

**CHRISTOPHER FARMS
HOMEOWNERS
ASSOCIATION**



DECLARATION

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
CHRISTOPHER FARMS

THIS DECLARATION is made this 3rd day of NOVEMBER, 1987, by CHRISTOPHER ASSOCIATES, L.P., a Virginia limited partnership, ("Declarant");

WHEREAS, the Declarant is the owner of certain real property ("Property") situate in the City of Virginia Beach, Virginia, which is more particularly described in Exhibit A attached hereto and made a part hereof;

WHEREAS, the Declarant has subdivided or will subdivide all or some portion of the Property into various Parcels within which the Declarant or one or more Builders may subdivide into more than one Lot and will construct thereon single-family houses and sell the same to the general public;

WHEREAS, the Declarant desires to provide for the orderly development of the Property and to provide a general plan therefor to insure the preservation of values and the aesthetic character of the Property; and

WHEREAS, the Declarant will convey the Property, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth.

NOW THEREFORE, the Declarant hereby declares that all of the Property shall be held, transferred, sold, conveyed, occupied and used subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Property. These easements, restrictions, reservations, covenants and conditions shall run with the Property and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of each Owner thereof.

ARTICLE IDEFINITIONS

Section 1. "Association" shall mean the Christopher Farms Homeowners Association, a Virginia nonstock corporation, formed or to be formed by the Declarant, its successors and assigns.

Section 2. "Builder" shall mean any person and/or entity which owns fee simple title to one or more Parcels or Lots for the purpose of constructing single-family houses thereon for sale to the general public, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. The Declarant may also be a Builder.

Section 3. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Members of the Association.

Section 4. "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions and any amendments thereto.

Section 5. "Declarant" shall mean Christopher Associates, L.P., a Virginia limited partnership, its successors and assigns.

Section 6. "Federal Mortgage Agency" shall mean the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA"), the Veterans Administration ("VA"), the Federal Housing Administration ("FHA"), the Farmer's Home Administration, and any other public or private secondary mortgage market entity participating in purchasing or guaranteeing Mortgages; provided, the Association has received Notice of such participation.

Section 7. "Lot" shall mean any numbered or otherwise identified lot on a recorded subdivision plat of the Property and does not include the Common Area.

Section 8. "Member" shall mean every person or entity who holds membership in the Association.

Section 9. "Mortgage" shall mean a first mortgage or first deed of trust encumbering a Lot and securing a Mortgagee. "Mortgagee" shall mean any "institutional lender" (as defined in Section 55-79.41(01) of the Code of Virginia (1950), as amended) holding a Mortgage who has given Notice to the Association of its status and has requested therein to be afforded all of the rights applicable to Mortgagees under the Declaration.

Section 10. "Notice" shall mean written notice either hand-delivered or mailed by United States mail, postage prepaid, and addressed to the intended recipient at his last known address as shown on the records of the Association, or if to the Association, at the address of the principal office of the Association.

Section 11. "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. "Occupant" shall mean any person occupying or residing in a Lot.

Section 12. "Parcel" shall mean a portion of the Property within which it is contemplated that more than one Lot are to be created by a recorded subdivision plat.

Section 13. "Property" shall mean that certain real property described in Exhibit A.

Section 14. "Quorum of Owners" shall mean the presence in person or by proxy of twenty-five percent (25%) of the outstanding votes held by Class A Members.

ARTICLE II

DEVELOPMENT PLAN

Section 1. The Development Plan. Under the Declarant's current Development Plan, it is contemplated that the Property will be subdivided into Parcels at various times throughout the overall development of the community. These Parcels will then be subdivided into more than one Lot on which will be constructed single-family houses. As of the date of this Declaration, the Development Plan in effect with the appropriate authorities of the City of Virginia Beach, Virginia contemplates the eventual subdivision of the Property into one hundred seventy (170) Lots.

