PURCHASER SHOULD READ THIS DOCUMENT FOR HIS OWN PROTECTION

PUBLIC OFFERING STATEMENT

NAME OF CONDOMINIUM:	Market Street at Town Center Condominium
LOCATION OF CONDOMINIUM:	12001 Market Street Reston, VA 20191
NAME OF DECLARANT:	Reston Apartments Holdings, LLC
ADDRESS OF DECLARANT:	6110 Executive Blvd., Suite 315 Rockville, MD 20852
EFFECTIVE DATE OF PUBLIC OFFERING STATEMENT:	January 2, 2003 Virginia Registration No 02-138

This Public Offering Statement presents information regarding Condominium Units being offered for sale by the DECLARANT. Virginia Law requires that a Public Offering Statement be given to every Purchaser in order to provide full and accurate disclosure of the significant features of the Condominium Units being offered. The Public Offering Statement is not intended, however, to be all-inclusive. The Purchaser should consult other sources for details not covered by the Public Offering Statement.

The Public Offering Statement summarizes information and documents furnished by the DECLARANT to the Virginia Real Estate Board. The Board has carefully reviewed the Public Offering Statement to ensure that it is an accurate summary but does not guarantee its accuracy. In the event of any inconsistency between the Public Offering Statement and the material it is intended to summarize, the latter will control.

Under Virginia Law a Purchaser of a Condominium Unit is afforded a ten day period during which he or she may cancel the contract of sale and obtain full refund of any sums deposited in connection with the contract. The ten day period begins running on the contract date or the date of delivery of a Public Offering Statement, whichever is later. The Purchaser should inspect the Condominium Unit and all Common Areas and obtain professional advice. If the Purchaser elects to cancel, he or she must deliver notice of cancellation to the DECLARANT by hand or by United States mail, return receipt requested.

The following are violations of Virginia Law and should be reported to the Virginia Real Estate Board, Dept. of Professional and Occupational Regulation, 3600 West Broad Street, Richmond, Virginia 23230:

-- a misrepresentation made in the Public Offering Statement

-- an oral modification of the Public Offering Statement

-- a representation that the Real Estate Board has passed on the merits of the condominium units being offered or endorses the condominium.

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SUMMARY OF IMPORTANT CONSIDERATIONS

The following are important matters to be considered in acquiring a Condominium Unit. They are highlights only. The narrative sections should be examined to obtain detailed information.

1. The Condominium will be governed by a Unit Owners Association. Each Unit Owner will have a vote on certain decisions of the Association and will be bound by all decisions including those with which he disagrees. See "UNIT OWNERS ASSOCIATION", Section J of this Public Offering Statement.

2. Certain decisions of the Unit Owners Association will be made by its Board of Directors. See "UNIT OWNERS ASSOCIATION", Section J of this Public Offering Statement.

3. The expenses of operating the Unit Owners Association will be paid by the Unit Owners on the basis of an annual budget. Each Unit Owner will be required to pay a monthly assessment. A Unit Owner cannot reduce the amount of his assessment by refraining from use of the Common Elements. See "UNIT OWNERS ASSOCIATION", Section J and "FINANCIAL MATTERS", Section M of this Public Offering Statement.

4. If a Unit Owner fails to pay an assessment when due, the Unit Owners Association will have a lien against his Condominium Unit. Certain other penalties may be applied. See "FINANCIAL MATTERS", Section M of this Public Offering Statement.

5. The Declarant must pay assessments on unsold Condominium Units.

6. The Declarant, its predecessors or principal officers have not undergone any type of debt relief proceeding.

7. The Declarant will retain control of the Unit Owners Association until 75% of the Units in the Condominium are sold and settled or until five (5) years from the date the first Unit is conveyed to a Unit Owner other than the Declarant, whichever first occurs. See "UNIT OWNERS ASSOCIATION", Section J of this Public Offering Statement.

8. A Managing Agent will perform the routine operations of the Unit Owners Association. The initial Managing Agent is not related to the Declarant. See "UNIT OWNERS ASSOCIATION", Section J of this Public Offering Statement.

9. The Declarant may rent unsold Condominium Units, without restriction of any kind. The right of any Unit Owner to rent his Unit is subject to certain restrictions. See "RESTRICTIONS ON TRANSFER", Section I of this Public Offering Statement.

10. The Declarant may convert convertible land without the consent of any Unit Owner, or may add any of the Additional Land without the consent of any Unit Owner.

11. The right of a Residential Unit Owner to resell his Condominium Unit is not subject to any restrictions. See "RESTRICTIONS ON TRANSFER", Section I of this Public Offering Statement.

12. The Units are not restricted to residential use; the Commercial Unit will be for commercial/recreational uses. The Declarant may use the Units it owns for sales purposes. See "DESCRIPTION OF THE CONDOMINIUM", Section C of this Public Offering Statement.

13. The Unit Owner may not alter the structure of his Unit or modify the exterior of the Unit without the approval of the proper representatives of the Unit Owners Association. See "ARTICLE VI, Section 7, of the By-Laws attached as APPENDIX II to this Public Offering Statement.

14. The Unit Owners Association will obtain certain insurance benefiting the Unit Owner, but the Unit Owner should obtain other insurance of his own. See "INSURANCE", Section N of this Public Offering Statement.

15. The Unit Owner will pay real estate taxes on his Condominium Unit. See "TAXES", Section O of this Public Offering Statement.

16. The Unit Owner's right to bring legal action against the Declarant is limited by the Addendum to the purchase contract to arbitration.

17. The Condominium Units will not be offered for sale as a "time-share" condominium.

18. Marketing and sale of condominium units will be conducted in accordance with the Virginia Fair Housing Law (Code of Virginia Section 36-96.1 et. seq.) and the Virginia Condominium Act (Code of Virginia Section 55-79.52(c).

INTRODUCTION

Reston Apartments Holdings, LLC (the "Declarant"), hereby presents this, its proposal for the creation of condominium units on certain real estate which it owns in Fairfax County, Virginia, pursuant to Title 55, Section 55-79.39 et seq. of the Code of Virginia, 1950 Edition, as amended, ("The Condominium Act"). The condominium to be created shall be called MARKET STREET AT TOWN CENTER CONDOMINIUM, (the "Condominium"). The Condominium is a mixed-use project including Units designated for residential use (the "Residential Units") and Units designated for commercial or retail use (the "Commercial Units").

This Public Offering Statement contains certain narrative sections which attempt to explain certain important information in terms which the layman can understand. This Public Offering Statement also includes various legal documents which are of a more technical nature and which are attached as appendices hereto. Although the Declarant has made every effort to present the material contained in this Public Offering Statement in as understandable a fashion as possible, prospective Purchasers reviewing this material are invited and encouraged to have this material reviewed by their own legal counsel.

Prospective Purchasers should also be aware that while the material contained in this Public Offering Statement is not intended to be all inclusive, any information or data regarding the Condominium not presented in this Public Offering Statement must not be relied upon. No person has been authorized by the Declarant to make any representation not expressly contained herein.

A. THE CONDOMINIUM CONCEPT.

The term "condominium" refers to a form of property ownership. Condominium ownership is a property right which, in effect, combines two older forms of ownership. The Condominium Unit Owner is (I) the sole owner of the portion of a building which comprises his living quarters or business (as the case may be) and is (2) one of many mutual owners (legally speaking, "tenants in common") of common facilities which service his and other living quarters or business (as the case may be), and of common areas which the Unit Owner may use and enjoy along with owners of other Units. Common Elements are all portions of the condominium which are not included within the Units. The Common Elements constitute the land and those portions of the structures which support, enclose or service the Units. Each individual Unit Owner has a proportionate fractional share, an "undivided interest", in the Common Elements, which means that all Unit Owners have a share in the ownership of all Common Elements. In this Condominium, the undivided interest of each Unit is a fraction and is called its "Common Element Interest". The ownership of a Common Element Interest gives the Unit Owner the right to participate in the control of all the Common Elements (subject to the Declarant's reserved rights of control as set forth in the Condominium Instruments described below), and imposes upon the Unit Owner the obligation to pay a defined share of the expenses of operating and maintaining all of the Common Elements. It is the ownership of an undivided interest in the Common Elements which distinguishes condominium ownership from other forms of property ownership.

Certain Common Elements may be designated Limited Common Elements. A Limited Common Element is a portion of the Common Elements set aside for use by less than all of the Unit Owners. The Unit Owner of a Unit to which a Limited Common Element is assigned has a special right to use the Limited Common Element as set forth in the Condominium Instruments. Responsibility for and maintenance of the Limited Common Elements is set forth in the Bylaws Maintenance and Repair Responsibility Chart, attached as a part of Appendix II to this Public Offering Statement.

Certain Common Elements may be designated as Reserved Common Elements. A Reserved Common Element is a portion of the Common Elements set aside for use by less than all of the Unit Owners not by the Condominium Instruments, but rather by the Board of Directors of the Unit Owners Association. The Board of Directors may, therefore, terminate a Unit Owner's right to restricted use of a Reserved Common Element.

The Condominium building is also described as Convertible Land which allows the Declarant to convert the building on a floor by floor basis into Residential Units. The Declarant reserves the right to add any number of Units and any portion of the Convertible Land at any time (see "DESCRIPTION OF THE CONDOMINIUM", Narrative Section C of this Public Offering Statement).

A list of the defined terms used in this Public Offering Statement is found in Article I of the Bylaws attached as Appendix II.

B. CREATION OF THE CONDOMINIUM.

(1) The Declaration.

The essential function of the Declaration is to describe property rights within the Condominium. The Declaration is more detailed than this Public Offering Statement about the Units and the Common Elements (including the Limited Common Elements). The Declaration also contains definitions, describes certain easements and contains various other provisions. Technically, the Bylaws and the Plats and Plans described below are integral parts of the Declaration and all collectively known as the Condominium Instruments. The Declaration will be recorded in the Clerk's Office of the Circuit Court of Fairfax County, Virginia. A copy of the proposed Declaration is attached to this Public Offering Statement as part of Appendix I. The Declaration creates the Condominium on the "Submitted Land". In addition, the Declaration establishes special property rights within the Condominium, such as Limited Common Elements. Although the Declarant intends to sell all the Units, the Declaration reserves for the Declarant the right to rent any Units not sold. The Declaration establishes the boundaries of the Units and assigns to each Unit an undivided share (i.e. Common Element Interest) in the Common Elements of the Condominium. In addition, the Declaration creates certain easements running in favor of the Unit Owners Association and further reserves certain easements and rights to the Declarant.

(2) The Bylaws.

The Bylaws of the Condominium (Appendix II to this Public Offering Statement) provide for the administration of the Condominium, set forth the various rights and maintenance responsibilities between the individual Unit Owners and the Unit Owners Association, provide for the financial operation and management of the Condominium, and provide for administration and enforcement of certain use restrictions designed to promote the health, welfare and safety of all of the Unit Owners and to preserve and protect the value of the Units and Common Elements. The Bylaws contain a complete list of the defined terms used in this Public Offering Statement.

(3) Amendments to Condominium Instruments.

Attached as Appendix III to this Public Offering Statement is a proposed form of Amendment to the Condominium Instruments which will add the Additional Land and the Units thereon to the Condominium. This document, if and when recorded among the land records of Fairfax County, Virginia, will expand the Condominium. Declarant reserves the right to add any number of Units and any portion of the Additional Land at any time. These Amendments to the Condominium Instruments also reallocate the Common Element Interests among all Units then in the Condominium.

