DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by FOREST RIDGE, LTD., a Virginia Corporation, hereinafter referred to as "Declarant".

WITNESSETH

WHEREAS, Declarant is the fee simple owner of certain real property located in Sterling Magisterial District, Loudoun County, Virginia, described in the Deed of Dedication and Subdivision recorded in Deed Book 667, at Page 529 among the land records of the said County and designated as Section ONE (1), FOREST RIDGE (hereinafter referred to as the ‘Property’) and desires to develop therein a residential community with common lands and facilities for the benefit of said community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said Community and for the maintenance of said common lands and facilities; and to this end, desires to subject the Property to the covenants, restrictions, easements, charges and liens (hereinafter referred to collectively as the "Restrictions") as hereinafter set forth, each and all of which is and are for the benefit of the Property and each owner thereof; and

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

WHEREAS, Declarant has incorporated or intends to incorporate under the laws of the State of Virginia, as a non-profit corporation the Forest Ridge Homeowners Association, for the purpose of exercising the functions aforesaid; and

WHEREAS, Declarant desires that the Restrictions shall run with, burden, and bind the Property;

NOW, THEREFORE, Declarant hereby declares the Property is and shall be held, transferred, sold, conveyed, occupied and used subject to the Restrictions hereinafter set forth, for and during the period of time hereinafter specified.

ARTICLE I

DEFINITIONS

Section 1. ‘Association’ shall mean and refer to FOREST RIDGE HOMEOWNERS ASSOCIATION, 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 hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. ‘Common Area’ shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The Common area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

Parcels “A” and “B” as designated on the Record Plat, Section One, FOREST RIDGE, Loudoun County, Virginia.

Section 5. ‘Lot’ shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. ‘Declarant’ shall mean and refer to Forest Ridge Ltd its successors and assigns such successors or assigns should 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 the 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 his Lot remains unpaid; and for a period not to exceed sixty (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 more than 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 By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

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 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) at the expiration of three (3) years from the date of this Supplemental Declaration, provided that if a Supplemental Declaration is filed annexing additional land to the Properties pursuant to Article IV at any time or times prior to the expiration of said three (3) year period (as the same may have been extended by the filing of one Supplemental Declaration), such period shall be extended each such time until the expiration of three (3) years from the date of filing of the last such Supplemental Declaration.

ARTICLE IV

PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

Section 1. Existing Property. All that property located in Loudoun County, Virginia, described in the Deed of Dedication and Subdivision recorded in Deed Book 667, at Page 529 among the land records of the said County and designated as Section ONE (1), FOREST RIDGE.
Section 2. Additions to the Properties by the Association. Annexation of additional land shall require the assent to two-thirds (2/3) of the Class A membership and two-thirds (2/3) of the Class B membership, if any, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The presence of members or of proxies entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice, requirement set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. In the event that two-thirds (2/3) of the Class A membership or two-thirds (2/3) of the Class B membership are not present in person or by proxy, members not present may give their written assent to the action taken thereat. Such annexation shall be effectuated by filing for record among the Land Records of Loudoun County, Virginia, a Supplemental Declaration with respect to such additional land.

Section 3. Additions to The Properties by Declarant. Notwithstanding the provisions of Section 2 of this Article IV, if the Declarant, its successors and assigns, should develop additional lands contiguous to the Properties; such additional lands may be annexed to the Properties at any time prior to the expiration of seven (7) years after the date of this Declaration without the assent of the Class A members by filing for record among the Land Records of Loudoun County, Virginia, a Supplemental Declaration with respect to such additional lands; provided, however that the development of the additional lands described in this section shall be in accordance with a general plan submitted to the Federal Housing Administration and the Veterans Administration with the processing papers for the first section. Detailed plans for the development of additional lands must be submitted to the FHA or the VA determines that such plans are not in accordance with the general plan on file and either agency so advises the Association and the Declarant, the annexation of the additional lands to the Properties must have the assent of two-thirds (2/3) of the Class A members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting. At this meeting the presence of members or of proxies entitled to cast sixty percent (60%) of all of the Class A membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirements set forth above and the required quorum and shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 4. Effect of Annexation. In the event that any additional lands are annexed to the Properties pursuant to Section 2 or Section 3 of this Article IV, (a) such additional land shall be considered within the definition of “The Properties” for all purposes of this declaration, and (b) all voting of each class of the membership of the Association, and all voting by the owners hereunder, shall be aggregated as a single
vote, it being intended that any voting requirements need not be fulfilled separately for the real property subject to this Declaration and for each tract of additional lands described in a Supplemental Declaration.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien 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 to the Association; (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's 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 attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

