

BY-LAWS
OF
SURREY SQUARE TOWNHOUSE ASSOCIATION, INC.

ARTICLE I

Members Meeting

Section 1. Annual Meeting: The annual meeting of the members of the Corporation shall be on the 5th day of January of each year. If that day is a legal holiday, the annual meeting shall be held on the next succeeding day not a legal holiday.

Section 2. All Meetings: All meetings of the members shall be held at the time and places fixed by the Board of Directors. The time and place shall be stated in the notice or waiver of notice of each meeting. Meetings of the members shall be held whenever called by the President, by a majority of the Directors or by one-tenth of the membership.

Section 3. Quorum: A majority of the members entitled to vote shall constitute a quorum at any meeting of the members. Less than a quorum may adjourn the meeting to a fixed time and place, no further notice of any adjourned meeting being required.

Section 4. Conduct of Meetings: The President shall preside over all meetings of the members. If he is not present, any Vice-President shall preside. If none of such

officers are present, a chairman shall be elected by the meeting. The Secretary of the Corporation shall act as Secretary of all the meetings if he is present. If he is not present, the chairman shall appoint a Secretary of the meeting.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Number, Election and Terms: The Board of Directors shall be elected at the annual meeting of the members or at any special meeting held in lieu thereof. The number of the Directors shall be three (3). This number may be increased, or decreased to not less than three at any time by amendment of these By-Laws. Directors shall hold office until removed or until the next annual meeting of the members or until their successors are elected. A majority of the Directors actually elected and serving at the time of a given meeting shall constitute a quorum. Less than a quorum may adjourn the meeting to a fixed time and place, no further notice of any adjourned meeting being required.

Section 2. Removal and Vacancies: The members at any meeting may remove any Director and fill the vacancy.

Section 3. Meetings and Notices: Meetings of the Board of Directors shall be held at times fixed by resolution of the Board, or upon the call of the President or the Secretary, or upon the call of a majority of the members of the Board. Notice of any meeting not held at a time fixed by a resolution of the Board shall be given to each Director at least 24 hours before the meeting at his residence or business address or by delivering such notice to him or by telephoning or telegraphing it to him at least 24 hours before the meeting. Any such notice shall contain the time and place of the meeting, but need not contain the purpose of any meeting. Meetings may be held without notice if all of the Directors are present or those not present waive notice before or after the meeting.

ARTICLE III

Officers

Section 1. Election, Removal and Duties: The Board of Directors, promptly after its election in each year, shall elect a president and shall also elect a Secretary and a Treasurer. Any officer may hold more than one office except

that the same person shall not be President and Secretary. All officers shall serv for a term of one year and until their respective successors are elected. Vacancies among the officers shall be filled by the Directors. The Officers of the Corporation shall have such duties as generally pertain to their respective offices as well as such powers and duties as from time to time may be delegated to them by the Board of Directors.

Section 2. Officers and Directors: No officer or director shall receive compensation for his services.

ARTICLE IV

SEAL

Section 1. Seal: The seal of the Corporation shall be a flat-faced circular die with the word "SEAL" and the name of the corporation engraved thereon.

ARTICLE V

Checks, Notes and Drafts

Section 1. Signatures: Checks, notes, drafts and other orders for the payment of money shall be signed by such persons as the Board of Directors from time to time may

authorize. The signature of any such person may be a facsimile when authorized by the Board of Directors.

ARTICLE VI

FISCAL YEAR

Section 1. Fical Year: The fiscal year of the Corporation shall end on November 30th in each year.

ARTICLE VII

Duties and Asessments

Section 1. Duties and Assessments: The Board of Directors is granted the powers and duties granted them, either directly or indirectly, by Paragraph 16 of the Deed of Dedication and Plat of Surrey Square Subdivision recorded in the Clerk's Office of the Circuit Court of Frederick County, Virginia in Deed Book _____, as Instrument No. _____, including but not limited to, the duty to maintain, repair and improve the parking lots and driveways of the members of the Corporation and the areas owned by the Corporation and to set the annual assessment required of each individual and the date and method of payment of same.

ARTICLE VIII

Amendment

Section 1. Amendment: The By-laws may be amended by the majority vote of the Board of Directors.

THIS DEED OF DEDICATION AND PLAT, made this 26th day of December 1975, by Billy J. Tisinger, Trustee of Page-Brooke Land Trust pursuant to a Trust Agreement dated May 23, 1973, a Memorandum of which is recorded in the Clerk's Office of the Circuit Court of Frederick County, Virginia in Deed Book 413, at Page 641, of the one part, hereinafter called the Grantor; and Town of Stephens City, of the other part, hereinafter called The Town.

WHEREAS, the Grantor is the sole owner of the hereinafter described property; and,

WHEREAS, the Grantor desires to subdivide said property, to place conditions and restrictions on the use of said property and to dedicate for public use the streets shown on the attached plat.