The Unit Owners may amend the Declaration and Bylaws by agreement of Unit Owners of Units to which two thirds (2/3) of the votes in the Unit Owners Association appertain. Some amendments also require the consent of mortgagees of Units.

(4) The Plats and Plans.

The basic function of the Plats and Plans attached as Exhibits "D" and "E" to the Declaration (attached as Appendix I to this Public Offering Statement) is to depict graphically the Condominium and Units. These plats and plans will be recorded with the Declaration. All Plats and Plans (not to scale) included as exhibits to the Declaration have been photoreduced for ease of presentation and are included in this Public Offering Statement for distribution to purchasers. Full size copies of these exhibits are available for inspection by prospective Purchasers, during normal business hours, at the Declarant's sales office.

Plats and plans for additional phases will be recorded with subsequent Amendments to the Declaration as the Condominium is expanded. The plats show the location and dimensions of the Submitted Land and Additional Land, the intended location and dimensions of any contemplated improvements which are to be located on any portion of the Submitted Land, and, to the extent feasible, the location and dimensions of all easements appurtenant to the Submitted Land and Additional Land.

The Declarant, pursuant to the provisions of Section 55-79.96 of the Condominium Act, shall promptly forward to each contract Purchaser of a Unit an exact copy of the recorded Declaration, Bylaws, and any Amendments thereto after said instruments are recorded in the Clerk's Office of the Circuit Court of Fairfax County, Virginia. Such documents are commonly referred to as the "Condominium Instruments".

C. DESCRIPTION OF THE CONDOMINIUM.

(1) Expandable Condominium.

The Condominium is an "Expandable Condominium" which is defined in the Section 55-79.4l(n) of The Condominium Act as "a condominium to which additional land may be added in accordance with the provisions of the Declaration and of this chapter". The Condominium, if fully expanded, may be situated on parcels of land containing approximately 3.91 acres of land (the "Condominium Property") and may contain up to a total of 333 Residential Condominium Units, and a Commercial Condominium Unit of approximately 4,200 square feet in size.

(2) Submitted and Additional Land.

The first twenty six (26) Units to be included in the Condominium are located on a parcel of land approximately 31,284 square feet in size shown as Phase 1 on the Plat (the "Submitted Land" attached hereto as Exhibit "D" to the Declaration (Appendix I to this Public Offering Statement). The Additional Land consists of approximately 2.20 acres which are shown on the Condominium Plat and which are legally described as Phases 2 through 7 on Exhibit A-1 to the Declaration. The phases in the Additional Land shown on the Plat and the Units to be located thereon may be added to the Condominium by the recordation of Amendments to the Declaration, a proposed form of which is attached hereto as Appendix III to this Public Offering Statement. The Declarant may add all or any portion of the Additional Land without the consent of any Unit Owner. At the present time, the Declarant intends to add the Additional Land in six (6) additional phases together with the three hundred thirty three (333) Residential Units and the Commercial Unit and the

Common Elements planned to be constructed thereon approximately eighteen (18) months from the time the initial Units are completed.

(3) Additional Land.

The Declarant reserves the right to submit any portion of the Additional Land as convertible or withdrawable land in accordance with the Condominium Act and may designate as convertible spaces any portion of any building on the Additional Land. The Additional Land is depicted on the Condominium Plat attached as Exhibit D to the Declaration and is described legally as Phases 2 through 7 in Exhibit A-1 to the Declaration.

The maximum number of Residential Units that this Condominium (if fully expanded) will contain is three hundred thirty three (333) and the maximum number of commercial units is one (1) while the maximum number of Units per acre which could ever be contained in the Condominium, even if fully expanded, is one hundred (100).

No assurances are given with regard to what portions of the Additional Land may be added. No assurances are given as to the specific locations of improvements on the Additional Land. No assurances are given as to the specific phasing of the Condominium.

The construction and development of the Condominium may be abandoned or altered, at the Declarant's option, short of completion and land and buildings originally intended for condominium development may be put to other uses or sold.

The Commercial Unit containing approximately 4,200 square feet of floor area shall be located in the building to be constructed on Phase 2 of the Additional Land. Other improvements to be constructed on the Additional Land shall consist of six (6) residential buildings and associated plaza and common areas and portions of the underground parking garage serving such buildings.

(4) Commercial Unit

Approximately 4,200 square feet of the first floor of the building to be constructed in Phase 2 of the Condominium will be reserved for commercial related uses. All such uses will be in conformance with the Condominium Instruments and the applicable zoning regulations of Fairfax County. At present the commercial space has been leased for a period of ten (10) years with an option to renew for three (3) additional five (5) year terms to Reston Town Center Committee for use as a cultural center and other related uses.

The Condominium is to be constructed so that the Residential Unit Owners and Commercial Unit Owners will co-exist with a minimal amount of disturbance or interference from one another but so that certain potential efficiencies created by the mixed use nature of the complex can be realized. However, in order to address those instances where there is overlap between the residential section and the commercial section (such as, for example, the use of certain common facilities), certain easements and rights of way are required between such sections. Such easements and rights of way are more particularly described in the Declaration attached hereto as Appendix I.

(5) Permitted Residential and Commercial Uses.

The Units in the Condominium are restricted to residential and commercial/retail use (in the case of the Commercial Unit) except that the Declarant may use Units owned or leased by the Declarant as models, management offices, sales offices or customer service offices; other reasonable, temporary non-residential uses may be permitted by the Board of Directors. No Residential Units are planned to be rentals except as above described. The restrictions on the uses of Units are set forth in Article XI or the Bylaws. The Declarant does not intend to sell more than twenty percent (20%) of the Units to persons who do not intend to occupy the Units as their residence.

(6) Common Facilities.

The Condominium when fully constructed will have a swimming pool which is located on Phase 1 and a clubhouse with a fitness center to be located in the building to be constructed in Phase 1 of the Condominium. At the time of initial occupancy of Units by purchasers, although the recreational facilities will be substantially complete, they may not be available for immediate use pending installation of finishes and equipment.

(7) Parking.

The Condominium will be served by approximately 550 underground garage parking spaces, of which approximately 10 are "tandem spaces", resulting in a parking ratio of at least 1.6 spaces per Residential Unit. The Commercial Unit will be allocated at least 4 limited common element parking spaces for its exclusive use.

D. INDIVIDUAL UNITS.

(1) Type, Number and Location.

The Condominium shall consist of up to three hundred thirty three (333) Residential Units in seven (7) four/five story buildings. The Residential Units may be a mix of one (1) two (2) and three (3) bedroom units . The various locations, types, and approximate dimensions of each of the Units in the first phase to be offered for sale are shown on the Plat and Plans attached as Exhibits "D" and "E" to the Declaration (Appendix I to this Public Offering Statement). Floor Plans showing approximate dimensions and layout of each Unit type to be offered are attached as Appendix VI to this Public Offering Statement.

(2) Unit Boundaries.

Generally speaking, each Unit will consist of the space bounded by the walls, floor and ceiling of the Unit. The Unit will also include (i) all nonstructural interior partition walls located within the boundaries of the Unit excepting such part as may comprise part of the Common Elements; (ii) the decorated surfaces of all boundary walls, ceilings and floors, including paint, sheetrock, plaster, carpeting (if furnished), flooring and other finishing materials; (iii) all fixtures, appliances, mechanical and electrical systems and equipment, heating and air conditioning apparatus, cabinets, and water and sewage pipes serving only that unit; (iv) the windows, entry doors, and any sliding glass doors or French doors, and (v) those portions of any chutes, ducts, conduits, wires, bearing walls, bearing columns, or any other apparatus lying partially within and partially outside of the designated boundaries of a Unit, but serving only that Unit (any portions thereof serving more than one Unit or any portion of the Common Elements is deemed a part of the Common Elements).

(3) Restrictions on Alterations.

Neither Commercial nor Residential Unit Owners will be permitted to make any structural changes, additions or renovations to their Units, or make any change to Unit exteriors without prior written consent of the appropriate representatives of the Unit Owners Association.

(4) Optional Improvements.

The Units will be delivered equipped and finished as set forth in the individual Purchase Agreements. The Declarant may offer a limited number of optional extras and custom finishing; if so, the options to be installed will be set forth in the Purchase Agreements.

(5) Development Schedule.

Construction of the Condominium building began in December 2001. The first Units are expected to be completed by Fall of 2003.

(6) Sound Conditioning.

The Condominium will be constructed generally to comply with the sound standards established by the United States Department of Housing and Urban Development (and employed by the Federal National Mortgage Association). However, the Declarant cautions all purchasers that in some locations some noise leaks may occur. Noise generated by the operation of appliances and plumbing fixtures (e.g., faucets, toilets, disposers, whirlpool tubs and drains) in adjacent Units may be audible. Noise will be audible from the hallways through Unit entrance doors. Therefore, noise sensitive individuals should be aware that, while the building will be generally well sound-insulated, certain intermittent noises from adjacent living units and service areas are likely to be audible. Further, to reduce sound transmission, the Bylaws require Residential Unit Owners to maintain floor covenngs (carpet or rugs and padding) over no less than seventy-five percent (75%) of all floors in each room.

E. COMMON ELEMENTS.

The Common Elements of the Condominium consist of General Common Elements, Residential Limited Common Elements, Individual Residential Limited Common Elements, Commercial Limited Common Elements and Individual Commercial Limited Common Elements. Although the Common Elements are owned in common by all Unit Owners, the Declarant, the Residential Unit Owners, the Commercial Unit Owners and the Board of Directors, have been given certain powers with respect to specific Common Elements, including the power to regulate the use and operation of such Common Elements as described in the Condominium Instruments. The Common Elements are expected to be completed by the time of conveyance of the first Unit.

(1) General Common Elements.

The General Common Elements are shown on the Plats and Plans and consist of the entire Condominium other than the Commercial and Residential Units and the Limited Common Elements, and include without limitation the following:

(a) The land within the Condominium Property;

(b) The air space around and above the Condominium;

(c) All foundations, columns, girders, beams and supports of the buildings not included as parts of Commercial and Residential Units or Limited Common Elements;

(d) The roof and roof structure not included as parts of Commercial and Residential Units or Limited Common Elements;

(e) All exterior masonry walls and facings of the buildings (including without limitation the structural grid wall), and all partitions separating Units not included as parts of Commercial and Residential Units;

(f) Portions of the utility systems serving the General Common Elements or all of the Units;

(g) The mechanical and maintenance rooms not included as parts of Commercial and Residential Units or designated as Limited Common Elements;

(h) All pumps, pipes, wires, cables, conduits and other apparatus relating to the water distribution, power, light, telephone, gas, sewer, heating, air conditioning and plumbing systems located in and/or serving only the Condominium and not included as parts of Commercial and Residential Units or designated as Limited Common Elements;

(i) All entrance doors and windows located in the Condominium except those deemed Limited Common Elements;

(j) The central loading and delivery areas, if any; and

(k) Except as otherwise set forth in the Declaration, all apparatus and installations existing or hereinafter constructed in the building or on the Condominium Property.

(2) Limited Common Elements.

