



Hethwood

HETHWOOD FOUNDATION
BY-LAWS AND DECLARATION OF
COVENANTS, CONDITIONS
AND RESTRICTIONS

HETHWOOD FOUNDATION, INC.
750 Hethwood Blvd., 100 H
Blacksburg, Va. 24060

Phone 540/552-5252

BY-LAWS
OF
HETHWOOD FOUNDATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Hethwood Foundation, Inc., hereinafter referred to as the "Corporation". The principal office of the corporation shall be located at 500 Hunt Club Road, Blacksburg, Montgomery County, Virginia, 24060.

ARTICLE II
DEFINITIONS

SECTION 1. "Corporation" shall mean and refer to Hethwood Foundation, Inc., its successors and assigns.

SECTION 2. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Clerk's Office of the Circuit Court of the County of Montgomery, Virginia.

SECTION 3. "Properties" shall mean and refer to that certain real property described in the Declaration and such additions as may hereafter be brought within the jurisdiction of the Corporation.

SECTION 4. "Community Properties" shall mean and refer to all land, improvements and other properties heretofore or hereafter owned or in the possession of the individual homes associations to be possibly set up at a later date.

SECTION 5. "Common Properties" shall mean and refer to all land, improvements and other properties heretofore or hereafter owned or in the possession of the Hethwood Foundation, Inc.

SECTION 6. "Multifamily Structure" shall mean and refer to any parcel or plot of land and the improvements thereon containing two or more separate living units, each of which is intended for occupancy by a single family.

SECTION 7. "Living Unit" shall mean and refer to any structure, or part thereof, of a multifamily structure designed and built for occupancy as a single family residence and shall include single family residence and shall include single family detached residences, townhouses and apartments.

SECTION 8. "Rental Unit" shall mean and refer to any portion of a multifamily structure which is intended for use and occupancy as a single family residence.

SECTION 9. "Lot" shall mean and refer to any numbered plot of land shown on the aforesaid plat entitled Mission Hill, dated May 16, 1972, and of record in the said Clerk's Office in Plat 6, Page 176, and on any other plat subsequently made subject to this Declaration, but shall not include any plot otherwise designated, any of the Common Area, or any Multifamily Structure.

SECTION 10. "Member" shall mean and refer to those described in the first sentence of Article III hereof.

SECTION 11. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, Living Unit, or Rental Unit 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 12. "Declarant" shall mean and refer to the Corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot for the purpose of development. The development of a Lot shall mean and refer to the construction of a residence thereon.

SECTION 13. "Access Area" shall mean and refer to the area or areas designated as such on plats of Hethwood and all additions thereto made in accordance with Article II of the Declaration.

ARTICLE III MEMBERSHIP

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

SECTION 2. SUSPENSION OF MEMBERSHIP RIGHTS. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Corporation, the voting rights and right to use of the recreational facilities of such member may be suspended by the Board of Directors (or any committee duly appointed by the Board of Directors) until such assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area and facilities.

ARTICLE IV PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

SECTION 1. Each member shall be entitled to the use and enjoyment of the Common Area and facilities as provided in the Declaration. Any member may delegate his rights of enjoyment of the Common Area and facilities to the members of his family, his tenants or contract purchasers, who reside on the property. Such member shall notify the secretary in writing of the name or names of any delegate (s). The rights and privileges of such delegate or delegates are subject to suspension to the same extent as those of the member.

ARTICLE V BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

SECTION 1. NUMBER. The affairs of this Corporation shall be managed by a Board of nine (9) Directors, who need not be members of the Corporation.

SECTION 2. ELECTION. At the first annual meeting the members shall elect three Directors for a term of one year, three Directors for a term of two years and three Directors for a term of three years; and at each annual meeting thereafter the members shall elect three Directors for a term of three years.

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

SECTION 4. COMPENSATION. No Director shall receive compensation for any service he may render to the Corporation. However, any Director may be reimbursed for his actual out-of-pocket expenses incurred in the performance of his duties.

SECTION 5. ACTION TAKEN WITHOUT A MEETING. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VI MEETINGS OF DIRECTORS

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

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

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

ARTICLE VII NOMINATION AND ELECTION OF DIRECTORS

SECTION 1. NOMINATION. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more other persons who are members of the Corporation or members of the Board of Directors. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

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

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1. POWERS. The Board of Directors shall have power to:

(a) appoint and remove officers of the Corporation and establish their compensation, if any;

(b) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties within the limits set out in the Declaration and the Articles of Incorporation for the infraction thereof;

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

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

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

SECTION 2. DUTIES. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting, when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers of this Corporation and to see that their duties are properly performed;

(c) as more fully provided herein, and in the Declaration, to: (1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, as hereinafter provided in Article XI, and

(2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

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

(e) procure and maintain liability, hazard or other insurance for the protection of the Corporation and its property;

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

(g) cause the Common Area to be maintained.

ARTICLE IX

OFFICERS AND THEIR DUTIES

SECTION 1. The Corporation shall have a president and a vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

SECTION 2. ELECTION OF OFFICERS. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

SECTION 3. TERM. The officers of this Corporation shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

SECTION 4. SPECIAL APPOINTMENTS. The Board may elect such other officers as the affairs of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board, may, from time to time, determine.

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

SECTION 6. VACANCIES. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

SECTION 7. MULTIPLE OFFICES. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

SECTION 8. DUTIES. The duties of the officers are as follows:

PRESIDENT

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

VICE-PRESIDENT

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

SECRETARY

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

TREASURER

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Corporation; keep proper books of account; cause an annual audit of the Corporation books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the members.

ARTICLE X COMMITTEES

SECTION 1. The Corporation shall appoint a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes, such as (but not limited to):

(a) A RECREATION COMMITTEE which shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Corporation and shall perform such other functions as the Board, in its discretion, determines;

(b) A MAINTENANCE COMMITTEE which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Area and the Access Area and shall perform such other functions as the Board, in its discretion, determines;

(c) A PUBLICITY COMMITTEE which shall inform the members of all activities and functions of the Corporation, and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interests of the Corporation;

(d) An ARCHITECTURAL COMMITTEE which shall approve or disapprove any additions or alterations to the building exteriors, including fences, walls, walks and any type of outbuilding; and,

(e) An AUDIT COMMITTEE which shall supervise the annual audit of the Corporation's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting. The Treasurer shall be an ex officio member of the Committee.

SECTION 2. It shall be the duty of each committee to receive complaints from members on any matter involving Corporate functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Corporation as is further concerned with the matter presented.

ARTICLE XI MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETINGS. The annual meeting of the members shall be held on the third Monday of October of each year at the hour of 8 o'clock, p.m.

SECTION 2. SPECIAL MEETINGS. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership or who are entitled to vote one-fourth (1/4) of the votes of the Class A membership.