Section 2. Reservation of Declarant Rights. (a) The Declarant hereby reserves the right without the consent of any Builder or Owner:

(1) to subdivide the Property into one or more Parcels and convey such Parcels to one or more Builders;

(2) to create, grant and convey any and all easements, rights of way, and licenses over and across the Property as the same are required to be created, granted and conveyed under the

Development Plan and/or as deemed appropriate for the overall development of the community by the Declarant; and

(3) to amend the Development Plan after first obtaining the prior approval of the appropriate authorities of the City of Virginia Beach, Virginia and any applicable Federal Mortgage Agencies.

(b) The Declarant Rights as set forth above shall expire, unless sooner relinquished by the Declarant, no earlier than three (3) years after the last Parcel is either (1) conveyed to a Builder, or (2) subdivided into more than one Lot by the Declarant, whichever first occurs.

Section 3. Reservation of Builders Rights. Each Builder shall have the right, without the consent of any other Builder or Owner,

(a) to subdivide the Parcel owned by such Builder into more than one Lot and convey such Lots to Owners;

(b) to dedicate any and all roads for public street purposes and to create, grant and convey any and all easements, rights of way and licenses over and across said Parcel as the same are required to be created, granted and conveyed under the site plan for said Parcel as approved by the appropriate authorities of the City of Virginia Beach, Virginia; and

(c) to amend the Development Plan applicable solely to said Parcel after first obtaining the prior approval of the Declarant, the appropriate authorities of the City of Virginia Beach, Virginia and any applicable Federal Mortgage Agencies.

Section 4. Merger and Consolidation. The Property, and the rights and obligations of the Association may be transferred to another surviving or consolidated association similar in corporate nature and purposes, or alternatively, the property, and the rights and obligations of an association similar in corporate nature and purposes may be added to the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall cause any revocation, change or addition to the covenants established by this Declaration within the Property except as hereinafter provided. Such merger or consolidation shall require the approval by vote of seventy-five percent (75%) of a Quorum of Owners, and until the expiration of the Declarant's rights, the consent of the Declarant.

ARTICLE IIIMEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Parcel or Lot which is subject by this Declaration to assessment by the Association, including contract sellers, shall be a Member of the Association and shall include the Declarant. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of a Parcel or a Lot shall be the sole qualification for membership.

Section 2. Classes of Membership; Voting Rights. The Association shall have the following classes of membership and voting rights:

(a) Class A. Class A Members shall be all of the Owners except the Class C Member or Class D Members. Each Class A Member shall be entitled to one vote for each Lot owned by such Class A Member.

(b) Class B. Class B Members shall be all of the Occupants of Lots. Class B Members shall have no voting rights.

(c) Class C. The Class C Member shall be the Declarant. The Class C Member shall be entitled to 510 votes or the number of votes equal to 3 times the maximum number of Lots to be contained within the Property by reference to the Development Plan in effect at the time such vote is taken, whichever is smaller, less the total number of Class A and Class D votes outstanding at the time a vote is taken. The Class C membership shall expire upon the earlier of the following events:

(1) when the total number of outstanding votes held by Class A Members equals the total number of outstanding votes held by the Class D Members and the Class C Member; or

(2) on December 31, 1994.

Thereafter, the former Class C Member shall have Class A membership and voting rights, and Class D Members shall have Class A membership and voting rights.

(d) Class D. Class D Members shall be all of the Builders. Each Class D Member shall be entitled to three votes for each Lot

owned by such Class D Member, or for each Lot to be contained (by reference to the Development Plan) within a Parcel owned by such Builder at the time such vote is taken.

ARTICLE IV

PROPERTY RIGHTS

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

(a) the right of the Association to limit the number of guests of Members;

(b) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(c) the right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said Common Area; provided, however, that no such borrowing or mortgaging shall be made unless approved by a vote of more than two-thirds (2/3) of the entire Class A membership, if any, at a meeting duly called for such purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance of the meeting setting forth the purpose of the meeting.

