

AMENDED AND RESTATED BY-LAWS

OF

THE TIMBERS ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is The Timbers Association, hereinafter referred to as the "Association". The principal office of the corporation shall be located at 6006 Hillside Road, Springfield, Virginia, but meetings of members and directors may be held at such places within the State of Virginia, City or County of Fairfax, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to The Timbers Association, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described as the Properties in the Deed of Dedication recorded on October 20, 1972, in Deed Book 3716, at Page 717, among the land records of Fairfax County, Virginia, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean and refer to those areas of land shown on the attached plat as Parcel "C", including Timber Hollow Lane and Forrest Hollow Lane, and any other areas of land which may be shown on any subsequent recorded subdivision plat of the Properties as intended to be devoted to the common use and enjoyment of the Owners of the Properties.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of The Properties, with the exception of the Common Area as hereinbefore defined and any other area which may be dedicated to public use.

Section 5. "Owner" shall mean and refer to the record owner whether one or more persons or entities, of fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation, provided the purchaser at a foreclosure sale or trustee's sale shall be deemed an Owner.

Section 6. "Member" shall mean any person and/or entity who owns a fee interest in a Lot.

Section 7. "Declarant" shall mean and refer to Lincoln Property Company N.E., Inc., a Texas corporation, together with any successor to all or substantially all of the business of developing the Timbers.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions contained in a Deed of Dedication applicable to The Properties recorded in the Clerk's Office of the Circuit Court of Fairfax County, Virginia.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Each person (including the Declarant) who is the record owner of any Lot shall have one "Membership" in the Association for each Lot he owns, regardless of the number of persons who hold an interest in said Lot (in other words, if two or more persons are the record owners of one Lot, then such persons shall in any case own only one Membership in the Association.) Each Owner shall provide the Secretary of the Association the name of such

Owner, his address and telephone number. The foregoing is not intended to include persons who hold a vendor's lien, deed of trust lien or other security interest in a Lot, until such persons become the record Owner of such Lot. The Membership shall be appurtenant to and may not be separated from record ownership of any Lot, and the transfer of any Membership not made as part of a sale of a Lot shall be null and void. Ownership of a Lot shall be the sole qualification for being a Member of the Association.

Section 2. The Association shall have two classes of Memberships:

Class A. Class A Members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned.

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

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) on September 30, 1977; provided, however, if any public or private agency or governmental authority shall refuse or be unwilling or unable to authorize or provide for sewer and/or water facilities, or shall refuse to issue building permits, or shall refuse to permit hook-up to the sewer and/or water lines, or shall in any other way prohibit the construction of dwelling units upon the property, or shall prohibit occupancy of any such units, up to and including September 30, 1977, the expiration date shall be extended for a period of one year after the termination of the moratorium.

Section 3. Each Owner shall have the right to vote, in person or by proxy, his Membership or Memberships, in the Association. When more than one person owns an interest

in any Lot, all such persons shall be Members, but only one Membership may be voted for each Lot. If more than one person is entitled to a vote, such vote may be exercised by any one of them, unless any objection or protest by another holding that vote is made prior to the completion of a vote, in which case the vote for such membership shall not be counted.

Section 4. Additional Remedies. The Board of Directors may suspend the voting rights of any Member for any period during which any assessment against his Lot remains unpaid.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following rights:

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

(b) the right of the Association to suspend the right to use the recreational facilities by an Owner (or his family or guests) for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed 60 days for an infraction of its published rules and regulations by an Owner or his family or guests.

(c) the right of the Board of Directors of the Association to dedicate or transfer a fee interest in or an easement on 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 dedication or transfer of a fee interest shall be effective unless an instrument signed by two-thirds (2/3) of each class of Members agreeing to such dedication and transfer has been recorded;

(d) the right of the Association to grant a portion of the Common Area not to exceed 1500 square feet to the Declarant for periods not to exceed five (5) years from the date of this instrument for use by Declarant in connection with the development and sale of The Properties.

(e) the right of the Association to make such reasonable rules and regulations regarding the use of the Common Area and facilities located thereon by the Members and other persons entitled to such use, including but not limited to restrictions of the number of guests who may use the Common Area and the parts of the Common Area such guests may use; and

(f) the right of the Association, to borrow money for the purpose of improving the Common Area and facilities, constructing new facilities thereon or performing the maintenance obligations and providing the services set forth in Article VI of the Declaration of Covenants, Conditions and Restrictions and in connection therewith to mortgage the Common Area or portions thereof.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with such reasonable rules and regulations as the Association may promulgate from time to time, his right of enjoyment to the Common Area and facilities to the members of his immediate family (that is, spouse, children, grandchildren and parents), his tenants or contract purchasers who reside on his Lot, and the number of guests permitted by such rules.