SECTION 3. NOTICE OF MEETINGS. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, either personally or by mailing a copy of such notice, postage prepaid, not less than ten (10) nor more than fifty (50) days before the date of such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Corporation, or supplied by such member to the Corporation for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. If the applicable

statutes of the State of Virginia require a longer period of notice, such statutory requirement shall apply.

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

SECTION 5. PROXIES. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot, Living Unit or Multifamily Structure.

ARTICLE XII ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. By the Declaration each member is deemed to covenant and agree to pay to the Corporation: (1) annual assessments or charges, and (2) special assessments for capital improvements. Each living unit shall be subject to the said annual assessments and special assessments for capital improvements which shall, together with interest thereon and cost of collection thereof, attach to and be a continuing lien, on the lot, plot or site upon which the living unit exists. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was then 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 Corporation shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Properties through the ownership, improvement, operation and maintenance of the Common Area and the facilities thereon.

SECTION 3. BASIS AND MAXIMUM OF ANNUAL ASSESSMENTS. Until January 1 of the year immediately following the conveyance of the first Lot or Living Unit to an Owner, the maximum annual assessment shall be Sixty Dollars (\$60.00) per Living Unit. The assessment on unimproved Lots, plots or sites or improved lots with no occupied living units thereon shall be Fifteen Dollars (\$15.00) per Living Unit.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot or Living Unit to any Owner, the maximum annual assessment may be increased not more than five percent (5%) effective January 1 of each year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot or Living Unit to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of the Members for the next succeeding three (3) years and at the end of each such period of three (3) years, for each succeeding period of three (3) years, provided that any such change shall have the assent of more than 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, 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.

(c) After consideration of current operating and maintenance costs and future needs of the Corporation, 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 assessments authorized above, the Corporation 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 described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of more than 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, 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; and provided further that no such special assessment shall exceed an amount equal to twice the then current maximum annual assessment.

SECTION 5. RATE OF ASSESSMENT. Both annual and special assessments must be fixed at the same rate for all Living Units and may be collected on a monthly basis. Notwithstanding anything in the Declaration to the contrary, where only one Living Unit is constructed on a Lot, no more than the equivalent of one full assessment shall be imposed against such Lot and Living Unit.

SECTION 6. QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4. At the first meeting called, as provided in Sections 3 and 4 hereof, the presence at the meeting 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 forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 3 and 4, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

SECTION 7. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATES. The annual assessments provided for herein shall commence as to all Lots, Living Units and Rental Units, 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 of the Corporation shall fix the amount of the annual assessment against each Lot, Living Unit and Rental Unit Structure at least thirty (30) days in advance of each annual assessment period; but in the absence of such action by the Board of Directors the annual assessment shall be in the amount last fixed. 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 Corporation shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Corporation setting forth whether the assessments on a specified Lot, Living Unit or Multifamily Structure have been paid. A reasonable charge may be made by the Board of the issuance of these certificates. Such certificate shall be conclusive evidence of a payment of any assessment therein stated to have been paid.

SECTION 8. EFFECTS OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE CORPORATION. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within ten (10) days after

the due date, the assessment shall bear interest from the due date at the rate of six percent (6%) per annum, and the Corporation may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and in either case, interest, costs and reasonable attorney's fees incurred shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot, Living Unit, Rental Unit or Multifamily Structure.

SECTION 9. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on any Lot, Living Unit, Rental Unit, or Multifamily Structure. Foreclosure of any such first mortgage or first deed of trust shall extinguish such lien for assessments due prior to such foreclosure (and such lien shall attach to any excess proceeds of the foreclosure) and no such foreclosure shall relieve such Lot, Living Unit or Rental Unit from liability for any assessments thereafter becoming due or from the lien thereof.

SECTION 10. EXEMPT PROPERTY. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all Properties dedicated to and accepted by a local public authority; (b) the Common Area; however, no land or improvements devoted to dwelling use shall be exempt from said assessments; (c) the maximum annual assessment for Class B membership shall not be less than 25% of Class A membership for any undeveloped lot or any lot superimposed by an unoccupied and unsold dwelling.

ARTICLE XIII

BOOKS AND RECORDS

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

ARTICLE XIV

CORPORATE SEAL

The Corporation shall have a seal in circular form having within its circumference the words: HETHWOOD FOUNDATION, INC.

ARTICLE XV

AMENDMENTS

SECTION 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

SECTION 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

SECTION 3. As long as there is Class B membership the Federal Housing Administration and Veterans Administration may veto any amendments.

THIS DOCUMENT WAS RECORDED IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF MONTGOMERY COUNTY, VIRGINIA, ON JANUARY 8, 1973, IN DEED BOOK 330, PAGE 529.

**DECLARATION
OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF
HETHWOOD FOUNDATION, INC.**

THIS DECLARATION, made this 15th day of December, 1972, by THE SNYDER-HUNT CORPORATION, hereinafter called "Declarant", and DOYLE E. HULL and ROBERT W. HEHL, Trustees, and VIRGINIA NATIONAL BANK, Noteholder, and FRANK W. ROGERS JR. and W. H. FRALIN, Trustees, and HENRY HETH and MARY ANN H. HETH, Noteholders;

W I T N E S S E T H :

WHEREAS, Declarant is the owner of the real property described in Article II of this Declaration and desires to create thereon an exclusive residential community to be named "HETHWOOD" with permanent parks, playgrounds, open spaces, streets, roads, walkways and other facilities for the benefit of the said community through the granting of specific rights, privileges and easements of enjoyment which may be shared and enjoyed by all residents of HETHWOOD; and,

WHEREAS, the above named Trustees and Noteholders have a pecuniary interest in the said real estate, they join in this document to signify their consent; and,

WHEREAS, Declarant desires that some parks, playgrounds, open spaces, streets, roads, walkways and other facilities be owned and maintained exclusively for the benefit of each local community and be designated "COMMUNITY PROPERTIES" and that other areas and facilities be owned and maintained for the benefit of the larger community and be designated "COMMON PROPERTIES"; and,

WHEREAS, Declarant has deemed it desirable for the efficient preservation, protection and enhancement of the values and amenities in Hethwood and to insure the residents' enjoyment of the specific rights, privileges and easements in the Community and Common Properties and facilities, to create organizations to which should be delegated and assigned the powers of owning, maintaining and administering the Community and Common Properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and,

WHEREAS, Declarant has incorporated under the laws of the State of Virginia, as a non-profit corporation, HETHWOOD FOUNDATION, INC., for the purpose of exercising the functions aforesaid within the said larger community known as Hethwood;

NOW THEREFORE, the Declarant declares that the real property described in Article II, and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

**ARTICLE I
DEFINITIONS**

SECTION 1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Hethwood" shall mean and refer to all properties described as follows:

Situated in the Price's Fork Magisterial District of Montgomery County, Virginia:

PARCEL ONE

BEGINNING at an iron rod standing in the north line of Cedar Drive and being the southeast corner of Lot Number One (1); thence leaving said point and with the said Cedar Drive N 89° 48' 52" W 459.22 feet to an iron rod, the P. C. of a curve to the right, which curve is defined by: a delta of 1° 30', a radius of 666.92 feet, and a length of 17.46 feet; thence with the chord of said curve N 89° 03' 52" W 17.46 feet to an iron rod, and which rod is the southwest corner of Lot Number Fourteen (14); thence leaving Cedar Drive N 4° 15' 56" E 102.31 feet to a rod; thence N 24° 54' 17" E 30.87 feet to an iron rod; thence N 41° 09' 21" E 179.30 feet to an iron rod; thence N 26° 56' 47" E 71.21 feet to an iron rod; thence N 21° 35' 52" E 72.62 feet to an iron rod; thence N 30° 13' 58" E 174.77 feet; thence S 38° 54' 26" E 156.43 feet to an iron rod; thence N 54° 04' 30" E 5.00 feet to a point in the right of way line of Ash Drive; thence with Ash Drive on a curve with the same a length of 10.00 feet to an iron rod; thence leaving Ash Drive N 54° 04' 30" E 5.00 feet to an iron rod; thence S 28° 43' 57" E 137.04 feet to an iron rod; thence S 28° 17' 36" W 184.32 feet to an iron rod; thence S 57° 11' 58" E 48.53 feet to an iron rod; thence S 89° 48' 52" E 68.00 feet to an iron rod; thence S 0° 11' 08" W 110.00 feet to an iron rod, the point of BEGINNING, and being shown as Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13) and Fourteen (14) and Ash Drive on a map of Mission Hill, recorded in the Clerk's Office of the Circuit Court of Montgomery County, Virginia, in Plat Book 6, Page 176.

PARCEL TWO

BEGINNING at a point on the east right of way line of Cedar Drive, said point being the southwest corner of Lot Number

Thirty-Nine (39); thence with Cedar Drive N 24° 08' 44" E 210.62 feet to an iron rod, the P. C. of a curve to the right and which curve is defined by: a delta of 130° 49' 09", a radius of 40.00 feet and a length of 91.33 feet; thence with chord of said curve N 18° 44' 10" E 72.74 feet to the P. C. of said curve; thence leaving Cedar Drive N 36° 08' 44" E 5.00 feet to an iron rod; thence S 52° 18' 27" E 135.98 feet to an iron rod; thence S 37° 59' 21" W 68.45 feet to an iron rod; thence S 24° 08' 44" W 178.00 feet to an iron rod; thence N 65° 51' 16" W 110.00 feet to an iron rod; the point of BEGINNING, and being shown as Lots Thirty-Nine (39), Forty (40) and Forty-One (41) on a map of Mission Hill, recorded in the said Clerk's Office in Plat Book 6, Page 176.

PARCEL THREE

BEGINNING at an iron rod in the north line of Cedar Drive and said rod being the southeast corner of Lot Number One (1); thence leaving Cedar Drive N 0° 11' 08" E 110.00 feet to an iron rod; thence N 89° 48' 52" W 68.00 feet to an iron rod; thence N 57° 11' 58" W 48.53 feet to an iron rod; thence N 28° 17' 36" E 184.32 feet to an iron rod; thence N 28° 43' 57" W 137.04 feet to an iron rod; thence S 54° 04' 30" W 5.00 feet to a point in the line of Ash Drive; thence on a curve with Ash Drive a length of 10.00 feet to an iron rod; thence leaving Ash Drive N 54° 04' 30" E 5.00 feet to an iron rod; thence N 38° 54' 26" W 156.43 feet to an iron rod; thence N 30° 13' 58" E 25.98 feet to a point in the west line of Heather Drive on a curve to the right and which curve is defined by: a delta of 16° 28' 56", a radius of 540.00 feet and a length of 155.34 feet; thence with chord of said curve S 39° 17' 03" E 154.81 feet to the P. T. of said curve; thence S 31° 02' 35" E 82.33 feet to the P. C. of a curve to the right and which curve is defined by: a delta of 31° 13' 44", a radius of 440.00 feet and a length of 239.82 feet; thence with the chord of said curve S 15° 25' 44" E 236.87 feet to the P. T. of said curve; thence S 0° 11' 08" W 127.65 feet to the P. C. of a curve to the right and which curve is defined by: a delta of 90°, a radius of 25 feet and a length of 39.27 feet; thence with the chord of said curve S 45° 11' 08" W 35.36 feet to the P. T. of said curve, the point of BEGINNING, and being shown as "Common Area" adjoining Lots One (1), Five (5), Six (6), Seven (7) and Eight (8) on a map of Mission Hill, recorded in the said Clerk's Office in Plat Book 6, Page 176.

PARCEL FOUR

BEGINNING at an iron rod which is the northernmost corner of Lot Number Forty-One (41); thence N 36° 08' 44" E 25.54 feet to a point in the south line of Heather Drive; thence with Heather Drive and on a curve to the left and which curve is defined by: a delta of 10° 53' 53", a radius of 720.68 feet and a length of 137.08 feet; thence with chord of said curve S 50° 08' 17" E 136.87 feet to the P. T. of said curve; thence leaving

Heather Drive S 37° 59' 21" W 20.35 feet; thence N 52° 18' 27" W 135.98 feet to the point of BEGINNING, and being shown as "Common Area" adjoining Lot Forty-One (41) on Heather Drive on a map of Mission Hill, recorded in the said Clerk's Office in Plat Book 6, Page 176.

PARCEL FIVE

BEGINNING at an iron rod in the right of way of Capistrano St., N. W., corner to the lots of Mission Hill; thence with said right of way 184.05 feet along a curve to the right, which curve has a radius of 666.92 feet, a delta of 15° 48' 43", and a chord of 183.47 feet, to an iron rod marking the beginning of the right of way of Terra Bella St., N. W.; thence across said Terra Bella St., N. W. with a line N 71° 33' 12" W 93.61 feet to an iron rod in the right of way of Capistrano St., N. W.; thence with said right of way 77.16 feet along a curve to the right, which curve has a radius of 671.92 feet, a delta of 6° 34' 47", and a chord of 77.16 feet to an iron rod; thence with these lines of the lots of Section II: N 25° 17' 21" E 128.84 feet to an iron rod; N 50° 22' 32" E 167.28 feet to an iron rod; N 42° 24' 38" E 70.43 feet to an iron rod; N 28° 14' 44" E 130.26 feet to an iron rod; N 24° 08' 44" E 168.00 feet to an iron rod; N 37° 59' 21" E 68.45 feet to an iron rod; these being the rear lines of Lots Thirty-Two (32) through Twenty-Four (24) respectively; thence two more lines of Lot Twenty-Four (24): S 61° 19' 00" E 115.19 feet to an iron rod; S 24° 35' 53" W 5.00 feet to an iron rod in the right of way line of the cul-de-sac of Terra Bella St., N. W.; thence with said right of way 10.03 feet along a curve to the right, which curve has a radius of 40.00 feet, a delta of 14° 21' 42", and a chord of 10.00 feet, to an iron rod in the line of Lot Twenty-Three (23); thence with two lines of Lot Twenty-Three (23): N 24° 35' 53" E 5.00 feet to an iron rod; S 50° 55' 46" E 138.91 feet to an iron rod; S 50° 55' 46" E 138.91 feet to an iron rod; thence with these lines of the lots of Section II: S 30° 13' 58" W 174.77 feet to an iron rod; S 21° 35' 52" W 72.62 feet to an iron rod; S 26° 56' 47" W 71.21 feet to an iron rod; S 41° 09' 21" W 179.30 feet to an iron rod; S 24° 54' 07" W 30.87 feet to an iron rod; S 04° 15' 56" W 102.31 feet to an iron rod, the point of BEGINNING; these being the rear lines of Lots Twenty-Three (23) through Seventeen (17) and Lot Fifteen (15) respectively, and being shown as Lots Fifteen (15) through Thirty-Two (32), inclusive, on a map of Mission Hill, Section II, which map is of record in the said Clerk's Office in Plat Book 6, Page 207.