(d) the right of the Association to suspend the voting rights and rights to use of the recreational facilities by a Member for any period during which any assessment against such Member's Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its rules and regulations;

(e) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by Members entitled to cast more than two-thirds (2/3) of the votes of the entire Class A membership and the entire Class D membership, and the consent of the Class C Member, if any, has been recorded, agreeing to such dedication or transfer, and unless a certificate of the Secretary of the Association be also recorded stating that written notice of the proposed action was sent to every Member

not less than thirty (30) days in advance of such effective date of such dedication or transfer.

Section 2. Delegation of Use. Any Member may delegate, in accordance with the Association's Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property.

Section 3. Title to Common Area. The Declarant and all Builders hereby covenant that any open space or Common Area conveyed by the Declarant or any such Builder to the Association or to a governmental agency shall be free and clear of liens and financial encumbrances at the time of conveyance.

ARTICLE V

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant and each Builder, for each Lot owned within the Property, hereby covenants and agrees, and each Owner of any Lot by acceptance of a Deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree, to pay to the Association: (a) regular and supplemental annual assessments or charges, and (b) special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, and the same shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorneys' fees, shall be the personal obligation of the person who was the Owner of the Lot at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them.

Section 2. Determination of Assessments.

(a) Budget. At least sixty (60) days prior to each fiscal year of the Association, the Board of Directors shall prepare and adopt the annual budget for the Association. The annual budget shall reflect the projected income from assessments and other sources, if any, and the anticipated expenses for the fiscal year including without limitation:

(1) the cost of operating, managing and administering the Common Area and the cost of services furnished to or in connection with the Common Area;

(2) the amount of all taxes and assessments levied against the Common Area;

(3) the cost of hazard and liability insurance and such other insurance deemed necessary by the Board;

(4) the cost of utilities and other services provided to the Association;

(5) the cost of maintaining, replacing, repairing, and landscaping the Common Area, together with such equipment as the Board of Directors may determine to be necessary in connection therewith;

(6) the cost of funding all reserves established by the Board of Directors, including a general operating reserve and a reserve for replacements;

(7) the cost of any leasehold, membership or other possessory or use interest in real or personal property acquired by the Association for promoting the enjoyment, recreation or welfare of the Members; and

(8) such other costs and expenses as may be determined by the Board of Directors.

(b) Failure or Delay to Prepare or Adopt Budget. Any failure or delay by the Board of Directors to prepare or adopt the annual budget prior to any fiscal year shall not be deemed a waiver or release of any Owner's obligation to pay assessments, or any installments thereof, for such fiscal year, and the assessment established for the preceding fiscal year shall continue until a new assessment is established and Notice thereof is given pursuant to Section 3(c) of this Article.

(c) Reserves. The annual budget shall include a reserve for replacements of the Common Area, major repairs to any pathways, sidewalks, parking areas, streets, or roadways developed as a part of the Property and not dedicated for public use, and equipment replacement. The budget shall also include a general operating reserve for operating contingencies of a non-recurring or extraordinary nature, and such other reserves as the Board may consider necessary or appropriate. Such reserves may be deposited with any institutional lender, the accounts of which are insured by a State or agency of the United States of America, or in the discretion of the Board of Directors, be invested in obligations of or fully guaranteed as to principal by the United States of America.

(d) Special Assessments. In addition to any regular and supplemental assessments, the Association may levy in any fiscal year a special assessment or assessments applicable to that year only: (1) to defray all or part of the cost of any construction, inordinate repair or replacement of capital improvements located on the Common Area; (2) to fund any net shortage or operating loss incurred or suffered in a fiscal year; or (3) for such purpose as the Board may consider necessary or appropriate; provided, however, that any special assessment which exceeds five percent (5%) of the total regular assessment amount for that fiscal year shall require approval by sixty-six and two-thirds percent (66-2/3%) of a Quorum of Owners and Class D Members, and until the expiration of the Class C membership, the approval of the Class C Member, at a special meeting of the Association duly called for such purpose.