Certain Common Elements are designated as "Limited Common Elements". The location of the various Limited Common Elements are depicted on the Plats and Plans. What makes such Common Elements "limited" is that they are reserved for the exclusive use of one or more (but less than all) of the Unit Owners, to the exclusion of the rest of the Unit Owners. The Declaration for the Condominium establishes several classifications of Limited Common Elements, including "Residential Limited Common Elements", "Individual Residential Limited Common Elements", "Commercial Limited Common Elements" and "Individual Commercial Limited Common Elements". The Residential Limited Common Elements are reserved for the use of all Residential Unit Owners in the Condominium and the Commercial Limited Common Elements are reserved for the use of all of the Commercial Unit Owners in the Condominium. The Individual Residential Limited Common Elements are reserved for the exclusive use and benefit and are the responsibility of one (1) or more, but less than all, of the Residential Units and their Owners. Individual Commercial Limited Common Elements are reserved for the exclusive use and benefit and are the responsibility of one or more, but less than all, of the Commercial Units and their Owners.

(a) Individual Residential Limited Common Elements. The Individual Residential Limited Common Elements in the Condominium are balconies or patios appurtenant to each Unit as are designated on the Condominium Plans attached as part of Appendix I to this Public Offering Statement. Underground storage and garage spaces are expected to be assigned as Individual Residential Limited Common Elements to Units by the Declarant. Certain storage spaces on the uppermost floor (penthouse) have been assigned to Units on that floor as shown on the Plans.

(b) Residential Limited Common Elements. The Residential Limited Common Elements are expected to be the elevators, stairways, lobbies and other facilities in the Condominium which are for the exclusive use of the Residential Unit Owners. Such Residential Limited Common Elements are shown on the Plans attached as part of Appendix I.

(c) Commercial Limited Common Elements. The Individual Commercial Limited Common Elements and Commercial Limited Common Elements have not been determined as of the date of this Public Offering Statement.

(d) Reserved Common Elements.

Certain General Common Elements, Residential Limited Common Elements and Commercial Limited Common Elements may be designated as "Reserved General Common Elements" or "Reserved Residential Limited Common Elements" or "Reserved Commercial Limited Common Elements", respectively. A Reserved General Common Element, Reserved Residential Limited Common Element or Reserved Commercial Limited Common Element is a portion of the General Common Elements, Residential Limited Common Elements or Commercial Limited Common Elements, as the case may be, set aside for use by less than all of the Unit Owners, not by the Condominium Instruments but, rather, by the Board of Directors of the Unit Owners Association.

(3) Common Element Interest.

Each Unit Owner will also own an interest in all of the General Common Elements of the Condominium (i.e., its Common Element Interest) based on the par value of his Unit type. Each Residential Unit Owner also has an undivided interest in the Residential Limited Common Elements based on the par value of his Unit Type ("Residential Common Element Interest") Each Commercial Unit Owner has an undivided interest in the Commercial Limited Common Elements based on the par value of his Unit ("Commercial Common Element Interest). The type of each Residential Unit is shown on the Plans attached as Exhibit E to the Declaration. The par values have been established and are shown on the Common Element Interest Schedule attached as Exhibit B to the Declaration.

If the Additional Land of the Condominium is added to the Condominium or if the Convertible Land in the Condominium is converted to create additional Units, the Common Element Interests of all Units will be recalculated on the basis of their par values. This recalculation will reduce the Common Element Interest appertaining to each Unit, but because the total amount of Common Elements will have increased, the actual ownership interests will be essentially unchanged.

(4) <u>Assessments for Maintenance and Repair.</u>

The cost and obligation of maintenance, repair and renovation of Common Elements and Limited Common Elements in general (except as designated in the Maintenance Responsibilities Chart attached as Exhibit A to the Bylaws) of the Condominium shall be paid from assessments on the Units by the Unit Owners Association. Such assessments are described in Section M of this Public Offering Statement.

(5) <u>Parking.</u>

The Condominium is served by an underground garage which is a part of the Common Elements of the Condominium. The Condominium will contain approximately 550 underground garage parking spaces, approximately 10 of which are tandem parking spaces, resulting in a parking ratio of at least 1.6 spaces per Residential Unit which is in compliance with current Fairfax County requirements. Garage parking spaces are expected to be sold and assigned by the Declarant and such parking space will be deemed as a Individual Residential Limited Common Element for the exclusive use of the Unit Owner or his tenant. Unassigned parking spaces are Common Elements, whose use shall be on a first-come first-served basis unless otherwise determined by the Board of Directors of the Unit Owners Association.

Not less than four (4) parking spaces will be assigned by the Declarant as Commercial Limited Common Elements for the exclusive use of the Commercial Unit Owner.

The Declarant has the right to reserve parking spaces for sales purposes. Reassignments of the parking spaces will be performed by the Unit Owners Association pursuant to Section 55-79.57 of the Condominium Act. All parking spaces within the Condominium are for the exclusive use of the Declarant, Unit Owners or their tenants and guests. No parking space may be used for storage of items or any other use, other than parking of vehicles.

F. THE DECLARANT.

The Declarant, Reston Apartments Holdings, LLC, is a Delaware limited liability company formed in October, 2001 for the purpose of developing this Condominium. The general partner of the Declarant is TCR Reston Limited Partnership, a Texas limited partnership whose general partner is TCR Mid Atlantic Apartments, Inc. a Texas corporation. The Declarant and its general partners and corporate partners are affiliated with Trammel Crow Residential, a large national real estate real estate company and one of the largest builders and managers of multi-family rental housing in the United States

The directors of TCR Mid Atlantic Apartments, Inc. are Harlan R. Crow, J. Ronald Terwilliger and William C. MacDonald, all of whom have been with the company since its inception.

J. Ronald Terwilliger has been National Managing Partner of Trammell Crow Residential, an affiliated builder/developer of the Declarant, since 1986. Mr. Terwilliger is responsible for all residential development and operations conducted by the various Trammell Crow partners and associates in twenty-two offices throughout the United States. He has no direct responsibility for this Condominium. Mr. Terwilliger has been associated with the Declarant entity since its inception and is responsible for overall management of the Declarant.

William C. MacDonald is the Group Managing Partner for the mid -Atlantic/Northeast division of Trammell Crow Residential. He has been with Trammel Crow Residential since 1989. He is responsible for all construction, development, management and financing of the various Trammell Crow partners and associates' business in these areas. He has no direct role in this Condominium. Mr. McDonald has been associated with the Declarant entity since its inception and is responsible for overall management of the Declarant.

Charles N. "Chip" Bay joined Trammell Crow Residential in 1998 as a Development Partner. He is responsible for new project development, including site acquisition, product designs and project approvals for multi-family rental housing in the Mid-Atlantic region. He is responsible for the acquisition and development of residential land including this Condominium. Mr. Bay has been associated with the Declarant since its inception and is responsible for the direct and regional supervision of the Declarant.

Sam Simone joined Trammell Crow Residential in June of 2000 as a Development Associate. In this role, Mr. Simone is responsible for assisting the Mid Atlantic Development Partner in pursuing new development opportunities, product design, and the pursuit of entitlements to meet all local jurisdictional requirements. Prior to joining Trammell Crow Residential, Mr. Simone was a Senior Real Estate Consultant with Arthur Andersen's Real Estate Consulting Portfolio Services Group in New York City. In this role

Mr. Simone's responsibilities included the management of due diligence and advisory service projects including both single-asset and portfolio real estate acquisitions, financing, depositions; commercial mortgage backed securities transactions (CMBS), valuations, "B-Piece" acquisitions, "Equity Kicker" analysis, and office development financial modeling/analysis investment banks and large institutional investors. Mr. Simone received his Bachelor of Science Degree from the State University of New York in Business Administration/Finance. Mr. Simone has been affiliated with the Declarant since its inception and is directly responsible for the day to day management of the development, construction and sales of Condominium Units for the Declarant.

G. TERMS OF THE OFFERING.

(1) Offering Prices.

Offering prices for all Unit types in the Condominium have not been established at this time. When initial offering prices are established, they will be subject to change at any time prior to execution of the Purchase Agreements for individual Units. Different Purchasers may pay different prices for similar Units at the sole discretion of the Declarant, however no purchaser of a Residential Unit shall be discriminated against under the guidelines of the Virginia Fair Housing Law (VA Code § 36.96-1 et seq.). Nothing in this Public Offering Statement represents an offer or agreement by the Declarant to sell any Condominium Unit to any person at any price.

(2) Time of Settlement.

The Declarant shall give notice to the Purchaser specifying a date on which settlement shall take place. Settlement upon the Unit shall take place only after inspection of the Unit by the Purchaser or waiver of such inspection. The Declarant shall deliver to the Purchaser a good and sufficient Special Warranty Deed at settlement conveying the Condominium Unit to Purchaser. Purchaser shall pay the Balance Due at settlement (in addition to causing the Mortgagee, if any, to pay the mortgage proceeds) to the order of the Declarant or as the Declarant may direct. Declarant thereupon will deliver possession of the Condominium Unit to the Purchaser. The Purchaser is entitled to have counsel of his own selection attend settlement at his own expense.

(3) Financing.

A Unit Purchaser may apply for financing from any lender or may pay all cash at settlement. The Declarant is not obligated to assist a Purchaser in obtaining financing. However, the Declarant anticipates arranging financing from at least one institution (the "Designated Lender") and that such institution will provide a number of first mortgage loans secured by Residential Units in the Condominium to qualified Purchasers of Residential

Units meeting standard credit requirements. The terms of all such financing will be available to Purchasers of Residential Units from the Designated Lender. The Declarant reserves the right to provide any credit information provided by a Purchaser to the Designated Lender solely for the purpose of obtaining financing for the Purchaser's Unit. Financing is subject to additional terms and conditions stated in the lender's commitment letter to Purchaser and in the loan instruments.

(4) Settlement Costs and Expenses.

Settlement costs shall be determined by the Purchaser's individual Purchase Agreement. The Purchaser shall reimburse the Declarant at settlement for prepaid real estate taxes, assessments and utility charges, if any, on the Condominium Unit, all of which shall be adjusted as of the date of settlement. If a separate real estate tax bill has not been issued for the Condominium Unit prior to settlement, the Purchaser shall agree to such escrow arrangements as may be established by the Declarant to assure payment of such taxes. In addition, each initial Purchaser will also deposit with the Declarant at settlement for transmittal to the Unit Owners Association an amount equal to twice the estimated monthly common assessment for initial working capital in addition to, and not in lieu of, the regular monthly assessment.

Any loan fees charged by a lender shall be paid by the Purchaser unless the Declarant has agreed to pay such fees pursuant to the Purchase Agreement. It shall be the responsibility of the Purchaser to pay any and all fees or charges in connection with the mortgage which are not specifically agreed in writing to be paid by the Declarant.

(5) Development Expenses.

The Declarant will bear all costs and expenses incurred in connection with the creation of the Condominium and sales of units, including selling expenses upon the initial sales of Units, advertising and printing expenses, the Declarant's attorneys' fees and engineering and surveying costs. All brokerage commissions, if any, on initial sales of the Units by the Declarant's sales staff will be paid by the Declarant. The Declarant will convey each Unit free of liens or liabilities against such unit, except the lien for current real estate taxes not then due and payable and the statutory lien for condominium assessments.

(6) Deposits.

All deposits will be held in escrow by the Declarant in an account at a financial institution in the Commonwealth of Virginia pending settlement. All deposits shall be credited against the purchase price at settlement, paid over to the Declarant upon a breach of the Purchase Agreement by the Purchaser or returned to the Purchaser in the event the contemplated transaction shall not be completed by the Declarant for any reason.