PARCEL SIX

BEGINNING at an iron rod at the eastern corner of Lot Twenty-Three (23); thence with a line of said Lot Twenty-Three (23), N 50° 55' 46" W 138.91 feet to an iron rod; thence with another line of Lot Twenty-Three (23); S 24° 35' 53" W 5.00

feet to an iron rod in the right of way line of the cul-de-sac of Terra Bella, N. W.; thence with said right of way 10.03 feet along a curve to the left, which curve has a radius of 40.00 feet, a delta of 14° 21' 42", and a chord of 10.00 feet to an iron rod at the corner of Lot Twenty-Four (24); thence with two lines of said Lot Twenty-Four (24), N 24° 35' 53" E 5.00 feet to an iron rod; N 61° 19' 00" W 115.19 feet to an iron rod; thence N 37° 59' 21" E 20.35 feet to a point in the right of way line of Heather Drive; thence with said right of way line 82.53 feet along a curve to the left, which curve has a radius of 720.68 feet, a delta of 6° 33' 42", and a chord of 82.49 feet to an iron rod; thence S 62° 08' 56" E 40.26 feet to an iron rod; thence 137.82 feet along a curve to the right, which curve has a radius of 540.00 feet; a delta of 14° 37' 23", and a chord of 137.45 feet, to a point; thence leaving said right of way of Heather Drive S 30° 13' 58" W 25.98 feet to the point of BEGINNING, and being shown as Common Area on a map of Mission Hill, Section II, which map is of record in the said Clerk's Office in Plat Book 6, Page 207.

PARCEL SEVEN

BEGINNING at an iron rod in the eastern right of way line of Hethwood Blvd.; thence 38.22 feet along a curve to the left, which curve has a radius of 657.29 feet, a delta of 3° 19' 17", a chord of 38.21 feet, and a chord bearing N 9° 04' 06" W to an iron rod marking a point of reverse curvature; thence leaving the right of way of Hethwood Blvd. with said curve to the right 32.17 feet, which curve has a radius of 25.00 feet, a delta of 73° 43' 44", a chord of 30.00 feet, and a chord bearing N 26° 08' 08" E to an iron rod; thence with a line, which is to be the southern side of a 50 foot right of way to be dedicated to the use of the public at a later date, N 63° 00' 00" E 138.39 feet to an iron rod marking the point of curvature of a curve to the left; thence with said curve, which curve has a radius of 93.10 feet, a delta of 54° 24' 15", a chord of 85.12 feet, and a chord bearing N 35° 47' 53" E, 88.40 feet to an iron rod; thence N 8° 35' 45" E 19.79 feet to an iron rod; thence N 63° 00' 00" E 316.71 feet to an iron rod; thence S 27° 00' 00" E 115.00 feet to an iron rod; thence S 36° 11' 44" W 77.15 feet to an iron rod; thence S 8° 35' 45" W 86.98 feet to an iron rod; thence N 81° 24' 15" W 141.00 feet to an iron rod; thence S 8° 35' 45" W 130.50 feet to an iron rod; thence S 81° 24' 15" E 43.00 feet to an iron rod; thence S 8° 35' 45" W 205.00 feet to an iron rod; thence N 81° 24' 15" W 205.50 feet to an iron rod; thence N 8° 25' 45" E 158.95 feet to an iron rod; thence N 81° 24' 15" W 134.11 feet to an iron rod, the point of BEGINNING, and containing 129,024.3 square feet or 2.9620 acres, more or less, all according to a map entitled "Map of Hethwood Common Area (Swimming Pool, Tennis Courts, Community Center)", which map is soon to be placed of record in the said Clerk's Office.

(b) "Community Properties" shall mean and refer to all land, improvements and other properties heretofore or hereafter owned or in the possession of the individual homes associations to be possibly set up at a later date.

(c) "Common Properties" shall mean and refer to all land, improvements and other properties heretofore or hereafter owned or in the possession of the Hethwood Foundation, Inc. for the common use and enjoyment of the Owners. The Common Area to be owned by the Corporation at the time of the conveyance of the first lot is described as Parcels Three, Four, Six and Seven described in Article I, Section 1 (a) above.

(d) "Properties" shall mean and refer to that certain real property described in the Declaration and such additions as may hereafter be brought within the jurisdiction of the Corporation (Hethwood Foundation, Inc.).

(e) "Multifamily Structure" shall mean and refer to any parcel or plot of land upon which a building containing two or more independent units, each of which is intended for occupancy by a single family, is situated.

(f) "Living Unit" shall mean and refer to any portion of a multifamily structure which has been conveyed to a purchaser for use and occupancy by such purchaser as a single-family residence and shall include single-family units in condominiums and townhouses.

(g) "Rental Unit" shall mean and refer to any portion of a multifamily structure which is intended for use and occupancy as a single-family residence other than a Living Unit.

(h) "Lot" shall mean and refer to any numbered plot of land shown on the aforesaid plat entitled Mission Hill, dated May 16, 1972, and of record in the said Clerk's Office in Plat Book 6, Page 176, but shall not include any plot otherwise designated, any of the Common Area, or any Multifamily Structure.

(i) "Member" shall mean and refer to those described in the first sentence of Article III of the By-Laws.

(j) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, Living Unit, or Rental Unit 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.

(k) "Declarant" shall mean and refer to the Snyder-Hunt Corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot for the purpose of development. The development of a Lot shall mean and refer to the construction of a residence thereon.

(l) "Access Area" shall mean and refer to the area or areas designated as such on the various maps of Hethwood.

(m) "General Plan of Development" shall mean and refer to the general plan on display in the sales pavilion and submitted to the Federal Housing Administration in January, 1972.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION:

ADDITIONS THERETO

SECTION 1. EXISTING PROPERTY. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in the community of Hethwood in Montgomery County, Virginia, and is more particularly described by metes and bounds in Article I, Section 1 (a) above.