(e) Covenant to Fund Deficits. The Class C Member and the Class D Members hereby covenant and agree to fund the amount of any deficit between regular assessments received or accrued and operating expenses incurred or paid under the operating budget of the Association that may arise at any time prior to, but in any case no later than, the end of the fiscal year during which the Class C membership expires.

Section 3. Payment of Assessments.

(a) Method of Payment; Due Date. Regular and supplemental assessments for each fiscal year shall be paid, in advance, in equal quarterly installments, or by such other method as may be determined by the Board of Directors. Special assessments levied in any fiscal year shall be paid either: (1) in full with payment of the next installment of regular and supplemental assessments; or (2) in installments payable over such period of time, not to exceed six (6) months, as may be determined by the Board. The due date for each quarterly installment of regular and supplemental assessments shall be the first day of each quarter, i.e., October 1, January 1, April 1, and July 1. If any regular and supplemental or special assessments are payable in other than quarterly installments, the due date of such assessment shall be the first day of the fiscal year or the first day of each installment period, if payable in installments. Any assessment or installment thereof not paid and received within ten (10) days of the due date thereof shall be delinquent.

(b) Liability for, and Collection of, Payment. The Owner of any Lot shall be liable for the payment of all assessments levied against such Lot. Collection of payments of all assessments levied against a Lot (and all installments thereof) by the Association shall be made directly from the Owner of such Lot.

Notwithstanding anything herein to the contrary, each Mortgagee who comes into possession of a Lot by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid assessments or charges against such Lot which accrue prior to the time such Mortgagee comes into possession thereof, except for claims for a pro-rata reallocation of such assessments or changes to all Lots, including the mortgaged Lot.

(c) Notice of Assessment. No later than ten (10) days prior to: (1) the first day of each fiscal year (in the case of regular and supplemental assessments); or (2) the date on which the assessment or the first installment thereof shall be due (in the case of regular and supplemental assessments where the annual budget for the fiscal year is adopted after the beginning of such fiscal year, or in the case of a special assessment), the Board of Directors shall give Notice of the regular and supplemental or special assessment (as the case may be) levied against each Lot, and (in the case of special assessments or in the case of regular and supplemental assessments, if other than by quarterly installments), the method of payment therefor to the Owner of each Lot.

Section 4. Classification of Assessments. All assessments, whether regular and supplemental or special, shall be levied at a uniform assessment rate against Lots within the following classes:

(a) Class I. Each Occupied Lot (defined as any Lot for which a residential use permit, occupancy permit or any similar permit has been issued by the City of Virginia Beach, Virginia) shall be assessed at 100% of the assessment rate.

(b) Class II. Each Lot not otherwise assessable under Class I shall be assessed a one-time assessment in the amount of Fifty Dollars (\$50.00) due and payable at the time the Lot is created by the recordation of the subdivision plat. Notwithstanding the foregoing, any Lot used as "model lot" by the Class C Member or any Class D Members shall be assessed as a Class I Lot.

Section 5. Assessment Rates.

(a) Maximum Regular Assessment Rate. Prior to the first day of the fiscal year following the commencement of regular assessments, the maximum authorized regular assessment rate shall be Three Hundred and 00/100 Dollars (\$300.00) per year. For each fiscal year thereafter, the maximum authorized regular assessment rate may be increased: (1) by the Board of Directors by the greater of five percent (5%) of the maximum authorized regular

assessment rate applicable to the immediately preceding fiscal year, or the percentage increase, if any, over the twelve (12) month period ending five (5) months prior to the beginning of such fiscal year, in the Consumer Price Index, all items (1967=100), or equivalent, for all Urban Areas ("CPI-U"); or (2) by more than the increase permitted above upon the approval by sixty-six and two-thirds percent (66-2/3%) of a Quorum of Owners and Class D Members, and until the expiration of the Class C membership, the approval by the Class C Member.