(7) Termination of the Purchase Agreement.

The Purchase Agreement may be terminated as follows:

(a) If the Purchaser shall fail to make full settlement, or shall fail to comply with other provisions of the Purchase Agreement, the earnest money deposit may be forfeited at the option of the Declarant as liquidated damages and the Purchase Agreement terminated.

(b) If the Purchaser is applying for VA, FNMA, FHLMC, or FHA financing and the Condominium has not received the necessary governmental approvals and permits before the date of closing, or in the event Declarant wishes to abandon its plans to establish a condominium and operate the property as a multi-family rental in lieu of selling individual condominium units, then the Declarant shall, until May 30, 2003, have the option in its discretion to terminate said contract. Furthermore, in the event the Purchase Agreement is not performed by the Declarant in accordance with its terms and provisions and Purchaser is not in default of any terms and provisions, the Purchaser shall be entitled to the return of all monies paid by the Purchaser to the Declarant.

(8) Arbitration Requirement.

The terms of the Purchase Agreement require that all questions, differences, disputes and controversies arising under the Purchase Agreement or with respect to the Unit, the construction of the dwelling, or otherwise, after settlement shall, if the parties cannot amicably resolve the matter, be settled by the architect of the Condominium. Either party may appeal the decision of the architect to arbitration. Such arbitration shall be conducted at the request of seller or Purchaser before three arbitrators (unless the parties agree to one arbitrator).

H. ENCUMBRANCES.

(1) Easement for Encroachments.

By virtue of this easement, Unit Owners and the Unit Owners Association are protected in the event that a Unit or Common Element encroaches upon another Unit or Common Element.

(2) Easement to Facilitate Sales.

The Declarant may use unsold Units as models or as sales or administrative offices and may place advertising signs anywhere within the Condominium. The Declarant has also reserved the right to use any number of parking spaces and other Common Elements for its sales purposes. The Declarant shall have the right to erect temporary offices on any portion of the Condominium Property for models, sales offices, managerial offices, customer services and similar purposes. (This right is in addition to Declarant's right to maintain signs in connection with any rental program it wishes to undertake.)

(3) Easement for Ingress and Egress.

Each Residential Unit Owner has a right of access to the General Common Elements and the Residential Limited Common Elements, subject to rules, regulations and restrictions established by the Unit Owners Association. Each Commercial Unit Owner has a right of access to the General Common Elements and the Commercial Limited Common Elements subject to rules and regulations of the Unit Owners Association.

(4) Easement for Access to Units.

Authorized representatives of the Unit Owners Association, including the Declarant and the managing agent may enter any Unit to the extent necessary to correct the conditions threatening other Units or any of the Common Elements or Limited Common Elements, to make repairs to Common Elements which are accessible only from the Unit, or to correct conditions which constitute violations of the Declaration, Bylaws, or rules and regulations. Notice must be given to the Unit Owner prior to entry except in emergencies when a Unit may be entered without notice. In the event of violation of the Declaration, Bylaws, or rules and regulations, the violation may be corrected without the consent of the Unit Owner, and the Unit Owners may be charged with the resulting expense. To the extent that damage is inflicted on the General Common Elements or any of the Limited Common Elements or any Unit through which access is taken, the Unit Owner causing the same, or the Unit Owners' Association, if it caused the same, shall be liable for the prompt repair thereof.

(5) Easement for Support.

Each Unit Owner has the benefit of a restriction upon any action of a neighboring Unit Owner, or of the Unit Owners Association with respect to the Common Elements or any of the Limited Common Elements, which would endanger the stability or safety of his Unit.

(6) Utility Easements, etc.

The Condominium Property is subject to various easements, all of which are shown on the Plat attached as Exhibit "D" to the Declaration (Appendix I). These easements include the usual easements for telephone, electric, sewer, gas and water pipes, wires and service lines. The Declarant reserves the right to grant such additional utility easements as may be required in conjunction with its development of the Condominium.

(7) Easement for Removal of Common Elements.

This easement allows the Declarant to remove, restore and/or replace certain General Common Elements of the Condominium in connection with any improvement program for Condominium Units, Common Elements or any of the Limited Common Elements. This easement does not allow the Declarant to remove land which is part of the General Common Elements.

(8) Easement to Facilitate Expansion.

In the event that the Declarant expands the Condominium, an easement across the Common Elements of the Condominium will exist to the extent necessary to make improvements to the Condominium or anywhere on the Additional Land.

(9) Liens.

Any deed of trust, real estate tax lien, mechanics' lien or any other perfected lien shall be released of record as to the unit at the time of conveyance of the unit by the Declarant to a Purchaser.

I. RESTRICTION ON TRANSFER.

There are no restrictions on the transfer or resale of a Residential Unit by a Unit Owner; however, leasing of Residential Units is subject to the following restrictions: (1) no Unit may be leased initially for less than a six (6) month term other than Units owned by the Declarant; (2) no Unit may be leased for hotel or transient purposes; (3) all leases must be written and must provide that failure to comply with the Condominium Instruments and rules and regulations constitutes a default under the lease; and (4) each Unit Owner must provide a copy of the Condominium Instruments and rules and regulations to his tenant. Commercial Units are subject to restrictions relating to the use of the Commercial Units as described in Article XI of the Bylaws.

J. UNIT OWNERS ASSOCIATION.

(1) The Unit Owners Association.

The Unit Owners Association is the body which controls the operation of the Condominium. Each Unit has a vote in the Association proportionate to the Common Element Interest appurtenant to the Unit as assigned in the Declaration. The Association comes into existence on the date that any Unit in the Condominium is conveyed to an Owner other than the Declarant. The powers and duties of the Unit Owners Association are governed by the Bylaws attached as Appendix II to this Public Offering Statement. The Association, after its initial formation, will meet at least once a year and elect a Board of Directors consisting of five (5) members. At least one (1) member of the Board of Directors shall be the Owner of a Commercial Unit, unless no Commercial Unit Owner wishes to be a member. During the Declarant control period, the Board of Directors will consist of no less than three (3) members appointed by the Declarant. The Board of Directors will elect officers and the Board and officers will execute the duties and powers of the Unit Owners Association.

Until Condominium Units representing 75% or more of the Common Element Interest of all Units shall have been sold by the Declarant, and such sales fully settled by the Purchasers, or until five (5) years after the date that the first Unit is conveyed to a Unit Owner other than the Declarant, whichever occurs sooner, the Board of Directors of the Condominium may be designated and appointed by the Declarant.

The Board of Directors has the powers and duties to administer the Condominium as specified in Article III, Section 2 of the Bylaws. In addition, the Board of Directors has the authority to promulgate the rules and regulations of the Condominium. As of the date of this Public Offering Statement, rules and regulations had not been prepared. The powers and duties of the Board of Directors are more fully discussed in Article III, Section 2 of the Bylaws (attached as Appendix II to this Public Offering Statement). Committees may be established by the Board of Directors pursuant to the Bylaws.

The officers shall consist of the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The President and Treasurer must be members of the Board of Directors. The powers and duties of the officers are specified in Article IV of the Bylaws, attached hereto as Appendix II.

(2) Managing Agent.

The Declarant will employ a managing agent to act on its behalf in the performance of all duties other than policy-making duties, acquiring property, opening bank accounts and borrowing money. The managing agent will be a professional organization having experience in the operation of condominium associations. The managing agent will bring to the task of managing the Unit Owners Association two qualifications which the Board of Directors may not possess. The managing agent has expertise in handling the complex functions of the Unit Owners Association and can devote itself to running the Association on a full-time basis. In a condominium the contributions of professional management are vital to the success of the Unit Owners Association.

The managing agent for the Condominium shall initially be Legum & Norman Realty, Inc., which is not affiliated with the Declarant. The management contract will be for a term of one (1) year and may be renewed for successive terms. The management contract will provide for termination by the Unit Owners Association, without payment of a termination fee, without cause upon no more than ninety (90) days written notice and with cause upon thirty (30) days written notice. A copy of a proposed management contract is attached as Appendix VII to this Public Offering Statement.

(3) <u>Contracts.</u>

The Declarant, on behalf of the Unit Owners Association, will enter into other service contracts such as trash collection and gardening, elevator maintenance contracts, but no such contracts will be with companies affiliated with the Declarant. No recreational facilities will be leased by the Declarant. The Declarant has not entered into any contracts or agreements affecting the use, maintenance or access to the Condominium other than as described in this Public Offering Statement.

K. RESTON TOWN CENTER ASSOCIATION

The Condominium Property is subject to the provisions of that certain Declaration of Covenants, Conditions and Restrictions for Reston Residential Center dated August 25, 1992 and recorded in Deed Book 8238 at Page 1350 among the land records of Fairfax County, Virginia, as amended (the "Residential Declaration"). The Residential Declaration provides for the participation by the Unit Owners Association in its capacity as a "Cluster Association" under the Residential Declaration in the Reston Town Center Joint Committee (recently renamed The Reston Town Center Association) (the "RTCA") which administers and has responsibility for the operation and maintenance of certain common areas in the Reston Town Center. The Residential Declaration also subjects the Condominium Property to certain architectural control and for the payment of assessments for the operation of the RTCA and the costs of operation and maintenance of certain common areas in Reston Town Center under the jurisdiction of the RTCA. Copies of the Residential Declaration, copies of the governing documents of the RTCA and the projected 2003 Operating Budget for the RTCA included as Appendix VIII to this Public Offering Statement.

L. SURROUNDING AREA.

The Condominium is located in Reston Town Center and is generally surrounded by a mix of retail, commercial, office buildings and residential buildings in a suburban small city environment. Directly East of the subject property, across St. Francis Street, on block 17, a public park is planned. Also, directly East of the subject property and South of Block 17, Block 16 currently is proposed to be developed as an office building and garage. South of the subject property, across Bluemont Way, an office building is currently proposed. A hotel is currently proposed for Block 18, which is located Northeast of the subject property, across Market and St. Francis Streets.

M. FINANCIAL MATTERS.

(1) <u>Common Expense Assessment</u>. The Unit Owners Association may levy four (4) types of Common Expense Assessments against some or all of the Units. These are the General Common Expense Assessment, the Residential Common Expense Assessment, the Commercial Common Expense Assessment and Special Assessments.

(2) <u>General Common Expense Assessment.</u>

Each Unit Owner will be obligated to pay a proportionate share of the General Common Expenses which include the actual and anticipated expenses of the Unit Owners Association and any allocation of funds which the Association may maintain. Each Unit Owner will pay his share of General Common Expense assessments based on the Common Element Interest of his Unit. A Unit Owner cannot obtain a reduction of the General Common Expenses assessed against his Unit by refraining from the use of any of the Common Elements.

General Common Expenses will include such items as insurance premiums, replacement reserves, repair and maintenance of interior and exterior General Common Elements, utility expenses for General Common Elements and general administrative expenses. As in most condominiums, expenses which arise from operation, maintenance, repair, improvement or alteration specifically benefitting an individual Unit or made necessary by the conduct of any individual Unit Owner may be assessed directly to the Unit Owner. These expenses, and all Common Expenses assessed against the Unit Owner, will give rise to a lien on the Owner's Condominium Unit, which lien, if unsatisfied, may be enforced by foreclosure or other legal remedies.

