of this Declaration, additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members: (b). Additional Land, however, may be annexed by the Declarant without the consent of members within five (5) years from the date of this instrument.

Section 5. Consent of Veterans Administration and Federal Housing Authority. Motwithstanding anything to the contrary contained herein and provided that any lot in the project is then encumbered by a deed of trust or mortgage which is guaranteed by the Veterans Administration or Faderal Housing Authority and, provided, further, that there are then Class E 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 the Federal Housing Authority:

- (a) abandon, partition, subdivide, encumber, sell or transfer any of the Common Areas and community facilities; provided, however, that the granting of rights of way, essements 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 this Declaration; or
- (c) modify or amend any material or substantive provision of this Declaration or the Bylaws of the Association.

. INGRESS-EGRESS EASEMENTS AND COVENANTS

OAKVIEW SUBDIVISION

SCHEDULE "A", CONTINUED

The covenants hereinafter set forth shall run with the land and shall be binding upon all parties and all persons owning lots in OAKVIEW Subdivision, Loudoun County, Virginia.

If the owners of such lots, or any of them, or their heirs or assigns, shall violate any of the covenants hereinafter set forth, it shall be lawful for any other person owning real property situated in such original tract to prosecute any proceedings at law or in equity against the person or persons violating any of such covenants, and either to prevent him from so doing or to recover damages for such violation, or both.

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

1. Ingress-egress essements will be created for the use and benefit of the owners and agents, tenants or guests of the owners of lots shown on said plat, or any lots that may be obtained from the resubdivision(s) thereof. The essements are also for the construction and maintenance of utilities, and County and other emergency vehicles.

The said ingress-egress easements will be privately owned and privately maintained. They will not be dedicated for the use of the general public. The maintenance and repair of said ingress-egress easements will not be a public responsibility, but are the private responsibility of the owners of lots shown on the attached plat. The parties signatory hereto will not maintain said easements, and it does not make any warranty, either expressed or implied, to that end.

The owners of the properties who have the use and benefit of the easements established herein will have free access without limitation. The easements are to be used for ingress-egress, and may be surfaced for such purpose and be maintained as required by the Town of Leesburg, Virginia, or as deemed necessary by the parties who have the use of said easements. All construction, repair and maintenance costs shall be at the sole and equal expense of the lot owners who have the use and benefit of said easements.

No act shall be performed by any owner, his tenants, guests or agents which would in any manner affect or jeopardize the free and continuous use and enjoyment of the ingress-egress easement.

There shall be no parking within the said essements at any time except for delivery and/or emergency vehicles or in areas specifically designed for parking.

In the event that said easements are damaged or destroyed:

(a) through the act of an owner, his agents, guests or member of his family, other than normal wear and tear, it shall be the obligation of such owner to rabuild and repair without cost to the other owners.

(b) other than through the act of owner, his agents, guests or family, it shall be the obligation of all owners to maintain and repair the easement at their joint and equal expense. To this end, the owners shall assess themselves periodically as determined by the majority of said owners, which shall be used to defray the costs of said maintenance and repair. Any lien arising out of an assessment for repair or maintenance shall be subordinate to the lien of any first deed of trust.

In the event of any dispute arising concerning the use, repair and maintenance of said easements as set forth herein which cannot be resolved by a majority of owners using the easement, such dispute shall be resolved by arbitration. Each side to the dispute shall choose one arbitrator, and such arbitrator shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators. Repairs must be made if needed. It is not the intention herein that an individual lot owner must repair that portion of the easement which runs in front of his or her lot, but that it shall be the joint obligation of all owners to pay for the cost of any necessary repairs to the easement.

- 2. Each owner of any lot, 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 share of the cost of maintenance of the ingress-egress easements as such costs are fixed and established from time to time as provided in Paragraph #1. The cost of maintenance, together with interest thereon and the cost of collection thereof, shall be a charge on the land and shall be a continuing lien against the property contained in each lot or parcel. Such lien, however, shall always be subordinate to the lien of any and all bong fide deeds of trust to be placed upon any lots in this subdivision. All such costs, together with such interest thereon and costs of collection thereof, shall also be the personal obligation of the person who was the owner of the lot on the date when the costs were incurred.
- 3. All assessments for maintenance and repair of the ingress-egress easements will be governed by and be considered a part of the assessments under Article IV of this Declaration.
- 4. No trailers, trucks or commercial vehicles will be allowed on Parca; "A" and "B" (Common Area) or the area designated for private streets or on the lots of the subdivision.
- 5. The use of the subdivision property is restricted to residential purposes and may not be used for any commercial purposes.

