

Condominium Declaration – 113 pages

Commonwealth of Virginia



State Corporation Commission

I Certify the Following from the Records of the Commission:

The foregoing is a true copy of all documents constituting the charter of Rockland Village Homeowners Association, Inc..

Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:
August 9, 2000*

Joel H. Peck
Joel H. Peck, Clerk of the Commission

DECLARATION

FOR

ROCKLAND VILLAGE

Tax Map No. 034-4-06-0001 through 0005;
044-2-02-0008 through 0011; 044-2-02-0022;
044-2-02-023

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SUBMITTED LAND
ADDITIONAL LAND

EXHIBIT A
EXHIBIT B

DECLARATION

FOR

ROCKLAND VILLAGE

THIS DECLARATION is made as of August 17, 2000, by ROCKLAND VILLAGE, L.C., a Virginia limited liability company ("Declarant"), and ROCKLAND VILLAGE HOMEOWNERS ASSOCIATION, INC., a Virginia nonstock corporation ("Association").

R E C I T A L S:

R-1 The Declarant and the Association each own a portion of the land designated as Submitted Land in the legal description attached as Exhibit A, (and made a part hereof by this reference) and each desires to subject such land to covenants, restrictions, reservations, easements, servitudes, liens and charges, all of which are more particularly hereinafter set forth in this Declaration.

R-2 The Declarant also wishes to reserve the right to add the land designated as Additional Land in the legal description attached as Exhibit B (and made a part hereof by this reference), as amended by the Declarant from time to time, and may hereafter decide to subject all or any portion of that Additional Land to the provisions of this Declaration, as amended from time to time.

R-3 The Declarant deems it desirable and in the best interests of all the owners of land subject to this Declaration to protect the value and the desirability of such land by providing for the development of such land in accordance with a common plan and the maintenance of certain shared facilities.

R-4 To provide a means for meeting the purposes and intents set forth herein, the Declarant has caused Rockland Village Homeowners Association, Inc. to be incorporated under the laws of the Commonwealth of Virginia.

NOW, THEREFORE, the Declarant and the Association hereby covenant and declare, on behalf of themselves and their respective successors and assigns, that from the date this Declaration is recorded, the land designated as Submitted Land in Exhibit A shall be held, conveyed, acquired and encumbered subject to the terms and provisions hereof, all of which shall run with the land and bind and inure to the benefit of all Persons who may now or hereafter own or acquire any right, title, estate or interest in or to any of such real estate, or who may now or hereafter occupy or enter upon any portion thereof, subject to the right of the Declarant or the Association to amend

this Declaration in accordance with the provisions for amendment set forth herein. The Association joins in this Declaration for the purpose of accepting the rights, powers, responsibilities and obligations set forth herein.

P A R T O N E

ARTICLE 1

GENERAL PROVISIONS

Section 1.1. Definitions. Terms used herein without definition shall have the meanings specified for such terms in Section 13.1-803 of the Act. Capitalized terms used herein shall have the meanings specified for such terms below.

(1) "Act" means the Virginia Nonstock Corporation Act, Chapter 10 of Title 13.1 of the Code of Virginia (1950), as the same may be amended, supplemented or replaced from time to time.

(2) "Additional Land" means the land so designated in Exhibit B, as amended from time to time, which the Declarant has reserved the right to submit to the Declaration and to the jurisdiction of the Association pursuant to Section 4.1.

(3) "Approval of Secondary Mortgage Agencies or Mortgagees" means: (i) written approval; (ii) any written waiver of approval rights; (iii) a letter stating no objection; and (iv) presumptive approval if a Secondary Mortgage Agency or Mortgagee does not respond to a notice by certified or registered United States mail, return receipt requested (or any other form of transmission for which receipt may be reasonably verified), within thirty days after the date the request for approval is transmitted in accordance with the notice requirements of Articles 1 and 10 of the Bylaws and Sections 13.2 and 14.4.

(4) "Articles of Incorporation" means the Articles of Incorporation for Rockland Village Homeowners Association, Inc. filed with the Virginia State Corporation Commission, as amended from time to time.

(5) "Assessments" means the sums levied against the Lots to pay Common Expenses and other expenditures by the Association, as provided in Article 6. Assessments include Annual Assessments, "Additional Assessments," "Individual Assessments" and "Special Assessments" (levied pursuant to section 55-514 of the POA Act).