SECTION 2. ADDITIONS INCLUDED WITHIN HETHWOOD FOUNDATION, INC. Additional land within the area described as now or formerly Henry Heth land described in Deed Books _____, Pages _____, of the land records of the Clerk's Office of the Circuit Court of Montgomery County, Virginia, may be annexed by the Declarant without the consent of the members within fifteen (15) years of the date of this instrument provided that the F.H.A. and the V.A. determine that the annexation is in accord with the general plan heretofore approved by them.

SECTION 3. MERGERS. Upon a merger or consolidation of the Hethwood Foundation, Inc. with another organization as provided in its By-Laws, its properties, rights and obligations may be transferred to another surviving or consolidated homes corporation or, alternatively, the properties, rights and obligations of another homes corporation may, by operation of law, be added to the properties, rights and obligations of the Hethwood Foundation, Inc. as a surviving corporation pursuant to a merger. The surviving or consolidated homes corporation may administer the covenants and restrictions established by this Declaration within the Existing Property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the Existing Property except as hereinafter provided.

ARTICLE III MEMBERSHIP

Every person (or entity) who is a record Owner of a fee (or undivided fee interest in any Lot), Living Unit or Owner of a Rental Unit which is subject by this Declaration to assessment by the Corporation, including contract sellers, shall be a member of the Corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot, Living Unit or Rental Unit, which is subject to assessment by the Corporation. Ownership of such Lot, Living Unit or Rental Unit, shall be the sole qualification for membership.

ARTICLE IV VOTING RIGHTS

Hethwood Foundation, Inc. shall have two classes of membership:

CLASS A. Class A members shall be all those Owners as defined in ARTICLE III with the exception of the Declarant (as defined in the Declaration). Class A members shall be entitled to one vote for each Lot and one vote for each Living Unit in which they hold the interest required for membership by ARTICLE III and one vote for each Rental Unit in which they hold the interest required for membership by ARTICLE III; provided, however, that, where only one Living Unit is constructed on a Lot, a member shall only be entitled to one vote for such Lot and Living Unit. When more than one person holds such interest in any Lot, Living Unit or Rental Unit, all such persons shall be members, and the vote or votes for such Lot, Living Unit or Rental Unit, shall be exercised as the majority of such persons among themselves determine (at any

meeting of the members, a representation by any of such persons that a majority of such persons have agreed as to the vote or votes for such Lot, Living Unit or Rental Unit shall be conclusive unless another of such persons contests such representation at such meeting prior to the casting of such vote or votes).

CLASS B. The Class B member (s) shall be the Declarant (as defined in the Declaration). The Class B member (s) shall be entitled to three (3) votes for each Lot, Living Unit and Rental Unit, provided that the Class B membership shall cease and be converted to Class A membership (a) when the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, or (b) on January 1, 1979, whichever first shall occur. In the event any owner of a lot ceases to occupy that lot as his own personal residence and permits a rental tenant to occupy that lot, or any other lot upon which a Multifamily structure has been built, the owners of such rental property shall not be entitled to a weight greater than 49% of any vote on any matter pending before the Corporation if such weight is accumulated in a block.

ARTICLE V PROPERTY RIGHTS IN THE COMMON PROPERTIES (HETHWOOD FOUNDATION, INC.)

SECTION 1. MEMBERS' EASEMENTS OF ENJOYMENT. Subject to the provisions of Sections 2 and 3 of Article V, every Member of the Hethwood Foundation, Inc. shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to every Private Dwelling Unit and Multifamily Rental Unit within Hethwood which is subject to these covenants and restrictions.

SECTION 2. EXTENT OF MEMBERS' EASEMENTS. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Hethwood Foundation, Inc., in accordance with its Articles, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage or otherwise burden or encumber said properties. In the event of a default upon any such mortgage or other burden or encumbrance, the lender shall have a right, after taking possession of such properties (where such right to possession exists), to charge admission and other fees as a condition to continued enjoyment of such properties to a wider public until the mortgage or other debt is satisfied whereupon the possession of such properties shall be returned to the Hethwood Foundation, Inc. and all rights of the Members hereunder shall be fully restored; and,

(b) The right of the Hethwood Foundation, Inc. to take such steps as are reasonably necessary to protect the above-described properties against foreclosure; and,

(c) The right of the Hethwood Foundation, Inc. as provided in its By-Laws, to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction of its published rules and regulations; and,

(d) The right of the Hethwood Foundation, Inc. to dedicate or transfer all or any part of the Common Properties to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless approved by the assent of two-thirds (2/3) of the total votes of each class of Members of those

voting upon written ballot which shall be sent to all Members at least thirty (30) days in advance of the canvass thereof and which shall set forth the reasons for such proposed action; and,

(e) The right of the Hethwood Foundation, Inc. to grant such easements and rights of way to such utility companies or public agencies or authorities as it shall deem necessary for the proper service and maintenance of the privately owned Common Properties.

SECTION 3. EXTENSION OF RIGHTS AND BENEFITS. Every Member of the Hethwood Foundation, Inc. shall have the right to extend the rights and easements of enjoyment vested in him under this Article to each of his tenants and to each member of his family who resides with him within Hethwood and to such other persons as may be permitted by the Foundation.

ARTICLE VI

COVENANTS FOR MAINTENANCE ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. By the Declaration each Member is deemed to covenant and agree to pay to the Corporation: (1) annual assessments or charges, and (2) special assessments for capital improvements. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a continuing lien and charge upon each Lot, Living Unit, Rental Unit and Multifamily Structure against which each such assessment is made and sale or transfer of any such Lot, Living Unit, Rental Unit or Multifamily Structure which such Unit is a part, provided that no Living Unit shall be subject to a lien for any assessment other than an assessment levied against such Living Unit. Each such assessment, together with such interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was then the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

SECTION 2. PURPOSE OF ASSESSMENTS. The assessments levied by the Corporation shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties through the ownership, improvement, operation and maintenance of the Common Area and the facilities thereon.

SECTION 3. BASIS AND MAXIMUM OF ANNUAL ASSESSMENTS. Until January 1 of the year immediately following the conveyance of the first Lot or Living Unit to an Owner, the maximum annual assessment shall be Sixty Dollars (\$60) per Lot, Sixty Dollars (\$60) per Living Unit and Sixty Dollars (\$60) per Rental Unit, but the assessment on unimproved lots and/or unimproved lots with an unoccupied, unsold Living Unit Structure shall be twenty-five percent (25%) of the assessment on improved lots; provided, however, that notwithstanding anything in the Declaration to the contrary, where only one Living Unit is constructed on a Lot, no more than the equivalent of one full assessment shall be imposed against such Lot and Living Unit.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot or Living Unit to any Owner, the maximum annual assessment may be increased not more than five percent (5%) effective January 1 of each year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot or Living Unit to an Owner, the maximum annual

assessment may be increased above five percent (5%) by a vote of the Members for the next succeeding three (3) years and at the end of each such period of three (3) years, for each succeeding period of three (3) years, provided that any such change shall have the assent of more than 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, 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.