Section 3. Conveyance of Common Area. The Declarant may convey all or part of the Common Area to the Association at any time; however, any untransferred portion of the Common Area must be conveyed when the entire parcel of land of 97.84276 acres of land conveyed to the Declarant by deed recorded in Deed Book 3688, Page 718, has been annexed to the Properties and 75% of the Lots have been initially sold and conveyed by the Declarant.

Section 4. Failure to Maintain Common Areas. If the Association shall fail properly to maintain the Common Areas, both the Declarant, until it conveys title to said Common Areas, and the County of Fairfax, at any time, after reasonable notice to the Association, shall have the right, through its own employees or through an independent contractor, to enter upon the Common Areas and perform work necessary to maintain such area properly. The Association shall be liable for the cost of any such work, and the cost of said work shall also be prorated among all Lots and shall constitute a continuing lien thereon in like manner as liens under Article V, Section 1.

ARTICLE V

BOARD OF DIRECTORS: SECTION: TERM OF OFFICE

Section 1. Number. Subject to the provisions of Section 2(c) below, the affairs of the Association shall be managed by a Board of seven (7) Directors, who shall be members of the Association.

Section 2.

(a) Election: Following adoption of this provision of the Bylaws, subject to the transition provisions set forth below, Board members shall be elected to three year terms, staggered such that approximately one-third (1/3) of the Board seats are filled by election at each Annual Meeting.

(b) Transition provision: Prior to the adoption of this provision of the Bylaws, five director terms expired at the 2004 Annual Meeting, and two director terms expired at the 2005 Annual Meeting. To prevent this provision from reducing the term of any director currently serving, the following provisions shall apply to transition to the three-year staggered Board term system:

(1) At the 2004 Annual Meeting, the terms of five directors expire. At that meeting, three directors shall be elected to three year terms; two directors shall be elected to two year terms.

(2) At the 2005 Annual Meeting, the terms of two directors elected in 2003 shall expire. Their successors shall be elected to three year terms.

(3) At the 2006 Annual Meeting, the terms of two directors elected in 2004 shall expire. Their successors shall be elected to three year terms.

(4) At each Annual Meeting thereafter, directors whose terms are expiring shall be elected to three year terms. Thus:

- At the 2007 Annual Meeting, and every three years thereafter, three directors shall be elected; and
- At the 2008 Annual Meeting, and every three years thereafter, two directors shall be elected; and
- At the 2009 Annual Meeting, and every three years thereafter, two directors shall be elected.

(c) If no person is nominated to fill a seat on the Board of Directors, or if no person that the Board finds to be sufficiently qualified is available to fill any vacancy, the Board may allow a seat to remain vacant until the next Annual Meeting, at which time the seat will be open for election for the balance of the seat's term. However, the Board shall make every effort to operate with at least five members.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, the successor shall be selected by the remaining Members of the Board

and shall serve until the next election. At that time, a new Director will be elected by the membership to fill the remainder of the original term.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual 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 monthly, at such place and hour as may be fixed from time to time by resolution of the Board. Notice of the time, date and place of each meeting of the Board of Directors shall be published where it is reasonably calculated to be available to a majority of the lot owners and shall be sent by first-class mail or e-mail to any lot owner requesting such notice. A lot owner may make a request to be notified on a continual basis of any such meetings which request shall be made at least once a year in writing and include the lot owner's name, address, zip code, and any e-mail address as appropriate. 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 Association, or by any two (2) directors, after not less than three (3) days' notice to each director. Notice, reasonable under the circumstances, of special or

emergency meetings shall be given contemporaneously with the notice provided members of the Association's Board of Directors conducting the meeting.

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, provided that persons representing at least six votes must, by petition or by statement at the meeting, support any nomination from the floor before it is accepted. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. 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 selection 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 only from among the members of the Association.

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 Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) 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 for the infraction thereof;
- (b) exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (c) 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
- (d) employ a manager, an independent contractor, or such other employees as they deem necessary and to prescribe their duties.
- (e) to enter into agreements for the maintenance, repair and operation of The Properties, or any part thereof, with other parties, including the Declarant.

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, agents, and employees of this Association, 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 regular annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, as hereinafter provided in Article XII of these By-Laws; 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.

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(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

COMMITTEES

Section 1. The Board of Directors shall appoint an Environmental Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees to advise them as deemed appropriate. Such committees include:

(a) A Recreation Committee to advise the Board of Directors on all matters pertaining to the Association's recreational program. The committee shall ensure the orderly and timely operation of the pool and club house. The committee shall also promote safety and cleanliness in accordance with Fairfax County Regulations.