(b) Maximum Supplemental Assessment Rate. Supplemental assessments shall consist of expenses incurred by the Association and benefits one or more (but not all) of the Lots. Such supplemental assessments shall be assessed and levied against the Lots to which such assessments apply in the same manner as regular assessments. Prior to the first day of the fiscal year following the commencement of regular assessments, the maximum authorized supplemental assessment rate shall be Two Hundred Forty and No/100 Dollars (\$240.00) per year. For each fiscal year thereafter, the maximum authorized supplemental assessment rate may be increased in the same manner as regular assessments may be increased as set forth in Section 5(a) of this Article.

Section 6. Exempt Property. The following property shall be exempt from assessments: (a) all properties dedicated to and accepted by a local public authority; (b) the Common Area; and (c) all properties owned by charitable or other organizations exempt from taxation by the laws of Virginia or the laws of the United States of America.

Section 7. Commencement of Assessments. Assessments shall commence for each Lot owned by Owners other than the Declarant or any Builder on the first day of the month following the first conveyance of such Lot by the Declarant or a Builder to an Owner other than the Declarant or a Builder.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment or installment thereof which is not paid within ten (10) days after the due date shall be deemed delinquent and may, at the discretion of the Board, accrue a late fee of Ten Dollars (\$10.00) per month. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and in either case, interest, costs, and reasonable attorneys' 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.

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. Sale or transfer of any Lot shall not affect the assessment lien. Foreclosure of any such first Mortgage shall extinguish such lien for assessments due prior to such foreclosure (and such lien shall attach to any excess proceeds of the foreclosure) but no such foreclosure shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE VI

PROHIBITED USE RESTRICTIONS

Section 1. The Lots, unless otherwise specifically designated shall be known and described as residential lots, provided, however, that the Declarant and any Builder shall not be prohibited from using any Lot for promotional or display purposes or as "model homes," sales offices or the like.

Section 2. No noxious or offensive trade or acts shall be carried on upon or suffered to be conducted in or upon any Lot; nor shall anything be done thereon which may be or become an annoyance or nuisance to the other Owners. 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 Board of Directors of the Association.

Section 3. No facilities, including poles and wires, for the transmission of electricity, telephone messages and the like shall be placed or maintained above the surface of the ground on any Lot, and no external or outside antennas of any kind, including television antennas, shall be permitted or maintained.

Section 4. No motor vehicles (other than private passenger type), boat, boat trailer, house trailer, trailer, or any similar items shall be stored in, upon or adjacent to any Lot or on any portions of the Common Area.

Section 5. No trailer, basement, tent, shack, or other out-building 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 the Declarant or any Builder during the development of any of the Lots from erecting a trailer, tent, shack or other temporary structure on any of the Lots.

Section 6. No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot,

except building materials during the course of construction of any approved structure. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and reoccurring basis, containers may be placed in the open, on any day that a pick-up is to be made, in such a place so as to provide access to persons making such pick-up. At all other times such containers shall be stored in such a manner so that they cannot be seen from adjacent and surrounding property. The Architectural Committee, in its discretion, may adopt and promulgate reasonable rules and regulations relating to the size, shape, color and type of containers permitted and the manner of storage of the same on the Lots.

Section 7. No water pipe, sewer pipe or drainage pipe shall be installed or maintained on any Lot above the surface of the ground, except hoses and movable pipes to use for irrigation purposes. No Lot shall be used for the purpose of boring, mining, quarrying, exploring or removing oil or other hydrocarbons, minerals, gravel or earth.

Section 8. No tree having a diameter of six (6) inches or more (measured from a point of two feet above ground level) shall be removed from any Lot by any Owner other than the Declarant or any Builder without the express written authorization of the Architectural Committee. The Architectural Committee, in its discretion, may adopt and promulgate rules and regulations regarding the preservation of trees and other natural resources and wildlife upon the Property. If it shall deem it appropriate, the Architectural Committee may mark certain trees, regardless of size, as not removable without written authorization.