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

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an owner, the maximum annual assessment shall be Thirty Dollars ($30.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for 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 annual assessment may be increased above five percent by a vote of two-thirds (2/3) of the total 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 annual assessment at an amount not in excess of the maximum.

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

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under section 3 or 4 shall be sent to all members not less than thirty (30) days no more than sixty (60) days in advance of the meeting. At the first such meeting called, the present of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum shall be one-half (1/2) of the required quorum at the preceding meeting.

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

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner thereto. The due dates shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Associate as of the date of its issuance.

Section 8. Effect of Nonpayment 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 six percent (6%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien 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 herein shall be subordinate to the lien of any first mortgage. Sale of 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 VI
ARCHITECTURAL CONTROL

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

ARTICLE VII
PROTECTIVE COVENANTS AND RESTRICTIONS

In order to conserve the natural beauty of the subdivided property, to insure its best use and most appropriate development, and to prevent the erection of poorly designed and constructed improvements, the entire area hereinabove described, except as herein provided shall be subject to the following protective covenants and restrictions hereinafter referred to as The General Covenants:

1. All lots in the tract shall be known and described as residential lots and no structures shall be erected, altered, placed or permitted to remain on any residential building plot other than one detached, single-family dwelling not to exceed two and one-half stories in height and a private garage for not more than two cars. No noxious or offensive trade or activity shall he carried on upon any lot or shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

2. All of said lots and yards shall be maintained in a neat and attractive manner so as not to detract from the appearance of the above-described development.

3. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently.

4. No sign of any kind shall be displayed to the public (view on any lot except one professional sign of not more than one square foot, one sign of not more than five square feet, advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.
(5) No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that two
dogs, two cats or other household pets may be kept provided they are not kept, bred or maintained for
commercial purposes.

(6) No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste
shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or
disposal of such material shall be kept in a clean and sanitary condition. Trash or garbage receptacles
shall not be visible from front of house.

(7) Easements for installations and maintenance of utilities, including sanitary and storm sewer lines, are
reserved over the side and rear five feet of each lot.

(8) No trucks or trailers shall be stored or parked on any of said lots, nor shall any trucks or trailers be
parked on any of the streets in said subdivision by the owners, lessees or other occupants of said lots.

(9) No drying of any wet clothes or airing of any garment or bedding shall be permitted to be done
outside of the house located on any lot in the subdivision except within the rear yard area and except on
Monday through Friday between the hours of 9:00 a.m. and 3:00 p.m. Clotheslines must be removed or
retracted when not in use.

(10) Forest Ridge, Ltd., or its successors, reserves the right to amend, modify or vacate any of the
protective covenants or restrictions contained in ARTICLE VII, whenever the circumstances, in the
opinion of Forest Ridge, Ltd., or its successors, so deems such amendments, modifications or vacations
advisable; otherwise, such covenants are to run with the land and shall be binding upon all parties
claiming under them in accordance with the provisions of Section 3 of ARTICLE VIII.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any
proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and 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 and bind the
land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall
be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions, and Restrictions.

Section 5. Dissolution of Association. In the event of dissolution of the Association, in accordance with the terms of its Articles of incorporation, each Lot shall continue to be subject to the annual assessment specified in Section 1 of Article V hereof, and each Owner shall continue to be personally obligated for such assessment, to the extent that such assessments are required to enable to grantee of the real property owned by the Association to properly maintain it. In no event, however, shall the assessment exceed the amount that would otherwise be payable to the Association in accordance with the provisions of Section 3 of Article V hereof.

IN WITNESS WHEREOF, FOREST RIDGE, LTD., being the Declarant herein, has caused this writing to be signed by its

President, and its Corporate Seal to be hereto affixed, duly attested by its Secretary, this -

27th day of March, 1977