(c) After consideration of current operating and maintenance costs and future needs of the Corporation, 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 assessments authorized above, the Corporation 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 described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of more than 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, 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; and provided further that no such special assessment shall exceed an amount equal to twice the then current maximum annual assessment.

SECTION 5. RATE OF ASSESSMENT. Both annual and special assessments must be fixed at the same rate for all Lots and Living Units and the same rate as to all Rental Units and may be collected on a monthly basis. Notwithstanding anything in the Declaration to the contrary, where only one Living Unit is constructed on a Lot, no more than the equivalent of one full assessment shall be imposed against such Lot and Living Unit.

SECTION 6. QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4. At the first meeting called, as provided in Sections 3 and 4 hereof, the presence at the meeting 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 forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Section 3 and 4, and the required quorum at any such subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

SECTION 7. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS. DUE DATES. The annual assessments provided for herein shall commence as to all Lots, Living Units and Rental Units, 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 of the Corporation shall fix the amount of the annual assessment against each Lot, Living Unit and Rental Unit Structure at least thirty (30) days in advance of each annual assessment period; but in the absence of such action by the Board of Directors the annual assessment shall be in the amount last fixed. 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 Corporation shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Corporation setting forth whether the assessments on a specified Lot, Living Unit or Multifamily Structure have been paid. A reasonable charge may be made by the Board for the issuance of these

certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

SECTION 8. EFFECTS OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE CORPORATION. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within ten (10) days after the due date, the assessment shall bear interest at the rate of six percent (6%) per annum from the due date, and the Corporation may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and in either case, interest, costs and reasonable attorney's fees incurred shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot, Living Unit, Rental Unit or Multifamily Structure.

SECTION 9. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on any Lot, Living Unit, Rental Unit, or Multifamily Structure. Foreclosure of any such first mortgage or first deed of trust shall extinguish such lien for assessments due prior to such foreclosure (and such lien shall attach to any excess proceeds of the foreclosure) and no such foreclosure shall relieve such Lot, Living Unit or Rental Unit from liability for any assessments thereafter becoming due or from the lien thereof.

SECTION 10. EXEMPT PROPERTY. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all Properties dedicated to and accepted by a local public authority; (b) the Common Area; however, no land or improvements devoted to dwelling use shall be exempt from said assessments; (c) the maximum annual assessment for Class B membership shall not be less than 25% of Class A membership for any undeveloped lot or any lot superimposed by an unoccupied and unsold dwelling.

ARTICLE VII USE RESTRICTIONS

SECTION 1. No obnoxious or offensive trade shall be carried on upon any Lot, Living Unit or Rental Unit nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No business or profession of any kind or nature shall be carried on or practiced in any residential structure without the express written consent of the Corporation.

SECTION 2. No trailer, basement, tent, shack, garage, barn or other outbuilding erected on any Lot shall at any time be used as a residence, temporarily or permanently, nor shall any residence of temporary character be permitted. Nothing herein contained, however, shall prevent any developer in the initial development of any of the Lots from erecting a trailer, tent, shack or other temporary structure on any of the Lots during the period prior to the initial sale of such Lot to an Owner for occupancy.

SECTION 3. No building, fence, wall or other structure, including trailers, tents, shacks, garages and barns, shall be commenced, erected or maintained on any Lot, nor shall any addition to or material change or alteration thereon be made, nor any change in the present grades of said Lots be made, until plans and specifications therefor have been approved by the Corporation. In the event the Corporation fails to approve or disapprove, within sixty (60) days after plans and specifications have been submitted to it in writing, approval will not be required and the related covenants shall be deemed to have been fully complied with.

SECTION 4. No animal or livestock or poultry shall be raised on any Lot, Living Unit or Rental Unit, except that dogs and cats, not in excess of two, can be kept as household pets, but shall not be raised for commercial purposes. Additional dogs and cats born on the premises may be kept until twelve (12) weeks old.

SECTION 5. No sign of any kind shall be displayed to the public view on any Lot, except that one professional sign of not more than one square foot may be displayed and one sign of not more than five square feet may be displayed advertising the property for sale or for rent, but in no event will such sign be displayed thereon for a period of three years from the date of these covenants, unless permission is first obtained in writing from the Corporation. Nothing herein contained, however, shall prevent any developer in the initial development of any of the Lots from erecting signs of any dimension on any of the Lots for the purposes of advertising the same during the period prior to the initial sale of such Lot to an Owner for occupancy.

SECTION 6. If any person or persons shall violate or attempt to violate any of the covenants and restrictions contained in this Article VII, it shall be lawful for any Owner to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant or restriction to prevent him or them from so doing and/or to recover damages therefor.

ARTICLE VIII EASEMENTS

SECTION 1. Each Owner of any Lot containing any portion of the Access Area, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to maintain any unpaved portion of the Access Area lying within his (its) Lot by seeding, fertilizing and mowing the same. Hethwood Foundation, Inc. shall have the right to suspend the voting rights and right to use of the recreational facilities by such Owner for any period during which such area is not maintained as aforesaid. In addition the Foundation shall have the right (but not the obligation) to maintain such area during any period in which such Owner neglects or refuses to do so.

ARTICLE IX ARCHITECTURAL CONTROL COMMITTEE

SECTION 1. REVIEW OF COMMITTEE. From and after the completion of construction and first sale and settlement of a Private Dwelling Unit within Hethwood by the Declarant, its heirs, successors or assigns, no building, fence, wall or other structure shall be commenced, erected or maintained within Hethwood nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Hethwood Foundation, Inc. or by an Architectural Control Committee composed of three (3) or more persons 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 Hethwood Foundation, Inc. shall have the right to charge a reasonable fee for reviewing each application in an amount not to exceed Twenty-five Dollars (\$25). Provided that nothing herein contained shall apply to any building, fences, walls, or other structures commenced, erected, maintained or to be erected upon land within Hethwood as long as title to such land is held by the Declarant. Any such exterior addition to or change or alteration made without application having first been made and approval obtained as provided above, shall be deemed to be in violation of this covenant and may be required to be restored to the original condition at Owner's cost.

ARTICLE X

GENERAL PROVISIONS

SECTION 1. AMENDMENT. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Corporation, the Declarant or the Owner of any of the Properties, his respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first thirty (30) year period by an instrument signed by Members entitled to cast not less than ninety percent (90%) of the votes in each Class of Membership, and thereafter by an instrument signed by Members entitled to cast not less than seventy-five percent (75%) of the votes in each Class of Membership. Any amendment must be recorded.

SECTION 2. 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, mergers and consolidations, dedication of Common Area to a public authority, dissolution and amendment of these Articles.

SECTION 3. ASSIGNMENT OF RIGHTS. The Corporation shall have the right to assign any one or more of the rights granted it hereunder as to any portion of the Properties, the Common Area, or the Access Area; provided, however, that as long as there is a Class B Membership, such assignment will require the prior approval of the Federal Housing Administration and/or the Veterans Administration.