Article VI of the Bylaws (Appendix II to this Public Offering Statement) contains more about the manner in which Common Expenses are to be assessed. Also see Appendix IV to this Public Offering Statement for a budgetary projection for the first full year of operation which includes the estimated monthly common expense assessment per

Unit. (These budgetary projections are estimates only and cannot be guaranteed by the Declarant or anyone else).

(3) <u>Residential Common Expense Assessment.</u>

Each Residential Unit Owner shall be obligated to pay a proportionate share of actual and anticipated costs of the Unit Owners Association to operate, maintain, repair and replace the Residential Limited Common Elements based on the Residential Common Element Interest of his Unit. Such assessment may also include reserves for replacement.

(4) <u>Commercial Common Expense Assessment.</u>

Each Commercial Unit Owner shall be obligated to pay a proportionate share of actual and anticipated costs of the Unit Owners Association to operate, maintain, repair and replace any Commercial Limited Common Elements based on the Commercial Common Element Interest of his Unit. Such assessment may also include reserves for replacement.

(5) <u>Special Assessments.</u>

In the event that extraordinary Common Expenses not originally included in the annual budget become necessary during the year, Article VI, Section 2(d) of the Condominium Bylaws permits the Board of Directors to levy a Special Assessment on the Unit Owners to make up the deficiency. In addition, Article VI, Section 1(b) (v) of the Bylaws, allows the Board of Directors to specially assess individual Units for maintenance or repair when such maintenance or repair is caused by the action of the Unit Owner or his guests.

(6) <u>Direct Expenses to Individual Unit Owners.</u>

A Unit Owner must pay directly for all costs of the maintenance and repair of his own Unit and any utility charges separately metered to his Unit. In addition, various obligations relating to the maintenance responsibilities of each Unit Owner are more specifically outlined in the maintenance responsibilities chart attached as Exhibit "A" to the Condominium Bylaws (Appendix II to this Public Offering Statement).

(7) <u>Working Capital Contribution; Settlement.</u>

Each initial Purchaser at settlement will be required to deposit with the Unit Owners Association an assessment in the amount equal to two (2) months' Common Expense Assessments for their Unit. This amount is not credited toward the monthly Condominium assessment for the Unit, but is treated as a working capital contribution and will be utilized toward the start-up costs of the Association. In addition, at the time of settlement of the purchase contract, each Purchaser will be required to pay a pro-rata share of the current month's Common Expense Assessment for the Unit from the date of settlement through the end of the month in which settlement occurs.

(8) Additional Fees.

The Association may charge additional fees for extraordinary use by Unit Owners of any of the Common Elements.

(9) Failure to Pay Assessments.

In the event that Unit Owners fail to pay any assessment levied by the Unit Owners Association within five (5) days of the date such payment is due, the Unit Owner may be charged interest upon the amount due, at the maximum permissible interest allowed by law until paid (Article X, Section 1(e) of the Bylaws). In addition, any assessment which is not paid within fifteen (15) days after its due date shall, at the option of the Board of Directors, be subject to a late charge of not less than ten percent (10%) of the assessment, and the Board of Directors may declare the installments, which would be otherwise due during the remaining fiscal year, immediately due and payable and may take those actions to collect such accelerated amounts as are provided in the Bylaws for the collection of assessments. (Article X, Section 2(d) of the Bylaws). The Unit Owners Association may obtain payment of past due assessments by foreclosure of its assessment lien (resulting in a forced sale of the Unit) or by any other legal remedy including the imposition of fines.

(10) Bond.

The Declarant has posted an $100,000.00 surety bond with the Virginia Real Estate Board to insure payment of Common Assessments due on Residential Units owned by the Declarant in accordance with Section 55-79.84.1 of The Condominium Act. Such surety bond shall be maintained by the Declarant in accordance with the Condominium Act.

(11) Budgetary Information.

Appendix IV attached hereto contains certain budgetary projections. Budgetary figures for future years are especially difficult to project as it is impossible to predict the rate of inflation and general economic conditions. Therefore, all budgetary projections are estimates only and are not guaranteed by the Declarant or anyone else.

The following budgetary information is contained in Appendix IV and is hereby incorporated into this narrative section:

(a) A projected budget for the first year of operation for the first phase which shows General Common Expenses to be assessed per unit for the first year of the operation of the Condominium and includes the basis for the assessment ;

(b) A projected budget for the first year of operation for the first phase which shows the Residential Limited Common Expenses;

N. INSURANCE.

The Bylaws require the Unit Owners Association to carry for all Units and General Common Areas of the Condominium, multiperil insurance as well as public liability insurance.

The Board of Directors will obtain public liability insurance to protect the Unit Owners Association and, to a certain limited extent, the Unit Owners as individuals. The Units will be covered by fire and property damage insurance. The coverage will be "all risk" and in an amount equal to the full replacement cost of the Units and Common Elements. This coverage will not insure personal property belonging to a Unit Owner. Any liability coverage maintained by the Unit Owner's Association will not insure against liability from accident or injury occurring within a Unit or as a result of the negligence of any Unit Owner.

The Board of Directors will also maintain fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of the Unit Owners Association, and all others who handle funds of the Unit Owners Association, including the Managing Agent, if any.

The Declarant recommends that each Unit Owner obtain insurance coverage on his personal property and liability exposure not covered by the Unit Owners Association policy. The Unit Owner may also wish to insure any improvements to his Unit to the extent that the improvements increase the value of his Unit beyond the limits of coverage provided by the policy maintained by the Unit Owners Association.

Neither the Unit Owners Association nor the Declarant provides Owners Title Insurance coverage. Purchasers desiring such coverage can obtain such coverage at their own expense.

O. TAXES.

Real property taxes are levied separately against individual Condominium Units. Fairfax, Virginia, assesses all real estate for tax purposes at its full fair market value. The 2002 real estate tax rate is $1.24 per one hundred dollars of assessed value. Each Unit Owner can determine a reasonable estimate of the anticipated annual real estate tax on his Unit by dividing the price of his Unit by one hundred and multiplying by 1.24. The Declarant is not aware of any other taxes or special assessments that may be charged to a Unit Owner by reason of his ownership of a Unit in Fairfax County.

P. GOVERNMENTAL APPROVAL.

The property comprising the Condominium is located in Reston Town Center and is zoned in the PRC Category of Fairfax County, Virginia ("Planned Residential Community"). This zoning permits the development of the property with multi-story residential buildings, ground level retail and cultural center uses and associated parking and amenities. A site engineering plan for the Property was approved by applicable authorities of Fairfax County, Virginia in the fall of 2001 and building permits have been issued for the improvements that are currently under construction. The Condominium is being constructed in compliance with all applicable zoning ordinances, building codes, housing codes and other applicable laws, ordinances and regulations.

Q. WARRANTIES.

(1) <u>Structural and Certain Other Warranties.</u>

Pursuant to Section 55-79.79 of the Condominium Act, Declarant will warrant to Unit Owners as follows:

(a) The General Common Elements, Limited Common Elements and Units against structural defects for the statutorily required period of two (2) years as follows: (i) as to the General Common Elements and Limited Common Elements, for two (2) years from the conveyance to a <u>bona fide</u> purchaser of the first Residential Unit, or the date the General Common Element or Limited Common Element is completed, whichever is later; and (ii) as to each Unit, two (2) years from the date it is conveyed, as required by Section 55-79.79(b) of the Virginia Condominium Act;

(b) To the extent required by Section 55-79.79(b) of the Virginia Condominium Act that the Units are fit and habitable and are constructed in a workmanlike manner;

(c) In addition, the Declarant will transfer to Unit Owners any rights which it may have to any manufacturers' warranties on any new appliances or mechanical items.

For the purposes of the warranty, structural defects shall be those defects in components constituting any Unit, Limited Common Element or General Common Element which reduce the stability or safety of the structure below accepted standards or restrict the normal intended use of all or part of the structure and which require repair, renovation, restoration, or replacement.

Except for the warranty specifically referred to above, Units shall be conveyed in "As Is" condition and the Declarant makes no other undertakings or warranties, and none should be implied. The Declarant has no obligation to make any repairs to the Units, Limited Common Elements or General Common Elements except as set forth in this Section. Declarant has no obligation to make any repairs to any appliances or mechanical items installed in the Units. No bond or other security has been furnished to secure the performance of the Declarant's obligations. The ability of the Declarant to perform its obligations will depend upon its financial resources at the time it is called upon to perform.

An action for breach of the warranty required by Section 55-79.79(b) of the Virginia Condominium Act must be commenced within five (5) years after the date the warranty period began.

(2) Additional Warranty.

An additional warranty may be offered by the Declarant to Purchasers. If offered, this warranty does not take the place of the statutory warranty described above.

(3) Specimen of Limited Warranties.

The form of the Limited Warranty Certificate and the additional warranty from RWC which will be executed and delivered at settlement for Units is attached as Appendix V. Nothing contained in the Limited Warranty Certificate or the additional warranty from RWC shall limit the protection afforded by the warranty provided by Section 55-79.79(b) of the Condominium Act. The text of all written warranties on appliances and other equipment sold by the Declarant with the Unit is available for inspection by prospective purchasers at the Declarant's sales office.

R. CANCELLATION.

As required by Section 55-79.88(2) the Declarant's Purchase Agreement for Residential Units provides that having received a copy of this Public Offering Statement, each prospective Purchaser will be given ten (10) days from the contract date to make a final determination that he will consummate the purchase of said Unit. If the Purchaser elects to cancel the contract, he may do so by written notice sent by first class mail, return receipt requested, or by hand delivery of said notice to the Declarant. In the event the Purchaser elects to cancel the Purchase Agreement within the ten (10) day rescission period, the Purchaser shall be entitled to a full return of any deposit paid thereunder.

S. PERMITTED CHANGES.

(1) Changes.

In order to meet possible unforeseen or varying demands for the number and type of Units, or to meet particular requirements of prospective purchasers, lending institutions or title insurance companies or for any other reason, the Declarant reserves the right, subject to the limitations of the Condominium Act and other applicable governmental regulations, to change the size, number and location of Units and other improvements on the property, the size, layout, location, and Common Element Interest of any Unit for which a Purchase Agreement has not been executed by the Declarant or with respect to which the Purchaser is in default, provided such changes do not change the Common Element Interest of any Unit already conveyed or under an executed Purchase Agreement as to which the Purchaser is not in default. The Declarant also reserves the right to substitute for any of the materials, equipment and appliances described in the Condominium Instruments or Purchase Agreement, materials, equipment and appliances of equal or better quality.

(2) Termination of Condominium.

The Condominium shall continue (unless terminated by condemnation) until such time as the property shall be withdrawn from the provision of the Condominium Act as a result of the vote to do so of at least eighty percent (80%) of the Common Element Interests of the Unit Owners and the consent of all Mortgagees. In the event of such termination, the property shall be subject to the provisions of Section 55-79.72:1 of the Condominium Act.

T. GENERAL INFORMATION.

The exhibits which follow this presentation provide a more detailed description of the Condominium and the rights and obligations of the Unit Owner. Please consider the exhibits carefully and discuss your questions with your own counsel.

Any information, data or representation not referred to in this presentation and not contained in the various exhibits and documents mentioned here, must not be relied upon. No person has been authorized by the Declarant to make any representation which is not expressly contained herein. This presentation may not be changed or modified orally.