(b) A Finance Committee to present all phases of financial status of the Community to the Board of Directors. The committee shall advise and make recommendations to the Board. The Committee shall prepare an annual budget for approval by the Board and presentation to the membership. The committee shall also supervise the annual audit of the Association's books and statement of income and expenditures to be presented the membership at its regular annual meeting, as provided in Article XI, Section 8 (d). The Treasurer shall be an ex officio member of the committee.

(c) A Maintenance Committee to assure good care and maintenance to all common areas within the development. The committee shall also assure appropriate types of trees and shrubs are planted within the common areas.

(d) A Neighborhood Watch Committee to act in accordance with the standards set by the Fairfax County Police for Neighborhood Watch Programs. The committee shall ensure safety and minimize crime within our specified area.

(e) A Communications Committee to provide a forum of communication between both residents and the Board of Directors. The committee shall report items of interest to the community in a timely manner. The committee also shall, after consulting with the Board, make such public releases and announcements as are in the best interests of the Association.

Section 2. It shall be the duty of each committee to receive complaints from members on any matter involving Association 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 Association as is further concerned with the matter presented.

ARTICLE X

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held on the last Monday of September, 1973, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 8 o'clock P.M. If the day of the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

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, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association 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.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies 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 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.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and 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 Association 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 Association 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 all the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it to 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 Association 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 Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association 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 annual meeting, and deliver a copy of each to the members.

ARTICLE XII

ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of the Assessments. By the Declaration each member is deemed to covenant and agree to pay to the Association: (1) regular annual assessments or charges, and (2) special assessments for capital improvements, except as specified in said Declaration. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them.

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

specified in the Declaration, and of the homes situated upon the Lots, including without limitation the following:

(a) effecting repairs, replacements and additions to the Common Area and facilities thereon and performing all maintenance duties and providing of all services specified in Article VI of the Declaration.

(b) paying ad valorem and other property taxes and assessments levied on the Common Area;

(c) contracting for such employees and independent management necessary or appropriate to the operation and maintenance of the Common Area and supervision thereof and the performance of all duties and the providing of all services specified in Article VI of the Declaration; specifically, the Association may contract with any person or entity including Declarant for the performance of all or any portion of the duties of the Association provided herein;

(d) obtaining utility services for the Common Area; and

(e) obtaining general public liability insurance, property damage insurance and fire and extended coverage insurance in accordance with Article X of the Declaration.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Maximum Annual Assessment shall be Two Hundred Forty Dollars (\$240.00) per Lot.

(a) The Maximum Annual Assessment shall be increased each calendar year, effective January 1 of such year by an amount equal to seven per cent (7%) of the previous calendar year's Maximum Annual Assessment.

(b) If at any time the Board of Directors of the Association feels that the Maximum Annual Assessment is inadequate to fulfill the functions of the Association, it shall duly call a meeting of the Association for the purpose of increasing the Maximum Annual Assessment. At such meeting, the Maximum Annual Assessment may be increased by vote of two-thirds (2/3) of the Memberships of each class in attendance. Such increase shall continue until two-thirds (2/3) of the Memberships of each Class at a meeting duly called for that purpose, shall decide otherwise, or until the Maximum Annual Assessment figure set by the computation described above shall be higher, in which case the latter shall be the Maximum Annual Assessment figure.

(c) The failure of the Association to fix the Annual Assessments as provided herein for any year shall not be deemed a waiver or a release of any Owner from the obligation to pay the Annual Assessment, but the Annual Assessment fixed for the preceding calendar year shall continue until a new assessment is fixed.

Section 4. Special Assessments. In addition to the Annual Assessments, the Association may levy in any year Special Assessments, for the following purposes:

(a) Defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Common Area or the Lots, including the necessary fixtures and personal property related thereto; provided that any such assessment shall have the assent of at least two-thirds (2/3) of the Memberships of each class pursuant to votes cast at a meeting, duly called for this purpose.

(b) Exercising the option created by Article XV of the Declaration.

(c) Defraying the amount of any deficit created by an excess of expenditures of the Association over receipts for the previous year; provided the maximum amount of any

Special Assessment for this purpose may not exceed fifteen percent (15%) of the Annual Assessment for the current year.

(d) Paying for repairs and restoration and replacement and remedying violations pursuant to Section 4 of Article VI, Section 4 of Article IX, and Section 5 of Article X of the Declaration.

Section 5. Notice and Quorum for any Action Authorized Under Section 3 and 4.

Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 above shall be sent to all Members not less than 5 days nor more than 50 days in advance of the meeting. Such notice shall set forth the purpose of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of Membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the 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 60 days following the preceding meeting.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The Annual Assessments provided for herein shall commence as to each Lot on the first day of the month following the occupancy of said Lot as a residence or professional office, or the conveyance of said Lot by Declarant to a purchaser. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. Within thirty (30) days prior to the beginning of each calendar year and after consideration of current maintenance and replacement costs and a reasonable reserve for contingencies of the Association, the Board of Directors shall estimate and fix the Annual Assessment as determined in Section 3 paragraph (a) above. The

association shall then notify each Owner of the amount of the Annual Assessment and each Owner shall be obligated to pay the Annual Assessment in equal monthly installments on or before the first day of each calendar month beginning January 1 of such calendar year. In the event the amount of the Annual Assessment proves to be inadequate at any time during the course of a calendar year, the Board of Directors of the Association may increase the amount of the Annual Assessment up to the Maximum Annual Assessment for such year. Correspondingly, if the amount of the Annual Assessment is creating a surplus in excess of that necessary as a reserve for contingencies, the Board of Directors of the Association may decrease the Annual Assessment. In such event, the Association shall notify each Owner of the amount of the new Annual Assessment and each Owner shall be obligated to pay a proportionate part of the New Annual Assessment on the first day of each calendar month for the remainder of the calendar year. The Association shall upon request of an Owner at any time furnish a certificate in writing signed by an officer of the Association setting forth whether or not the assessment on the Lot owned by such Owner has been paid. A reasonable charge may be made by the Association for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of nine (9) percent per annum or the maximum allowed by law, whichever is the lesser. The Association may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Lot and interest, costs and reasonable attorney's fees for such action shall be added to the amount of such assessments as part of the

lien against the Lot. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Deeds of Trust. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust lien or any lien securing a debt incurred in improving any Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure of a first deed of trust or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, except if a mortgagee shall purchase a Lot at a foreclosure or trustee's sale, in which case assessments shall be suspended until such Lot is sold by such mortgagee or until such Lot is occupied as a residence, whichever shall occur first.

Section 9. Interim Adjustment of Assessments. The Annual Assessment due on the first day of any particular month shall be reduced by fifty percent (50%) until the first day of the month following the date of the issuance of the certificate of occupancy of the recreational building on the Common Area.

Section 10. All Assessments Pro Rata. The Assessment made against any Lot subject to assessment shall in no case be higher or lower than the assessment against any other Lot subject to assessment, except for (1) any Special Assessments allowed pursuant to Section 4 of Article VI, Section 4 of Article IX, and Section 5 of Article X, of the Declaration which are properly attributable, in the judgment of the Board of Directors of the Association, to less than all of the Lots.

Section 11. No diminution or abatement of assessments shall be allowed or claimed for inconveniences or discomfort arising from the making of repairs or improvements to the Common Areas or Lot or from any action taken to comply with any law, ordinance, or order of a governmental authority.

Section 12. Exempt Property. The following property subject to the Declaration shall be exempted from the assessments, charges and liens created herein: (a) all properties dedicated to and accepted by a local public authority and devoted to public use; (b) all common areas; (c) all properties exempted from taxation by the laws of the State of Virginia, upon the terms and to the extent of such legal exemption; (d) all Lots owned by the Declarant, unless occupied as a residence of professional office.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

ARTICLE XIII

INDEMNIFICATION

The members of the Board of Directors and Officers of the Association shall not be liable to any owner or any person claiming by or through any owner for any act or omission of such director or officer in the performance of his duties except if such act or omission shall involve gross negligence, bad faith or reckless disregard of his duties, and the Association shall have the power to indemnify all such directors and officers from all claims, demands, actions and proceedings and any expenses in connection therewith, except if any such director or officer be judicially declared to have acted in a grossly negligent manner, with bad faith, or in reckless disregard of his duties.

ARTICLE XIV

BOOKS AND RECORDS

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

ARTICLE XV

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: The Timbers Association, 1972.

ARTICLE XVI

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.

ARTICLE XVII

MISCELLANEOUS

The fiscal year of the Association shall begin on the date of incorporation.

These Bylaws were duly amended and restated at a special meeting of the members by vote of a majority of a quorum of members present in person or by proxy on May 11, 2004.

IN WITNESS WHEREOF, I, being President of the Board of Directors of The Timbers Association, have hereunto set my hand this 30 day of September, 2004.

THE TIMBERS ASSOCIATION

By

Richard G. "Nek" Holt

Its

President

Attest:

Duane A. P. C., Vice President