NOW, THEREFORE, THIS DEED OF DEDICATION AND DECLARATION OF PLAT, WITNESSETH; For valuable consideration, the Grantor does hereby subdivide the following described property as shown on the plats of Thomas C. Glass, C.L.S., attached hereto and by this reference made apart hereof. The platted land contains 8.4 Acres, more or less, lying West of Germaine Street and at the West end of Filbert Street in the Town of Stephens City in Frederick County, Virginia, being all the property conveyed to the Grantor by Odessa L. Ritter, widow, by deed recorded in the Clerk's office of the Circuit Court of Frederick County, Virginia in Deed Book 413, at Page 645. LESS three (3) Acres conveyed by the Grantor to Eugene Edward Middleton, et ux, by deed recorded in the aforesaid Clerk's Office in Deed Book 413, at Page 680. The Grantor does hereby dedicate to The Town that portion of the real estate described on the attached plats as set apart

on the attached plats as set apart thereon for water easements, drainage easements and sewer easements.

The platting and dedication of the above described property is with the free consent and in accordance with the desire of the Grantor.

Those areas designated on the attached plats as "Common Areas" are intended for use by the homeowners in Surrey Square Subdivision for their recreation and other related activities. These "Common Areas" are not dedicated for use by the general public.

The Grantor does further declare that all of the fifty-six (56) lots shown on the attached plats shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title and interest in said fifty-six (56) lots, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof:

1. No lot shall be used except for residential purposes. No multi-family dwelling may be constructed on any lot.

2. No signs or advertising of any nature shall be erected or maintained on any lot, except for sale or rental signs for said lot, not to exceed six (6) square feet in area.

3. No fence, hedge or other visual barrier shall be erected in the front yard of any lot. All such barriers must be kept in good repair. All chain link fences must be of the green vinyl type.

4. No owner of any lot shall interfere with the natural drainage of surface water from such lot to the detriment of any

other lot.

5. No vehicles of any kind shall be permitted on any lot, except for the purpose of construction or repair of the dwelling on such lot.

6. No animals, livestock or poultry of any kind shall be raised or kept on any lot except that dogs, cats and other house-hold pets may be kept provided that they are not kept, bred or maintained for commercial purposes.

7. All lots, improved or unimproved, shall be kept free of undergrowth, brush, trash and debris. Trash, garbage or other waste shall not be kept except in sanitary containers. No refuse or any container for same shall be placed or stored in front of any house, except on the date of garbage pick up.

8. No building, structure, alteration, addition or improvement of any character, other than interior alterations, shall be constructed upon any lot not any exterior painting done unless a plan of such construction, including quality of workmanship, design, colors and materials, shall have been approved by the Board of Directors of the Surrey Square Townhouse Association, Inc (hereinafter referred to as The Association) as being in harmony with the whole Subdivision, especially the adjoining townhouses.

9. No roof top antennas shall be erected or permitted higher than ten (10) feet above the Square of the building. No exterior clothesline or hanging device shall be allowed upon any lot except for an umbrella type with a diameter not exceeding seven (7) feet, provided same is located in the rear of the lots.

10. In the event a townhouse is destroyed, the owner thereof shall begin construction within a reasonable time or clear away the remaining portion of the townhouse and maintain the lot in a neat and orderly condition. If the owner fails to perform such

clearance or maintenance, The Association shall perform same and the expenses thereof shall be added to the annual assessment against the particular lot.

11. In the event a townhouse is destroyed, no structure other than a townhouse of the same dimensions and similar architecture shall be constructed in the place of the original structure.

12. The general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply. The cost of reasonable repair and maintenance of a party wall shall be shared by the two adjoining landowners, except to the extent the wall is not of use to one of the owners. If a party wall is destroyed or damaged by fire or other casualty, any owner who has use of the wall may restore it, and if the other owners thereafter make use of the wall, they shall contribute to the cost of the restoration thereof in proportion to such use without prejudice, however, to the right of any such owners to call for a larger contribution from the others under any rule of law regarding liability for negligence or for willful acts or omissions.

13. No noxious or offensive activities shall be carried on upon any such lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

14. Each lot owner shall have the right of ingress and egress from his lot to Filbert Street across the area marked for same. Each lot owner shall have the right to park within the area constructed for parking which lies immediately adjacent and in front of his lot or in the case of Lots 41 through 56 which lies nearest his lot. Each lot owner shall have the right to use the areas marked Five Foot Walkway & Utility Easement on the attached plat for the purpose of ingress and egress on his lot. No structure or planting shall be placed in the "Five Foot Walkway Easement" which will interfere or impede the use

of same for ingress and egress.

15. The Grantor reserves unto itself and its assigns the right to erect, maintain, operate and replace underground and above ground telephone, electric, sewer gas, water and television lines and related equipment and other utility equipment over and over that strip of land marked "Utility Easement", with the right of ingress and egress thereto. In addition. All land is subject to right of way easements previously granted Potomac Edison Company and Chesapeake and Potomac Telephone Company.