Section 9. No birds, animals, livestock, poultry, or insects shall be raised on any Lot except that dogs and cats can be kept as household pets, but shall not be raised for commercial purposes. The Board of Directors of the Association may from time to time publish and impose reasonable regulations setting forth the type and number of domestic animals that may be kept on any Lot.

Section 10. No sign or other advertising device of any nature shall be placed upon any Lot except as provided herein. The Architectural Committee may, in its discretion, adopt and promulgate rules and regulations relating to signs which may be employed. Notwithstanding the foregoing, a family or professional name plate, or an address plate, none of which shall exceed 240 square inches in area, and a temporary sign not to exceed five square feet in area, for the purpose of advertising the Lot for sale or rent may be displayed on a Lot. The

Architectural Committee may establish other criteria with respect to the size, form and location of such signs.

Section 11. No clothing or other household fabrics shall be hung in the open on any Lot. No machinery shall be placed or operated upon any Lot except such machinery as is usual in the maintenance of a private residence.

Section 12. No change in color of the exterior of any dwelling house shall be made without the express written authorization of the Architectural Committee.

Section 13. Use of the Common Area owned by the Association shall be governed by such rules and regulations as may be established by the Board of Directors of the Association.

Section 14. No Lot shall be rented or leased on other than a written lease or rental agreement and subject to the provisions of this Declaration. No Lot shall be rented for an initial period of less than six months.

Section 15. The provisions of this Article VI and Article VII shall not apply to or be binding upon the Declarant or any Builder during project development and construction.

ARTICLE VII

CONSTRUCTION AND/OR ALTERATION OF STRUCTURES

Section 1. No construction of, or alterations to, any structure, building, fence, wall, or other structure, including without limitation, trailers, tents, and shacks shall be commenced, made, placed, erected or permitted to remain on a Lot unless and until the plans and specifications thereof and any plot plan (showing the location of such structure, alteration or modification on the affected portion of the property) shall have been approved in writing by the Architectural Committee, it being the intention of the Declarant that such structures, or alterations or modifications thereto, shall generally conform in design to and be in a state of harmony with structures existing on the other areas of the Property and in conformity with the overall development scheme of the Property.

Section 2. In the event that the Architectural Committee fails to approve or disapprove any plan, specification, design or plot plan within thirty (30) days after same shall have been submitted to it, then such plan, specification, design or plot plan shall be deemed to have been approved by the Architectural Committee; provided, however, that such approval shall not be

deemed to be a waiver of any covenant, condition or restriction herein provided.

ARTICLE VIII

ARCHITECTURAL COMMITTEE

The initial Architectural Committee for Christopher Farms Homeowners Association shall be established by the Declarant on or before the date the first Owner takes occupancy of a Lot. This Committee shall consist of three (3) members appointed by the Declarant to serve until the first annual meeting of the Association; thereafter, its members shall be appointed by the Board.

ARTICLE IX

EASEMENTS

An easement is hereby granted within the Common Area to the Members for automobile and pedestrian ingress and egress, and to the Association, the City of Virginia Beach, and the Declarant and all Builders for emergency vehicle ingress and egress, easements as shown on recorded plats, and for installation, repair, and maintenance of driveways, parking areas, utilities, sidewalks and landscaping. An easement is hereby granted to the City of Virginia Beach, for the right of City law enforcement officers, rescue squad personnel and fire fighting personnel to enter upon the Common Area while in the pursuit of their duties, to enforce cleared emergency vehicle access in the case of private streets and common driveways.

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement. The restrictions contained in this Declaration shall run with and bind the Property, shall inure to the benefit of and shall be enforceable by Declarant, any Builder, the Association, the Architectural Committee and the Owner of any Lot, their respective heirs, legal representatives, successors and assigns.