THIS DOCUMENT WAS RECORDED IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF MONTGOMERY COUNTY, VIRGINIA, ON APRIL 10, 1973 IN DEED BOOK 333, PAGE 408.

THIS CORRECTED DECLARATION, made on this 13th day of March, 1973, by THE SNYDER-HUNT CORPORATION, hereinafter called "Declarant"; DOYLE E. HULL and ROBERT W. HEHL, Trustees, and VIRGINIA NATIONAL BANK, Noteholder; FRANK W. ROGERS, JR. and W. H. FRALIN, Trustees, and HENRY HETH and MARY ANN H. HETH, Noteholders;

WITNESSETH:

WHEREAS, the Declarant prepared a document entitled "Declaration of Covenants, Conditions and Restrictions of Hethwood Foundation, Inc.," dated December 15, 1972; and recorded said document on January 8, 1973, in the Clerk's Office of the Circuit Court of Montgomery County, Virginia in Deed Book 330, Page 529;

AND WHEREAS, the said document described seven parcels of land situate in the Price's Fork Magisterial District of Montgomery County, Virginia (now also in the Town of Blacksburg);

AND WHEREAS, there were certain errors and omissions in the description of Parcels One, Five and Seven;

NOW THEREFORE, in order to correct the said errors in the description of Parcels One, Five and Seven, the Declarant, being the owner of the following described property, does hereby correct the description as follows:

PARCEL ONE

BEGINNING at an iron rod standing in the north line of Cedar Drive and being the southeast corner of Lot Number One (1); thence leaving said point and with the said Cedar Drive N 89° 48' 52" W 459.22 feet to an iron rod, the P. C. of a curve to the right, which curve is defined by: a delta of 1° 30', a radius of 666.92 feet, and a length of 17.46 feet; thence with the chord of said curve N 89° 03' 52" W 17.46 feet to an iron rod, and which rod is the southwest corner of Lot Number Fourteen (14); thence leaving Cedar Drive N 4° 15' 56" E. 102.31 feet to a rod; thence N 24° 54' 17" E 30.87 feet to an iron rod; thence N 41° 09' 21" E 179.30 feet to an iron rod; thence N 26° 56' 47" E 71.21 feet to an iron rod; thence N 21° 35' 52" E 72.62 feet to an iron rod; thence N 30° 13' 58" E 174.77 feet; thence S 38° 54' 26" E 156.43 feet to an iron rod; thence S 54° 04' 30" W 5.00 feet to a point in the right of way line of Ash Drive; thence with Ash Drive on a curve with the same a length of 10.00 feet to an iron rod; thence leaving Ash Drive N 54° 04' 30" E 5.00 feet to an iron rod; thence S 28° 43' 57" E 137.04 feet to an iron rod; thence S 28° 17' 36" W 184.32 feet to an iron rod; thence S 57° 1' 58" E 48.53 feet to an iron rod; thence S 89° 48' 52" E 68.00 feet to an iron rod; thence S 0° 11' 08" W 110.00 feet to an iron rod, the point of BEGINNING, and being shown as Lots One (1), Two (2), Three

(3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13) and Fourteen (14) on a map of Mission Hill, recorded in the Clerk's Office of the Circuit Court of Montgomery County, Virginia, in Plat Book 6, Page 176, excluding therefrom Ash Drive.

PARCEL FIVE

BEGINNING at an iron rod in the right of way of Capistrano St., N. W., corner to the lots of Mission Hill; thence with said right of way 184.05 feet along a curve to the right, which curve has a radius of 666.92 feet, a delta of $15^{\circ} 48' 43''$, and a chord of 183.47 feet, to an iron rod marking the beginning of the right of way of Terra Bella St., N. W.; thence across said Terra Bella St., N. W. with a line $N 71^{\circ} 33' 12'' W 93.61$ feet to an iron rod in the right of way of Capistrano St., N. W.; thence with said right of way 77.16 feet along a curve to the right, which curve has a radius of 671.92 feet, a delta of $6^{\circ} 34' 47''$, and a chord of 77.12 feet to an iron rod; thence with these lines of the lots of Section II: $N 25^{\circ} 17' 21'' E 128.84$ feet to an iron rod; $N 50^{\circ} 22' 32'' E 167.28$ feet to an iron rod; $N 42^{\circ} 24' 38'' E 70.43$ feet to an iron rod; $N 28^{\circ} 14' 44'' E 130.26$ feet to an iron rod; $N 24^{\circ} 08' 44'' E 168.00$ feet to an iron rod; $N 37^{\circ} 59' 21'' E 68.45$ feet to an iron rod; these being the rear lines of Lots Thirty-Two (32) through Twenty-Four (24) respectively; thence two more lines of Lot Twenty-Four (24): $S 61^{\circ} 19' 00'' E 115.19$ feet to an iron rod; $S 24^{\circ} 35' 53'' W 5.00$ feet to an iron rod in the right of way line of the cul-de-sac of Terra Bella St., N. W.; thence with said right of way 10.03 feet along a curve to the right, which curve has a radius of 40.00 feet, a delta of $14^{\circ} 21' 42''$, and a chord of 10.00 feet, to an iron rod in the line of Lot Twenty-Three (23); thence with two lines of Lot Twenty-Three (23): $N 24^{\circ} 35' 53'' E 5.00$ feet to an iron rod; $S 50^{\circ} 55' 46'' E 138.91$ feet to an iron rod; thence with these lines of Section II: $S 30^{\circ} 13' 58'' W 174.77$ feet to an iron rod; $S 21^{\circ} 35' 52'' W 72.62$ feet to an iron rod; $S 26^{\circ} 56' 47'' W 71.21$ feet to an iron rod; $S 41^{\circ} 09' 21'' W 179.30$ feet to an iron rod; $S 24^{\circ} 54' 07'' W 30.87$ feet to an iron rod; $S 04^{\circ} 15' 56'' W 102.31$ feet to an iron rod, the point of BEGINNING; these being the rear lines of Lots Twenty-Three (23) through Seventeen (17) and Lot Fifteen (15) respectively, and being shown as Lots fifteen (15) through Thirty-Two (32), inclusive, on a map of Mission Hill, Section II, which map is of record in the said Clerk's Office in Plat Book 6, Page 207, excluding therefrom Terra Bella St., N.W.