The Declarant reserves the right to change the terms of this Public Offering Statement, but any material change shall be mailed or hand delivered to each contract Purchaser, who shall then have ten (10) days to cancel his Purchase Agreement, whereupon his deposit thereunder will be returned by the Declarant.

APPENDIX III

TO

PUBLIC OFFERING STATEMENT

AMENDMENT

PREPARED BY AND RETURN TO:
WALSH, COLUCCI, STACKHOUSE, EMRICH & LUBELEY, P.C.
2200 Clarendon Blvd., Suite 1300
Arlington, VA 22201

AMENDMENT TO

CONDOMINIUM INSTRUMENTS TO

MARKET STREET AT TOWN CENTER CONDOMINIUM I

THIS AMENDMENT TO CONDOMINIUM INSTRUMENTS is made this _____ day of ______________________, 200__, by ***RESTON APARTMENTS HOLDINGS, LLC***, a Delaware corporation "The Declarant";

*** ***WITNESSETH*** ***

WHEREAS, by Declaration recorded on _______________ in Deed Book _______ at page ____ et seq. among the land records of Fairfax County, Virginia ("The Declaration"), the Declarant did subject certain real property in Fairfax County, Virginia, more particularly described in said Declaration to be MARKET STREET AT TOWN CENTER CONDOMINIUM I ("The Condominium");

WHEREAS, Declarant desires at this time to expand the Condominium by adding to the Condominium a certain parcel of land, which parcel of land is more particularly described in ***Exhibit "A"*** attached hereto, together with certain improvements located thereon.

NOW, THEREFORE, pursuant to the rights reserved by Declarant, and in accordance with Paragraph IX of the Declaration and in further accordance with Title 55, Section 79.63 of the Code of Virginia, 1950 ed. as amended, Declarant does hereby amend the Condominium Instruments to expand the Condominium by adding to the Condominium that certain parcel of land owned by Declarant located in Fairfax County, Virginia, described in ***Exhibit "A"*** attached hereto, together with certain improvements on said land.

I. LOCATION OF BUILDINGS AND UNITS ADDED:

The addition of the land described in ***Exhibit "A"*** attached hereto adds to the Condominium certain improvements, the location of which are more particularly shown on the Plat attached as ***Exhibit "D"*** hereto. Plans which show the location of the Units and Common Elements within the buildings added and which further designate an Identifying Number for each Unit are attached as ***Exhibit "E"*** hereto. The Plats and Plans attached as ***Exhibits "D" and "E"*** hereto are hereby added to all other Plats and Plans previously filed for the Condominium.

II. UNIT BOUNDARIES:

The Unit boundaries for the Units added by this AMENDMENT TO CONDOMINIUM INSTRUMENTS shall be exactly the same as the Unit boundaries created by the Declaration.

III. UNDIVIDED INTEREST IN COMMON ELEMENTS AND REALLOCATION OF VOTES:

Pursuant to Section 55-79.56(b) of The Condominium Act the Common Element Interests in the Condominium are hereby reallocated to each Unit in accordance with ***Exhibit "B"*** attached hereto, and pursuant to Section 55-79.73(c) of the Condominium Act, liability for Common Expenses and votes in the Unit Owners Association are similarly reallocated in accordance with the Bylaws.

IV. CONFIRMATION OF CONDOMINIUM INSTRUMENTS:

Except as modified by this Amendment, all of the terms and provisions of the Condominium Instruments are hereby expressly ratified and confirmed and shall remain in full force and effect and shall be applicable to the Condominium Units and Common Elements created hereby.

IN WITNESS WHEREOF, the Declarant has caused this Instrument to be executed as of the date described above.

RESTON APARTMENTS HOLDINGS, LLC
a Delaware corporation

By:______________________________
Name:____________________________
Title:____________________________

STATE OF ____________________
COUNTY OF __________________: to-wit:

The foregoing Instrument was acknowledged before me this ________ day of ________________, 200__, by ________________________________, _______________ of RESTON APARTMENTS HOLDINGS, LLC, a Delaware corporation, on behalf of said corporation.

____
NOTARY PUBLIC

My commission expires:____________________

J:\TRAMMELL\96.25 - MARKET STREET\AMENDMENT.DOC

Declaration of Covenants and Conditions

Fairfax County Land Records
Cover Sheet

Instruments
DECLARATION

Grantor(s)
RESTON APARTMENTS HOLDINGS, LLC _I_N

Grantee(s)
MARKET STREET AT TOWN CENTER CONDOMINIUM _I_N

Consideration			Consideration %	100	
Tax Exemption			Amount Not Taxed		
DEM Number			Tax Map Number	017-1-0/16/00/0019	
Original Book			Original Page		
Title Company	WALKER TITLE & ESCROW CO INC			Title Case	
Property Descr.					
Certified	No	Copies	0	Page Range	

Print Cover Sheet

DECLARATION

OF

MARKET STREET AT TOWN CENTER CONDOMINIUM

Tax Map 0171160019

Pursuant to the provisions of Chapter 4.2, Title 55 of the Code of Virginia, as amended (the "Condominium Act"), Reston Apartments Holdings, LLC, a Delaware limited liability company ("The Declarant"), the fee simple owner of the land more particularly described in Exhibit "A" attached hereto located in Fairfax County, Virginia ("Submitted Land"), hereby submits the Submitted Land, together with all improvements, easements, rights and appurtenances thereunto belonging to the provisions of the Condominium Act.

Each Unit Owner shall own his Unit in fee simple absolute, in addition to an undivided fee simple interest as a tenant in common with the other Unit Owners as to the Common Elements.

I. DEFINITIONS: All capitalized terms used in this Declaration (the "Declaration") and in the attached Bylaws (the "Bylaws") that are not otherwise defined herein shall have the meanings set forth in the Bylaws hereto, or if not defined therein, the meaning specified for such terms in Section 55-79.41 of the Condominium Act.

II. NAME OF THE CONDOMINIUM: The condominium established hereby shall be known as MARKET STREET AT TOWN CENTER CONDOMINIUM (the "Condominium").

III. LOCATION OF BUILDINGS AND UNITS: The location and dimensions of the building on the Submitted Land are shown on the "Plat" attached as Exhibit "D" hereto. The location of the Units within the aforesaid building are shown on the "Plans" attached as Exhibit "E" hereto.

IV. UNIT BOUNDARIES: The boundaries of each Unit are as follows:

(a) Upper and Lower (horizontal) Boundaries: The upper and lower boundaries of the Unit are the following boundaries extended to an intersection with the vertical (perimetric) boundaries:

(1) Upper Boundary: The horizontal plane which includes the underside of the concrete floor slab of the uppermost ceiling in the unit.

(2) Lower Boundary: The horizontal plane of the top surface of the undecorated concrete floor slab.

WALKER TITLE
11781 LEE JACKSON MEMORIAL HWY
SUITE 300
FAIRFAX, VIRGINIA 22033

(b) Vertical (perimetric) Boundaries: The vertical boundaries of the Unit are as follows:

(1) For the walls of the Unit which abut the Common Element exterior and interior walls: the vertical planes which include the drywall of all walls to the studs bounding the Unit extended to intersections with each other and with the upper and lower boundaries.

(2) For the walls of the Unit which demise one Unit from another: the vertical plane of the interior surface of the studs extended to intersections with the upper and lower boundaries.

(c) Included as part of each Residential Unit are: (1) front entrance door to the Residential Unit; (2) all windows and patio and balcony doors in such Residential Unit; (3) interior ceilings and floor coverings; (4) air-conditioning and heating components serving only that Residential Unit, whether located within or without the designated boundaries of such Residential Unit; and (5) subject to the following sentence, all space, interior partitions, fixtures and improvements (including without limitation sinks, bathtubs and other plumbing facilities, refrigerators, ovens and other appliances) within the designated boundaries of the Unit. If any chutes, flues, ducts, conduits, wires, bearing walls or columns, or any other apparatus, lies partially within and partially outside of the designated boundaries of a Residential Unit, any portions thereof serving only that Residential Unit shall be deemed a part of that Residential Unit; any portions thereof serving one or more Residential Units but less than all Residential Units shall be Individual Residential Limited Common Elements appurtenant to said Residential Units; and any portions thereof serving all Residential Units and the Commercial Unit or any portion of the Common Elements shall be deemed a part of the General Common Elements.

(d) Included as part of the Commercial Unit are: (1) front entrance door to the Commercial Unit; (2) all windows in the Commercial Unit; (3) interior ceilings and floor coverings; (4) air-conditioning and heating components serving only the Commercial Unit, whether located within or without the designated boundaries of such Unit; and (5) subject to the following sentence, all space, interior partitions, fixtures and improvements (including without limitation plumbing facilities and appliances) within the designated boundaries of the Unit. If any chutes, flues, ducts, conduits, wires, bearing walls or columns, or any other apparatus, lies partially within and partially outside of the designated boundaries of the Commercial Unit, any portions thereof serving only the Commercial Unit shall be deemed a part of that Unit; and any portions thereof serving all Commercial Units and Residential Units or any portion of the Common Elements shall be deemed as part of the General Common Elements.

(e) Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary description, the provisions of the Bylaws, attached as Exhibit "C" hereto, shall govern the division of maintenance and repair responsibilities between the Unit Owner and the Unit Owners Association of the Condominium.

V. COMMON ELEMENTS:

(a) General Common Elements. The General Common Elements as shown on the Plat and Plans consist of the entire Condominium other than the Units (Residential and Commercial) and the Limited Common Elements (Residential and Commercial) as follows:

(1) The land within the Condominium Property;

(2) The air space around and above the Condominium;

(3) All foundations, columns, girders, beams and supports within the Condominium not included as parts of Units or Limited Common Elements;

(4) The roof and roof structure not included as parts of Units or Limited Common Elements;

(5) All exterior masonry walls and facings of the building (including without limitation the structural grid wall of the building), and all partitions separating Units not included as parts of Units;

(6) Portions of the utility systems serving the General Common Elements or all of the Units;

(7) The mechanical and maintenance rooms not included as parts of Units or Limited Common Elements;

(8) All pumps, pipes, wires, cables, conduits and other apparatus relating to the water distribution, power, light, telephone, gas, sewer, heating, air conditioning and plumbing systems located in and/or serving only the building and not indicated as parts of Units or Limited Common Elements;

(9) All entrance doors and windows except those deemed parts of Units or Limited Common Elements as herein set forth;

(10) The central loading and delivery areas, if any; and

(11) Except as otherwise set forth herein, all apparatus and installations existing or hereinafter constructed in the building or on the Condominium Property for common use, the maintenance or safety of the Condominium.

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(b) Limited Common Elements. The Limited Common Elements within the Condominium consist of either Residential Limited Common Elements, Individual Residential Limited Common Elements, Commercial Limited Common Elements. The locations of the Limited Common Elements are shown on the Plats and Plans. Any balcony, terrace, deck or patio shown adjacent or contiguous to a Residential Unit is an Individual Residential Limited Common Element if appurtenant to a Residential Unit. As designated on the Plats and Plans, hallways, stairways, recreational or common purpose rooms, elevators and similar areas located outside the Residential Unit boundaries but serving only Residential Units shall be designated as Residential Limited Common Elements. Any Commercial Limited Common Elements serving only the Commercial Unit shall be designated on the Plats and Plans. Parking spaces are Common Elements which may be assigned by the Declarant as Residential Limited Common Elements, Individual Residential Limited Common Elements, or Commercial Limited Common Elements. Storage spaces designated on the Plans are Common Elements which will be assigned by the Declarant as Residential Limited Common Elements or Individual Residential Limited Common Elements.