PERFECT INFLERTIFICATE ANNEXED

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THIS DEED OF DEDICATION AND SUBDIVISION AND IMPOSITION OF RESTRICTIVE COVENANTS made this 28th day of December, 1984, by BROWNELL, INC., a Virginia componention, and BROWNELL, INC., TRUSTEE FOR OAK VIEW JOINT VENTURE.

WITHESSETHI

WHEREAS, Brownell, Inc. and Brownell, Inc., Trustee for Oak View Joint Venture, are the owners of certain property, having acquired title thereto by instruments recorded in Deed Book 829, at Page 668, and in Deed Book 847, at Page 972, among the land records of Loudous County, Virgnia, all as more particularly described on the plat attached hereto; and

WHEREAS, it is the intention of the parties hereto to dedicate and subdivide said property as shown on the plat attached hereto.

HOW, THEREFORE, in consideration of the premises, Brownell, Inc., a Virginia corporation, and Brownell, Inc., Trustee for Oak View Joint Venture, do hereby subdivide and dedicate all of the tract of land situate, lying and being in the Town of Leesburg, Loudoun County, Virginia, and as more particularly described on the plat attached hereto and made a part hereof.

The hereinabove-referred to property is hereby 122 dedicated and subdivided as OAK VIEW Subdivision, as the same appears on the attached plat made by Bengtson, DeBell, Elkin and Titus, A Professional Corporation, with certificate attached, dated December 26, 1984, which subdivision and dedication are made with the free consent and in accordance with the desire of Brownell, Inc. and Brownell, Inc., Trustee for Oak View Joint Venture to dedicate to public use the street areas shown on said plat. This dedication is made in accordance with the statutes of the State of Virginia

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governing the platting of land and said plat has been duly approved by the proper officials of the Town of Leesburg, in Loudoun County, Virginia, as shown by their endorsement thereon.

And, Brownell, Inc. and Brownell, Inc., Trustee for Oak View Joint Venture, hereby declares that the lots shown on the subdivision plat attached bereto shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real estate property and be binding on all parties having any right, title or interest in the described lots, their heirs, successors and assigns and shall inure to the benefit of each owner thereof, all as more fully set forth and described in SCHEDULE "A" attached hereto and specifically made a part hereof.

IN WITNESS WHEREOF, the Brownell, Inc., a Virginia corporation, and Brownell, Inc., Trustee for Oak View Joint Venture, has caused this instrument to be executed by Bruce M. Brownell, both as President of Brownell, Inc. and President Brownell, Inc., Trustee for Oak View Joint Venture, said officer being duly authorized so to act as of the day, month and year first above written.

BROWNELL, INC.
A Virginia Corporation
By Its President

BROWNELL, INC., TRUSTEE FOR OAK VIEW JOINT HEFTURE

By It's President

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STATE OF VIRGINIA COUNTY OF LOUDOUN, to-wit:

The foregoing instrument bearing date the 18th day of December, 1984, was acknowledged before me by Bruce M. Brownell, both as President of Brownell, Inc. and Brownell, Inc., Trustee for Oak View Joint Venture, on behalf of maid corporation and joint venture, on this 28th day of December, 1984.

Dala Kwhi

My Commission expires:

ARTICLES OF INCORPORATION

OF

OAKVIEW HOMEOWNERS ASSOCIATION OF LEESBURG, VIRGINIA, INC.

We hereby associate to form a non-stock corporation under the provisions of Chapter 2 of Title 13.1 of the Code of Virginia and to that end set forth the following:

ARTICLE 1

The name of the corporation is DAKVIEW HOMEOWNERS ASSOCIATION OF LESBURG, VIRGINIA, INC.

ARTICLE II

The post office address of the initial registered office and agent is 109 Old Waterford Road, Leesburg, Virginia 22075, in the County of Loudoun, State of Virginia. The initial registered agent is Donald E. Nelson, who is a resident of the County of Loudoun, Virginia, and is a member of the Virginia State Bar, whose business address is the same as that of the registered office.