16. WHEREAS, the Grantor has created a non-stock corporation called The Surrey Square Townhouse Association, Inc. which the Grantor plans to convey all property described on the attached plat as "Common Areas", that is, all of the property shown on the attached plat except for the dedicated street, Parcels A and B and fifty-six (56) lots, and the operation of which shall be subject to the following conditions:

(a) Every person or entity who is a record owner of a fee or undivided fee interest in any lot shown on the attach plats shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any such lot. Ownership of such lot shall be the sole and continuing qualification for membership.

(B) Each member shall have one (1) vote for each such lot owned by that member. If a member has less than a full interest in a lot, his vote shall be reduced accordingly. The total number of votes shall equal the total number of lots in said Subdivision.

(C) Each member shall have a right and easement of enjoyment in and to the Common Areas and such easement shall be appurtenant to and pass with the title to each townhouse lot, subject, however, to the conditions and restrictions placed thereon herein or by the Association.

(D) The owner of each lot, by acceptance of a deed thereto, is deemed to covenant and agree to pay Twenty Dollars (\$20.00) in January of 1977 and to pay annually thereafter, beginning with 1978, to the Association, its successors or assigns, an amount, determined by the members of the Association, at their annual meeting for the purpose of exercising the powers given The Association herein or by an amendment hereto and of providing maintenance, including snow removal and payment of real estate taxes, repairs and improvements of and to the land owned by The Association. During the month of January of each year, beginning January 1977, The Association shall notify each such lot owner in writing as to the amount of the lot assessment and the date and manner of payment of same. All assessments must be fixed at a uniform rate for all lots. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of The Association setting forth whether the assessments on a specified lot have been paid. A reasonable charge may be made by the Board for the issuing of such certificate, which certificate shall be conclusive evidence of payment of any assessments therein stated to have been paid.

Said annual assessment shall be a charge upon and running with each lot of said subdivision. If the owner is in default in the payment of any assessment, in addition to any other means of collection, The Association may bring an action at law against the owner personally obligated to pay same and may also sell the

lot involved at public auction after advertisement once a week for two (2) successive weeks, in some convenient newspaper, having general jurisdiction in this County, and after ten (10) days written notice mailed to the last know address of said owner. Costs of sale shall be paid from proceeds of sale before payment of amount in default. This lien is expressly made inferior and subordinate to any deed of trust now or hereafter encumbering any lot, unless notice to the contrary is placed of record prior to the recordation of a deed of trust.

In exchange for the Grantor's agreement to maintain said Common Areas until December 31, 1976, the Grantor shall be exempt from payment of said annual assessment. In addition, the following property shall be exempt from the assessments created herein and shall not be subject to said lien;

(I) Areas owned by The Association

(II) Areas owned by a governmental organization or by a non-profit organization exempt from taxation by the Internal Revenue Service including lots while held by the Farmers Home Administration.

(E) Membership in The Association may be increased at the area owned or under control of The Association may be increased by the Grantor or by a majority vote of The Association, provided, however, that the Grantor shall not execute its right to increase the membership without the approval of the Farmers Home Administration.

(F) The members of The Association shall hold their annual meeting on the second Tuesday of January or on such other date as is set forth in the Articles of Incorporation of The Association. The members shall elect the Board of Directors of The Association at the meeting, which Board shall initially

consist of five (5) members, all of whom must be lot owners. The number of Directors on the Board may be changed by the membership at their annual meeting.

17. The Association or any lot owner shall have the right to enforce all covenants, restrictions and liens imposed herein. Failure by The Association or any lot owner to enforce any such covenant, restriction or lien shall in no event be deemed a waiver of the right to do so thereafter.

18. All of the covenants and restrictions herein shall be binding and remain in full force and effect for a period of fifteen (15) years from the date of this instrument and shall be removed automatically for additionally ten (10) year periods unless the owners of a majority of lots in this subdivision shall, at least six (6) months prior to any such renewal date, execute and record an agreement amending said covenants and restrictions.

19. Invalidation of any one of the covenants or restrictions contained herein by judgement or Court order shall in no wise affect any of the other provisions which shall remain in full force and effect. The failure of the lot owners or the Grantor herein to enforce any covenants or restrictions shall not be deemed to be a waiver of the right to do so thereafter as to a default occurring prior or subsequent thereto.

20. The foregoing conditions, restrictions, covenants and lien shall in no way be construed to affect or cover Parcels A and B on the attached plat.

WITNESS the following signatures and seals:

Billy J. Tisinger, Trustee of
Page-Brooke Land Trust pursuant to
a Trust Agreement dated May 23,
1973, a Memorandum of which is
recorded in the Clerk's Office
of the Circuit Court of Frederick
County, Virginia in Deed Book
413, at Page 641