(c) Reserved Common Elements. The Board of Directors shall have the power in its discretion from time to time to grant revocable licenses in designated General Common Elements to the Residential Unit Owner(s) or Commercial Unit Owner(s) at no charge or to establish a reasonable charge to such Residential Unit Owner(s) and Commercial Unit Owner(s) for the use and maintenance thereof (which charge shall be deemed an additional assessment payable in accordance with Article VI, Section 2 (e) of the Bylaws). The General Common Elements or portions thereof so designated shall be referred to as Reserved General Common Elements. Such designation by the Board of Directors shall not be construed as a sale or disposition of the General Common Elements.

The Common Elements shall remain undivided and no Unit Owner or any other person shall bring or have the right to bring any action for partition or division thereof, nor shall the Common Elements be abandoned by act or omission, subject to the provisions of the Bylaws.

VI. THE UNDIVIDED INTEREST IN THE COMMON ELEMENTS: Pursuant to Section 55-79.55 of The Condominium Act, each Unit in the Condominium has been allocated a percentage of interest in the Common Elements of the Condominium based on the par value of the Unit. The Common Element Interest of each Unit in the Condominium is determined by dividing the par value of such Unit by the aggregate par value of all Units then comprising the Condominium. In addition each Residential Unit has percentage interest in the Residential Limited Common Elements. The par values assigned to each of the Unit Types to be included in the Condominium is as follows:

Unit Type	Par Value
Category 1 A-1C, A-1b, A-1Me, A-1 ADA, A-1MIC, A-4, A-1a, A-2m, A-2n, A-1d, A-1dC	.210
Category 2 A-1Mc, A-1Mb	.260
Category 3 B-2M, A-3, B-2 ADA, B-2b, B-1b, B-1a, B-7, B-8, B-6, B-2a, B-4	.320
Category 4 D-3, D-1, D-2	.340
Category 5 C-1, E-1	.470
Category 6 C-3	.490
Category 7 A-1b Loft, A-4 Loft, A-1me Loft, A-1a Loft, A-1C Loft	.260
Category 8 B-7 Loft, B-8 Loft	.380
Category 9 A-3 Loft, A-1Mb Loft, A-1Mc Loft, A-1Dc Loft, A-1D Loft	.340
Category 10 B-1a Loft, D-3 Loft, B-2b Loft, D-1 Loft, B-1b Loft, B-2m Loft, B-2a Loft, D-2 Loft, B-4 Loft	.400
Category 11 C-1 Loft, E-1 Loft	.540
Category 12 Commercial Unit	1.340

A Common Element Interest Schedule listing each Unit and its par value and Common Element Interest is attached hereto and made a part hereof as Exhibit "B".

VII. <u>ASSIGNMENT OF LIMITED COMMON ELEMENTS</u>: The Declarant reserves the right to unilaterally sell and assign any Common Elements shown on the Plats and Plans and labeled "Common Elements which may be assigned as Limited Common Elements", for the exclusive use of certain Unit Owners to whose Units the Common Element so assigned would become appurtenant. The Declarant may assign any such Common Element as a Limited Common Element pursuant to the provisions of Section 55-79.57(C) of the Code of Virginia, 1950, as amended, by making such an assignment in the Deed to the Unit to which such designated Limited Common Element shall become appurtenant and subsequently confirming such assignment by recording an appropriate amendment to this Declaration or to the Plans.

VIII. OPTION TO EXPAND CONDOMINIUM: Declarant hereby expressly reserves unto itself and/or its successors and assigns, the option and right to expand this Condominium pursuant to Section 55-79.63 of the Condominium Act and subject to the provisions of this Article.

(a) The option to expand shall be at the sole option of Declarant and shall not require the consent of any Unit Owner or Mortgagee (as defined in the Bylaws).

(b) This option to expand the Condominium shall expire seven (7) years after the date of recording of this Declaration if not sooner exercised; however, Declarant may, at any time prior to the expiration of such period, terminate its option to expand by recording among the land records of Fairfax County, Virginia, an executed and notarized document terminating this option.

(c) The metes and bounds description of that property which may be added to this Condominium is set forth in Exhibit "A-1" and hereinafter referred to as "Additional Land".

(d) Declarant expressly reserves the right to add any or all portions of the Additional Land at any time, at different times, in any order, without limitation, provided, however, that the Additional Land shall not exceed the total area of all that parcel described in Exhibit "A-1" attached hereto. Both the Submitted Land and Additional Land are graphically depicted on Exhibit "D" entitled "Plats", which Plats are attached hereto and made a part hereof.

(e) At such time as the Condominium is expanded, the maximum number of Units on the Additional Land will not exceed three hundred eight (308) Units. The maximum number of Units on any portion of the Additional Land added to the Condominium shall not exceed one hundred (100) Units per acre. Moreover, the maximum number of Units in the Condominium, as a whole, shall never exceed three hundred thirty three (333) Units and one (1) Commercial Unit or one – hundred (100) Units per acre.

(f) Declarant expressly reserves the right to create Common Elements upon the Additional Land which may be subsequently assigned as Limited Common Elements. Declarant makes no assurances as to the type, size or maximum number of such Common Elements or Limited Common Elements.

(g) The Declarant makes no assurances as to the location of buildings in which Units are located on the Additional Land. The Declarant makes no assurances as to the compatibility of the structures on the Additional Land in quality, materials and style with the structures on the Submitted Land.

(h) All Units to be created on any portion of the Additional Land shall, except for model Units or administrative offices of Declarant and the Commercial Unit to be located in Phase 2, be restricted exclusively to residential use.

(i) Upon the Additional Land, Declarant may (but shall not be obligated to) construct facilities for the purpose of serving this Condominium as may be expanded by the Additional Land or portions of the Additional Land which Declarant may retain for rental. Declarant reserves the right to construct such service facilities on such portion or portions of the Additional Land as it deems necessary, but Declarant makes no assurances that such improvements will be compatible in quality, materials and style with the improvements on the Submitted Land.

(j) The Units to be created in the improvements on the Additional Land will be reasonably compatible in quality with the improvements on the Submitted Land but need not be the same materials or style, however all Units created on the Additional Land shall be one of the Unit types described in Article VI above. .

(k) The allocation of voting rights and Common Element Interests and common expense liabilities for Units created on the Additional Land shall be on the basis of par values. Therefore, in the event that the Condominium is expanded to include any portion of the Additional Land, the Common Element Interests of all Units in the Condominium shall be reallocated based upon the par value of the Unit type as set forth in Article VI of this Declaration.

(l) In the event Declarant shall not add or adds and then subsequently withdraws, all or any portion of the Additional Land in accordance with Sections 55-79.54(c) and 55-79.54(d) of the Code of Virginia, as amended, Declarant shall nevertheless have the unrestricted right to demolish, construct, alter and operate, without restriction, and for any legal purpose, any improvements located on said Additional Land or any portion thereof.

(m) In the event Declarant determines to exercise its option to expand, in addition to such other easements or rights it may have reserved, Declarant shall have the easements as set forth in Section 55-79.65 of the Code of Virginia, as amended.

IX. PARKING: Except for parking spaces which may be assigned or reserved pursuant to Article V hereof all other parking spaces located on the Condominium Property shall be deemed Common Elements.

X. EASEMENTS AND OTHER ENCUMBRANCES, ETC.:

(a) Easements, Rights-of-Way of Record: The Submitted Land and the Additional Land are subject to certain easements, rights-of-way and covenants of record. The location of said easements and rights-of-way as well as the Deed Book and page references wherein said easements and rights-of-way were imposed are shown on the Plat attached as Exhibit "D" hereto.

(b) Easement for Ingress and Egress through General Common Elements, Access to Units and Support:

(1) Each Unit Owner is hereby granted an easement in common with each other Unit Owner for ingress and egress through all General Common Elements, subject to such reasonable rules, regulations and restrictions as may be imposed by the Unit Owners Association. Each Condominium Unit is hereby burdened with and subjected to an easement for ingress and egress through all Common Elements by persons lawfully using or entitled to the same. To the extent reasonable or if emergency means of vehicular or pedestrian ingress and egress are not otherwise available through the General Common Elements, the Residential and Commercial Limited Common Elements shall be subject to an easement for the benefit of the Unit Owners for vehicular or pedestrian ingress and egress to and from their respective Units within the Condominium.

(2) The Declarant reserves in favor of the Declarant and the Managing Agent and/or any other person authorized by the Board of Directors the right of access to any Unit as provided in Section 55-79.79 of the Condominium Act and Article XI, Section 7, of the Bylaws. In case of emergency, such entry shall be immediate whether or not the Unit Owner is present at the time. Further, until the expiration of the warranty period, such entry shall be permitted to perform warranty related work (for the benefit of the Unit being entered, other Units or the Common Elements) whether or not the Unit Owner consents or is present at the time.

(3) Each Unit and Common Element shall have an easement for lateral and subjacent support from every other Unit and Common Element.

(c) Declarant's Right to Grant Easements: The Declarant shall have the right, prior to the termination of maximum time permitted for the Declarant control period under Section 55-79.74(A) of the Condominium Act, to grant and reserve easements and rights-of-way through, under, over and across the Condominium Property for ingress/egress access to recreation areas for construction purposes, and for the installation, maintenance and inspection of the lines and appurtenances for public or private water, sewer, drainage, gas, electricity, telephone and other utilities. Such easements may be granted for the benefit of the Additional Land.

(d) Easement to Facilitate Sales: All Units owned by the Declarant shall be subject to an easement in favor of the Declarant pursuant to Section 55-79.66 of The Condominium Act. The Declarant reserves the right to use any Unit owned or leased by the Declarant, as models, management offices, sales offices or customer service offices. The Declarant reserves the right to relocate the same from time to time within the Condominium; upon relocation, the furnishings thereof may be removed. The Declarant further reserves the right to maintain on any part of the Condominium such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on the Condominium Property and may be relocated or removed, all at the sole discretion of the Declarant. The Declarant shall have the right to erect temporary offices on any portion of the Submitted Land or Additional Land, including parking spaces and Common Elements for models, sales offices, management offices, customer services and similar purposes. The Declarant shall have the right to reserve parking spaces for sales purposes. This easement shall continue until the Declarant has conveyed all Units in the Condominium to Unit Owners other than the Declarant.

(e) Easements for Encroachments: The Declarant and each Unit Owner, to the extent required, shall have an easement pursuant to Section 55-79.60 of The Condominium Act.

(f) Easement for Removal of Common Elements, Etc.: There is reserved to the Declarant and/or its contractors, agents and employees the right of entry onto the Common Elements of the Condominium for the purposes of performing such improvements, repairs, alterations, restoration or removal of the Units and Common Elements of the Condominium as Declarant may reasonably deem necessary. This reservation shall be construed so as to permit Declarant and/or its agents to remove and/or replace any and all Common Elements requiring repair, modification or alteration. This easement does not allow the Declarant to remove any land or any item except for repair or replacement.