Section 2. Amendment. The covenants and restrictions of this Declaration shall run with and bind the Property for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall automatically be extended for successive periods of twenty (20) years. This Declaration may be amended during the first twenty (20) year period by an instrument

signed by not less than ninety (90%) percent of the Quorum of Owners, and thereafter, by an instrument signed by not less than seventy-five (75%) percent of the Quorum of Owners. Any amendment must be recorded among the land records of the City of Virginia Beach, Virginia. Notwithstanding anything contained herein to the contrary, the Declarant may, at any time prior to the conveyance of any Common Area to the Association, unilaterally amend this Declaration for any reason, and thereafter, to correct any defects required to be corrected by the City of Virginia Beach, Virginia, or any Federal Mortgage Agency or any defects of a non-material nature arising from a scrivener's error in the preparation of the Declaration.

Section 3. Remedies. The Association, Declarant, any Builder, the Architectural Committee, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration.

Section 4. Non-waiver. The failure of the Association, Declarant, any Builder, the Architectural Committee or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5. Damages Not Adequate. Damages shall not be deemed adequate compensation for any breach or violation of any provision hereof, but any person or entity entitled to enforce any provision hereof shall be entitled to relief by way of injunction as well as other available relief at law or in equity.

Section 6. Intent. The Architectural Committee, to the extent specifically provided herein, may adopt and promulgate reasonable rules and regulations, and in making any finding, determination, ruling or order or in carrying out any directive contained herein relating to the issuance of permits, authorizations, approvals, rules and regulations, the Declarant and the Architectural Committee shall take into consideration the best interests of the Owners of the Lots to the end that the Property shall be preserved and maintained as a high quality community.

Section 7. Severability. Invalidation of any one of these covenants or restrictions by statute, ordinance or court order shall not affect any other provisions which shall remain in full force and effect.

Section 8. FHA/VA Approval. As long as there is a Class C membership, the prior approval of the Federal Housing

Administration and/or the Veterans Administration shall be required for the dedication of any Common Area to a public authority and any amendment of this Declaration.

Section 9. Assignment of Rights. The Declarant shall have the right to assign any one or more of the rights granted to it hereunder as to any portion of the Property or the Common Area; provided, however, that as long as there is a Class C membership, such assignment shall require the prior approval of the Federal Housing Administration and/or the Veterans Administration.

Section 10. Managing Agent. The Board of Directors may employ the services of a management company ("Managing Agent") to advise the Board regarding the administrative operation of the Association. Any agreement with a Managing Agent must provide that it may be terminated, without payment of a termination fee, without cause on no more than ninety days' written notice or with cause on no more than thirty days' written notice. In addition, any agreement with a Managing Agent shall be for a term not to exceed two years and may be terminated in any case upon the expiration of the Class C memberships.

Section 11. Miscellaneous.

(a) The headings of the Articles herein are for convenience only and shall not affect the meanings or interpretation of the content thereof.

(b) No violation of any of these restrictions shall defeat or render invalid the lien of any Mortgage which is a lien upon any portion of the Property; provided, however, that any Mortgagee in actual possession, or any purchaser at any Mortgagee's foreclosure sale, shall be bound by and subject to these restrictions as fully as any other Owner of any Lot.

(c) Each grantee accepting a deed, lease or other instrument conveying any interest in their Lot, whether or not the same incorporates or refers to these restrictions, covenants for himself or herself and his or her heirs, successors and assigns, to observe, perform and be bound by these restrictions.

(d) No restrictions herein are intended to be, or shall be construed as, a condition subsequent or as creating a possibility of reverter.

ARTICLE XI

MORTGAGEES

Section 1. Notices.

(a) Notice of Default. The Board of Directors when giving notice to any Owner of any default in the performance by the Owner of any obligation under this Declaration, including any default in the payment of regular and supplemental assessments and/or special assessments, which default remains uncured for sixty (60) days shall simultaneously send a copy of such notice to the Mortgagee of such Lot.

(b) Notice of Casualty or Condemnation. Each Mortgagee shall be promptly notified of any casualty, and any taking in condemnation or by eminent domain affecting either a material portion of the Property or a Lot securing of Mortgage.