ARTICLE III'

PURPOSE AND POWERS OF THE ASSOCIATION

This Association doe not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described as:

Oakview Subdivision, as the same is duly dedicated, platted and recorded among the land records of Loudoun County Virginia.

and to provide for the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association and for this purpose to:

a) exercise all the powers and privileges and to 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 Court, Loudoun County, Virginia, and as the same may be amended from time to time, as therein provided, said Declaration being incorporation herein as 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; to 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, (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 more than 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 secured;
- 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 to transfer shall be effective unless an instrument has been ratified by vote by more than two-thirds (2/3) of each class of members agreeing to such dedication, sale or transfer;
- f) participate in mergers and consolidations with other non-profit corporations organized for the same purpose or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of more than two-thirds (2/3) of each class of members:
- g) have and to exercise any and all powers, rights and privileges which a corporation organized under the non-profit corporation law of the State of Virginia by law may now or hereafter have or exercise.

MEMBERSHIP

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. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE V

VOTING RIGHTS

The Association shall have two classes of voting membership:

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

CLASS B: Class B members shall be the Declarant (as defined in the Declaration) and shall be entitled to three (3) votes for each Lot owned. 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 the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
 - , b) on June 1, 1986.

ARTICLE VI

EOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) initial Directors, who need not be members of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

NAME

Donald E. Nelson

Robert T. Mays

Bruce M. Brownell

ADDRESS

Rt. 1, Box 346N Leesburg, Virginia 22075

127 Hancock Pl. Leesburg, Virginia 22075

Rt. 1, Box 980 Paeonian Springs, Va. 22129

ARTICLE VII

DISSOLUTION

The Association may be dissolved with the assent given by a vote of more than seventy-five percent (75%) 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 the 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 non-profit corporation, association, or 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 more than seventy-five (75%) of the entire-membership.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Virginia, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation, this August day of July, 1984.

B (SEAL)

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before me by Donald E.	Nelson, Pobe	ent T Mays	, and Bruce	e M. Brown	el:, whose.
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names are signed there	to, this the	<u> </u>	y of <u>July</u>		, 1984.
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My Commission Expires:	•				
T. 29 1987					
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CHADWICK, WASHINGTON, OLTERS, MORIARTY & LYNN, P.C.

Kenneth E. Chadwick (VA, MD) Wilbert Washington II (VA, MD, DC) Sandra C. Olters (VA) Stephen H. Moriarty (VA) Shelah Fidellman Lynn (MD, DC) Andrew G. Elmore (VA) Brendan P. Bunn (VA, DC)

Elizabeth L. Hileman (VA, MD, DC, NY)
Brian D. Bichy (MD, DC)
Daniel B. Streich (VA, DC)
Allen B. Warren (VA, DC)
Molly A. Smith (VA, DC)
Cynthia McKay (VA)
Jeffrey M. Summers (VA)

Steven A. Skalet (MD, DC), Of Counsel

9990 Lee Highway Suite 450 Fairfax, Virginia 22030-1720

(703) 352-1900-

FAX (703) 352-5293

WWW.CHADWICKWASHINGTON.COM
FIRM E-MAIL: MAIL@CHADWICKWASHINGTON.COM

December 17, 2002

7979 Old Georgetown Road Suite 600 Bethesda, Maryland 20814-2453 (301) 652-1448 FAX (301) 718-4399

1300 19th Street, N.W. Suite 400 Washington, D.C. 20036 (202) 429-0690

100 Concourse Boulevard Suite 106 Glen Allen, Virginia 23059-5642 (804) 346-5400 FAX (804) 965-9919

Re: Oakview Homeowners' Association Bulaws

Dear Members of Oakview Homeowners' Association:

This year's Annual Meeting will be held tonight, December 17, and at it you will receive a copy of the new Bylaws of the Association.

Oakview has been in existence since 1984 and has operated under its Articles of Incorporation, a Deed of Dedication and a Declaration of Covenants, Conditions and Restrictions during that time. While those documents address the primary objectives of the community, the absence of a current set of bylaws has hindered the exercise of the policies contained in the covenants.

The Board of Directors, in conjunction with Oakview's legal counsel, have spent many months drafting and revising the new Bylaws, which were enacted on December 3, 2002. The Board anticipates that these new guidelines will benefit all of the members and residents of Oakview. Please review them at your earliest opportunity.

Sincerely,

Stephen H. Moriarty

Attorney for Oakview HOA

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