(g) Easement for Construction: The Declarant expressly reserves the right to enter upon the Common Elements for the purpose of performing such improvements as the Declarant shall deem advisable in conjunction with its construction of the Units and/or Common Elements. Declarant shall further have the unrestricted right to temporarily store in or upon the Common Elements such building and construction equipment or supplies used in connection with its construction activities for the Units and Common Elements. The right herein reserved shall be deemed to include the right of the Declarant to temporarily locate upon the Common Elements such temporary construction trailers or offices as may in the Declarant's sole judgment be deemed necessary for its construction activity.

(h) Easement for Operation or Development of Improvements on Additional Land. There is reserved to the Declarant, and/or its successors, such easements over, across and under the Submitted Land and Additional Land for the purposes of ingress, egress to and construction, installation, maintenance and use of such drainage areas or structures, utility lines or systems (including, but not limited to, water, storm and sanitary sewer, gas, cable television, electricity and telephone) as may be reasonably necessary for the development of the Condominium or for the development, construction and operation of improvements located or to be located on any portion of the

Additional Land which may not be added or added and subsequently withdrawn from the Condominium.

(i) Easement to Facilitate Expansion. Declarant shall have as to both the Submitted Land and the Additional Land all easements set forth in Section 55-79.65 of The Condominium Act.

(j) Additional Land Ingress and Egress. The Declarant, for itself and its successors and assigns, and contract purchasers, the family members, guests, invitees, licensees, employees and agents of any of the foregoing, and any person or entity at any time owning or occupying any portion of the Additional Land or any Unit in the Condominium, hereby reserves a perpetual, alienable and non-exclusive easement on, over and through any and all common walkways and pathways, and private roadways or drives at any time a part of the Condominium or the Additional Land for pedestrian and vehicular ingress and egress into and from any and all portions of the Condominium and the Additional Land, whether or not the Condominium is expanded to include any portion of the Additional Land, for any and all lawful purposes. In the exercise of any rights hereunder, there shall be no unreasonable interference with the use of any Unit for residential purposes, or with the Common Elements or the Additional Land for the purposes for which each reasonably is intended. Any person exercising any rights hereunder is and shall be obligated to repair promptly, at such person's own expense, any damage caused by the exercise of such rights and to restore, to the extent practicable, all real and personal property to the condition of such property prior to the exercise of such rights. The provisions of this paragraph automatically shall terminate and be of no further force and effect at such time, if any, the Condominium shall be expanded to include all of the Additional Land.

(k) Allocation of Common Expenses: Common Expenses shall be shared among the Residential Unit Owners and the Commercial Unit Owner based on their respective Common Element Interest. Those Common Expenses include shared labor, utilities for the Common Elements, repairs and maintenance, certain contract services and supplies (including landscaping maintenance, supplies and miscellaneous), insurance, and management. Such Common Expenses are more specifically defined in Article I, Section 4 of the Bylaws.

(l) Extent of Easements: The rights and easements of enjoyment created hereby in favor of the Unit owners shall be subject to the right of the Unit Owners Association to adopt Rules and Regulations governing the use of the Common Elements.

(m) Delegation of Use: Any person having the right to use and enjoy the Common Elements, or any portion thereof, may delegate such rights to the members of such person's household, or to tenants who occupy the Unit and to such other persons as may be permitted by the Unit Owners Association.

(n) Right to Use: Each person having the right to use the Common Elements and each person to whom such right has been delegated shall comply with any Rules and Regulations regarding such use, as such rules may be established and amended from time to time by the Board of Directors. Such rights to use may be suspended upon failure of a Unit Owner to pay assessments due the Unit Owners Association.

(o) Security: The Unit Owners Association may, but shall not be obligated to maintain or support certain activities within the Condominium Property designed to make the Condominium Property safer than it may otherwise be. Notwithstanding any references herein to a security system, fire access control system, sprinkler system or other system of a similar nature, neither the Unit Owners Association nor the Declarant, shall in any way be considered insurers or guarantors of security within the Condominium Property, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or of ineffectiveness of security measures undertaken. No representation or warranty is made that any fire access system, security system, sprinkler system or other system of a similar nature cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designated or intended. Each Unit Owner acknowledges, understands and covenants to inform its tenants, guests, invitees, employees and family members that the Unit Owners Association, Board of Directors and the Declarant are not insurers and that each person using the Condominium Property assumes all risks for loss or damage to persons, to Units and to the contents of Units resulting from acts of third parties.

(p) Reston Town Center Association. The Condominium Property is subject to the provisions of that certain Declaration of Covenants, Conditions and Restrictions for Reston Residential Center dated August 25, 1992 and recorded in Deed Book 8238 at Page 1350 among the land records of Fairfax County, Virginia, as amended (the "Residential Declaration"). The Residential Declaration provides for the participation by the Unit Owners Association in its capacity as a "Cluster Association" under the Residential Declaration in the Reston Town Center Joint Committee (now renamed the "Reston Town Center Association") which administers and has responsibility for the operation and maintenance of certain common areas in the Reston Town Center. The Residential Declaration also subjects the Condominium Property to certain architectural control and for the payment of assessments for the operation of the Reston Town Center Association and the costs of operation and maintenance of certain common areas in Reston Town Center under the jurisdiction of the Reston Town Center Association.

XI. CONVERTIBLE SPACES: The Declarant may designate as Convertible Space, as defined in Section 55-79.41 of the Condominium Act, a portion of the building on the Submitted Land. The conversion of such Convertible Spaces shall be made pursuant to Section 55-79.62 of the Condominium Act.

XII. EXTERIOR MAINTENANCE: There is reserved to the Unit Owners Association of the Condominium the exclusive right to provide for all painting and maintenance of the exterior of all of the Units and structures in the Condominium and such maintenance of the exterior of the Units and structures in the Condominium shall be a Common Expense to be paid for as part of the expense of upkeep of the Unit Owners Association.

XIII. RELOCATION OF BOUNDARIES BETWEEN UNITS: Subject to the provisions of Article VI, Section 11 of the Bylaws, Unit Owners may cause the relocation of Condominium boundaries between adjoining Units pursuant to the provisions of Section 55-79.69 of the Condominium Act.

XIV. SUBDIVISION OF UNITS: Subject to the provisions of Article VI, Section 11 of the Bylaws, the Declarant or a Unit Owner may cause the subdivision of any Unit it owns pursuant to the provisions of Section 55-79.70 of the Condominium Act.

XV. RIGHT TO LEASE OR SELL UNITS: The Declarant shall own in fee simple each Condominium Unit not sold to a purchaser or otherwise transferred. The Declarant retains the right to enter into leases with any third parties for the occupancy of any of the Units owned by the Declarant on such terms and conditions as may be acceptable to the Declarant in accordance with Article XI, Section 1 (f) of the Bylaws. Upon expiration of the Declarant Control Period, the Declarant's right to lease any Unit is subject to the provisions of the Condominium Instruments.

XVI. PRIORITY OF MORTGAGES: Except as specifically provided in the Condominium Instruments, no provision of the Condominium Instruments shall be construed to grant to any Unit Owner, or to any other person, any priority over any right of Mortgagees.

XVII. NO OBLIGATIONS: Nothing contained in the Condominium Instruments shall be deemed to impose upon Declarant, or its successors or assigns, any obligation of any nature to build or provide any buildings except to the extent required by The Condominium Act.

XVIII. BYLAWS OF THE CONDOMINIUM: Pursuant to Section 55-79.73(A) of The Condominium Act, the Bylaws attached as Exhibit "C" to this Declaration, are recorded simultaneously herewith to provide for the self-government of the Condominium by an association of all of the Unit Owners (the "Unit Owners Association").

XIX. SPECIAL DECLARANT RIGHTS, ETC.: Special Declarant rights shall be those specified in Section 55-79.41 of the Condominium Act. Any transfer of any Special Declarant right shall be in accordance with Section 55-79.74:3 of The Condominium Act.

XX. AMENDMENT TO DECLARATION: No amendment to the Declaration may be made without the prior written approval of the institutional lenders holding first mortgages or first deeds of trust encumbering Condominium Units ("Mortgagees") where such approval is provided for in any section of Article IX of the By-laws of the Unit Owners Association, or where such approval is required elsewhere in the Condominium Instruments.

XXI. COPIES OF DOCUMENTS: The Unit Owners Association shall be required to make available to prospective purchasers of Units, current copies of this Declaration, Bylaws, any Rules and Regulations promulgated by the Unit Owners Association and the most recent audited financial statement.

IN WITNESS WHEREOF, the said Reston Apartments Holdings, LLC caused this Declaration to be executed this 15th day of October, 2004

RESTON APARTMENTS HOLDINGS, LLC, a
Delaware limited liability company

By: TCR Reston Limited Partnership, a
Texas limited partnership, its
Sole Member and Manager

By: TCR Mid Atlantic Condominiums, Inc., a
Texas corporation, its General Partner

By: ______________________
Name: Charles N. Bay
Title: Vice President

STATE OF VIRGINIA
COUNTY OF Fairfax, to-wit:

The foregoing instrument was acknowledged before me this 15th day of October, 2004, by Charles N. Bay, V.P. of TCR Mid Atlantic Condominiums, Inc., general partner of TCR Reston Limited Partnership, Sole Member and Manager of Reston Apartments Holdings, LLC, a Delaware limited liability company, on behalf of said limited liability company.

____
Notary Public

My Commission Expires: 6-30-2005

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12/24/02; 10/23/03;11/10/03,7/15/04

EXHIBIT "A" Submitted Land

Urban Engineering & Associates, Inc.

7712 LITTLE RIVER TURNPIKE
ANNANDALE, VIRGINIA 22003

Tel: (703) 642-8080
Fax: (703) 642-8251

J. EDGAR SEARS, JR., P.E., C.L.S., R.L.A.
Principal
BARRY B. SMITH, P.E.
Principal
ERIC S. SIEGEL, P.E.
Principal

DAVID T. McELHANEY, P.E.
Principal
JEFFREY L. GILLILAND, P.E.
Principal

PHILLIP A. BLEVINS, L.S.
Associate
BRIAN A. SEARS, P.E.
Associate

Description of
Phase 1
Market Street Condominium
Fairfax County, Virginia

Beginning at a point on the westerly line of St. Francis Street, private street, width varies, being Due South 161.17 feet from the northerly end of the Due South 457.00 foot line of Block 20, Section 91A, Reston, as recorded in Deed Book 11636 at Page 1936 among the land records of Fairfax County, Virginia to the true point of beginning; thence running with said St. Francis Street

Due South 27.17 feet to a point; thence departing St. Francis Street and running through said Block 20

Due West 239.09 feet to a point; thence
Due North 115.48 feet to a point; thence
Due East 6.31 feet to a point; thence
Due North 31.99 feet to a point; thence
Due West 4.10 feet to a point; thence
Due North 66.36 feet to a point on the southerly line of Market Street, private street, width varies; thence running with said Market Street
Due East 0.98 feet to a point; thence
North 79°47'46" East, 50.80 feet to a point; thence
Due East 75.31 feet to a point; thence departing said Market Street and running through said Block 20
Due South 56.67 feet to a point; thence
Due West 8.00 feet to a point; thence
Due South 37.00 feet to a point; thence
Due East 13.33 feet to a point; thence
Due South 102.00 feet to a point; thence
Due East 105.26 feet to the point of beginning containing 31,284 square feet or 0.71819 acres, more or less.

EXHIBIT "A-1"

TO

DECLARATION

DESCRIPTION OF ADDITIONAL LAND