PARCEL SEVEN

BEGINNING at an iron rod in the eastern right of way line of Hethwood Blvd.; thence 38.22 feet along a curve to the left, which curve has a radius of 657.29 feet, a delta of $3^{\circ} 19' 17''$, a chord of 38.21 feet, and a chord bearing $N 9^{\circ} 04' 06'' W$ to

an iron rod marking a point of reverse curvature; thence leaving the right of way of Hethwood Blvd. with said curve to the right 32.17 feet, which curve has a radius of 25.00 feet, a delta of $73^{\circ} 43' 44''$, a chord of 30.00 feet, and a chord bearing $N 26^{\circ} 08' 08'' E$ to an iron rod; thence with a line, which is to be the southern side of a 50 foot right of way to be dedicated to the use of the public at a later date, $N 63^{\circ} 00' 00'' E 138.39$ feet to an iron rod marking the point of curvature of a curve to the left; thence with said curve, which curve has a radius of 93.00 feet, a delta of $54^{\circ} 24' 15''$, a chord of 85.12 feet, and a chord bearing $N 35^{\circ} 47' 53'' E 88.40$ feet to an iron rod; thence $N 8^{\circ} 35' 45'' E 19.79$ feet to an iron rod; thence $N 63^{\circ} 00' 00'' E 316.71$ feet to an iron rod; thence $S 27^{\circ} 00' 00'' E 115.00$ feet to an iron rod; thence $S 36^{\circ} 1' 44'' W 77.15$ feet to an iron rod; thence $S 8^{\circ} 35' 45'' W 86.98$ feet to an iron rod; thence $N 81^{\circ} 24' 15'' W 141.00$ feet to an iron rod; thence $S 8^{\circ} 35' 45'' W 130.50$ feet to an iron rod; thence $S 81^{\circ} 24' 15'' E 43.00$ feet to an iron rod; thence $S 8^{\circ} 35' 45'' W 205.00$ feet to an iron rod; thence $N 81^{\circ} 24' 15'' W 205.50$ feet to an iron rod; thence $N 8^{\circ} 35' 45'' E 158.95$ feet to an iron rod; thence $N 81^{\circ} 24' 15'' W 134.1$ feet to an iron rod, the point of BEGINNING, and containing 129,024.3 square feet or 2.9620 acres, more or less, all according to a map entitled "Map of Hethwood Common Area (Swimming Pool, Tennis Courts, Community Center)", which map is soon to be placed of record in the said Clerk's Office.

AND WHEREAS, there is a desire on the part of the Declarant to change certain of the covenants, conditions and restrictions;

NOW THEREFORE, the Declarant does hereby change the covenants, conditions and restrictions as follows:

ARTICLE I

(e) "Multifamily Structure" shall mean and refer to any parcel or plot of land and the improvements thereon containing two or more separate living units, each of which is intended for occupancy by a single family.

(f) "Living Unit" shall mean and refer to any structure or part of a structure designed and built for occupancy as a single family residence and shall include detached dwellings, attached dwellings and apartments in Multifamily Structures.

(g) "Rental Unit" shall mean and refer to any portion of a multifamily structure which is intended for use and occupancy as a single family residence.

(h) "Lot" shall mean and refer to any numbered plot of land shown on the aforesaid plat entitled Mission Hill, dated May 16, 1972, and of record in the said Clerk's Office in Plat Book 6, Page 176, and on any other plat subsequently made subject to this Declaration, but shall not include any plot otherwise designated, any of the Common Area, or any Multifamily Structure.

(i) "Member" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any lot, living unit or rental unit which is subject by this Declaration to assessment by the Corporation, including contract sellers.

ARTICLE III

On second line terminate parenthetical note after word "interest". Also place "or" between "Lot" and "Living Unit".

ARTICLE IV

Hethwood Foundation, Inc. shall have two classes of membership:

CLASS A. Class A members shall be all those Owners as defined in ARTICLE III with the exception of the Declarant (as defined in the Declaration). Class A members shall be entitled to one vote for each Lot and one vote for each Living Unit in which they hold the interest required for membership by ARTICLE III and one vote for each Rental Unit in which they hold the interest required for membership by ARTICLE III; provided, however, that, where only one Living Unit is constructed on a Lot, a member shall only be entitled to one vote for such Lot and Living Unit. When more than one person holds such interest in any Lot, Living Unit or Rental Unit, all such persons shall be members, and the vote or votes for such Lot, Living Unit or Rental Unit, shall be exercised as the majority of such persons among themselves determine (at any meeting of the members, a representation by any of such persons that a majority of such persons have agreed as to the vote or votes for such Lot, Living Unit or Rental Unit shall be conclusive unless another of such persons contests such representation at such meeting prior to the casting of such vote or votes). In the event any owner of a lot ceases to occupy that lot as his own personal residence and permits a rental tenant to occupy that lot; or any other plot upon which a Multifamily Structure has been built, the owners of such rental property shall not be entitled to a weight greater than 49% of any vote on any matter pending before the Corporation if such weight is accumulated in a block.

CLASS B. The Class B member (s) shall be the Declarant (as defined in the Declaration). The Class B member (s) shall be entitled to three (3) votes for each Lot, Living Unit, provided that the Class B membership shall cease and be converted to Class A membership (a) when the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, or (b) on January 1, 1979, whichever first shall occur.

ARTICLE V

SECTION 1. On fourth line insert after the word "Properties" the following: "and access areas".

ARTICLE VI

COVENANTS FOR MAINTENANCE ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. By the Declaration each member is deemed to covenant and agree to pay to the Corporation: (1) annual assessments or charges, and (2) special assessments for capital improvements. Each living unit shall be subject to the said annual assessments and special assessments for capital improvements which shall, together with interest thereon and cost of collection thereof, attach to and be a continuing lien, on the lot, plot or site upon which the living unit exists. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was then 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 Corporation shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties through the ownership, improvement, operation and maintenance of the Common Area and access area and the facilities thereon.

SECTION 3. BASIS AND MAXIMUM OF ANNUAL ASSESSMENTS. Until January 1 of the year immediately following the conveyance of the first Lot or Living Unit to an Owner, the maximum annual assessment shall be Sixty Dollars (\$60.00) per Living Unit. The assessment on unimproved Lots, plots or sites or improved Lots with no occupied living units thereon shall be fifteen Dollars (\$15.00) per Living Unit.

SECTION 5. RATE OF ASSESSMENT. Both annual and special assessments must be fixed at the same rate for all Living Units and may be collected on a monthly basis. Notwithstanding anything in the Declaration to the contrary, where only one Living Unit is constructed on a Lot, no more than the equivalent of one full assessment shall be imposed against such Lot and Living Unit.

SECTION 10. EXEMPT PROPERTY. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all Properties dedicated to and accepted by a local public authority; (b) the Common Area; however, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VII

SECTION 5. No sign of any kind shall be displayed to the public view on any Lot, except that one professional sign of not more than one square foot may be displayed and one sign of not more than five square feet may be displayed advertising the property for sale or for rent. Nothing herein contained, however, shall prevent any developer in the initial development of any of the Lots from erecting signs of any dimension on any of the Lots for the purposes of advertising the same during the period prior to the initial sale of such Lot to an Owner for occupancy.

ARTICLE IX

ARCHITECTURAL CONTROL COMMITTEE

SECTION 1. Delete as follows: "The Hethwood Foundation, Inc. shall have the right to charge a reasonable fee for reviewing each application in an amount not to exceed Twenty-Five Dollars (\$25.00)."

All other covenants, conditions and restrictions remain unchanged.