(c) Notice of Proposed Action Requiring Mortgagee Approval. The Board of Directors shall give notice to all Mortgagees seven days prior to the date on which the Association proposes to take any action requiring Mortgagee approval pursuant to this Declaration.

(d) Notice of Change in Managing Agent. The Board of Directors shall give notice to all Mortgagees requesting such notice thirty days prior to changing the Managing Agent.

(e) Notice of Insurance. The Board of Directors shall give thirty days' notice to the Mortgagees requesting same of any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

Section 2. Mortgagees' Approval.

(a) Two-Thirds Vote. Unless at least sixty-six and two-thirds percent (66 2/3%) of the Mortgagees and at least sixty-six and two-thirds percent (66 2/3%) of the Quorum of Owners have given their prior written approval, the Association shall not: (1) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area (except for the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area; (2) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner; (3) by act or omission change, waive or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance of the Lots, the

exterior maintenance of the Lots, or the maintenance of the Common Area; (4) fail to maintain fire and extended coverage on insurable and improved Common Area on a current replacement basis in an amount not less than 100% of the insurable value based on current replacement costs; and (5) use hazard insurance proceeds for losses to any of the Common Area for other than the repair, replacement or reconstruction of such Common Area.

(b) Majority Vote. Unless at least fifty-one percent (51%) of the Mortgagees and at least sixty-six and two-thirds percent (66 2/3%) of the Quorum of Owners have given their prior written approval, the Association shall not add or amend any material provisions of this Declaration and the Articles and By-laws of the Association which establish, provide for, govern or regulate any of the following: (1) voting; (2) assessments, assessment liens or subordination of such liens; (3) reserves for maintenance, repair and replacement of the Common Areas; (4) insurance or fidelity bonds; (5) rights to use the Common Areas; (6) maintenance responsibilities; (7) boundaries of any Lot; (8) leasing of lots; (9) the imposition of any right of joint refusal or similar restitution on the right of an Owner to sell, transfer or otherwise convey a Lot; or (10) any provisions which are for the express benefit of Mortgagees.

(c) Non-Material Amendments; Preemptive Approval. Any addition or amendment to this Declaration, and the Articles and Bylaws of the Association shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. A Mortgagee who is notified of additions or amendments and who does not deliver or post to the requesting party a negative response within thirty days of such notice shall be deemed to have approved such request.

Section 3. Right to Pay Taxes or Other Charges: Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any of the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage pursuant to a lapse of a policy for such Common Area, and any such Mortgagee making such payments shall be entitled to immediate reimbursement thereof from the Association.

Section 4. No Priority. Notwithstanding any provision of this Declaration to the contrary, no Owner shall have any priority over any rights of Mortgagees of a Lot pursuant to its Mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

IN WITNESS WHEREOF, Christopher Associates, L.P. has caused this instrument to be executed on the day and year first above written.

CHRISTOPHER ASSOCIATES, L.P., a Virginia limited partnership

By: Christopher Development Co., a Virginia corporation, Authorized General Partner

By: [Signature] [SEAL]
Frederick A. Kober, President

STATE OF VIRGINIA)
~~COUNTY~~ OF VIRGINIA BEACH) To-Wit:
CITY

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Frederick A. Kober, President of Christopher Development Co., the authorized general partner of Christopher Associates, L.P., whose name is signed to the foregoing has acknowledged same before me in my jurisdiction aforesaid.

GIVEN under my hand and seal this 5th day of NOVEMBER, 19 87.

[Signature]
Notary Public

My commission expires: 4-13-91

cc&r c-farms

EXHIBIT A

All those certain lots, pieces or parcels of land together with the improvements thereon and the appurtenances thereto belonging, lying and being in the City of Virginia Beach, Virginia, in Phase 1, Section 1, as shown on that certain plat entitled "Subdivision of Christopher Farms, Phase 1, Section 1, Princess Anne Borough, Virginia Beach, Va." made by Talbot & Associates, Ltd., duly recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia, in Deed Book 2695, Pages 1540-1544, inclusive.