(6) "Association" means Rockland Village Homeowners Association, Inc. and, with respect to the rights and obligations of the Association set forth in this Declaration, its successors and assigns.

(7) "Association Documents" means collectively, the Articles of Incorporation, this Declaration, Supplementary Declarations and the Bylaws, all as amended from time to time. Any exhibit, schedule, certification or amendment to an Association Document is an integral part of that document.

(8) "Board of Directors" or "Board" means the executive and administrative entity established by Article 5 of the Articles of Incorporation as the governing body of the Association.

(9) "Builder" means a Person (other than the Declarant) who is regularly in the business and who purchases land or two or more Lots within the Property for the purpose of constructing improvements for resale.

(10) "Bylaws" means the Bylaws of the Association, as amended from time to time.

(11) "Common Area" means, at any given time, all of the Property other than Lots, then owned by the Association for the benefit, use and enjoyment of the Owners; provided, however, that real estate within the Property is not Common Area solely because it is burdened by an easement for utilities, landscaping or signage or dedicated as a public street or roadway even though the Association may maintain such area. "Common Easement Areas" means, at any given time, any easement available to the Association for the benefit or use of the Owners.

(a) "Reserved Common Area" means a portion of the Common Area for which the Board of Directors has granted a temporary, revocable license for exclusive use pursuant to Section 3.9.

(b) "Limited Common Area" means a portion of the Common Area which has been designated by the Declarant pursuant to Section 3.9 for the primary or exclusive (if specifically designated) use, as appropriate, of Owners of one or more but fewer than all of the Lots.

(12) "Common Expenses" means all expenses incurred by or on behalf of the Association, together with all sums determined by the Board of Directors to be reasonably necessary for the creation and maintenance of reserves pursuant to the provisions of the Association Documents. Except when the context clearly requires otherwise, any reference to Common Expenses includes general Common Expenses and Limited Common Expenses. "Limited Common Expenses" means expenses incurred by or on behalf of the Association and benefiting one or more but fewer than all of the Owners and assessed against the Lots benefited pursuant to paragraph (2) of Subsection 6.2(a).

(13) "County" means Fairfax County, Virginia. All references to approval by the County shall mean approval by the appropriate agency of the County as determined by the Office of the County Attorney at that time.

(14) "Covenants Committee" means the committee that may be established pursuant to Article 9 to assure that the Property shall be maintained in a manner consistent with the purposes and intents of this Declaration.

(15) "Declarant" means Rockland Village, L.C. a Virginia limited liability company. Following recordation of a document assigning to another Person all or some of the rights reserved to the Declarant under the Association Documents, pursuant to Section 5.2 the term "Declarant" shall mean or include that assignee. "Special Declarant Rights" are described in Article 5.

(16) "Declarant Control Period" means the period of time beginning on the date of incorporation of the Association and ending on the earliest of: (1) the later of (i) the seventh anniversary of the date of the first conveyance of a Lot to an Owner other than the Declarant; or (ii) the fifth anniversary of the date of recordation of the most recent Supplementary Declaration adding Additional Land (provided, however, that once the Declarant Control Period has expired, the recordation of a subsequent Supplementary Declaration shall not reinstate the Declarant Control Period; and provided, further, that if the Declarant is delayed in the improvement and development of the Property due to a sewer, water or building permit moratorium or other cause or event beyond the Declarant's control, then the aforesaid period shall be extended for the period of the delay or three years, whichever is less); (2) the date the number of votes of the Class A Owners equals or exceeds the number of votes of the Class B Owner; or (3) the date specified by the Declarant in a written notice to the Association that the Declarant Control Period is to terminate on that date.

(17) "Declaration" means this Declaration for Rockland Village made by the Declarant and recorded among the Land Records. The term Declaration shall include all amendments to the Declaration: (i) amending the provisions herein pursuant to Article 14, and (ii) except when the context clearly requires otherwise, any Supplementary Declaration.

(18) "Design Guidelines" means the standards and guidelines developed by the Covenants Committee pursuant to Article 9 and any standards established by the Declarant.

(19) "Development Period" means the period of time that the Declarant (or a lender holding Special Declarant Rights) or any Builder is engaged in development or sales or activities relating thereto, anywhere on the Property or the Additional Land and the Declarant (or a lender holding Special Declarant Rights)

is entitled to exercise certain special declarant rights under the Association Documents. When all the land described in Exhibits A and B has been conveyed to Owners other than the Declarant or a Builder (or a lender holding Special Declarant Rights) and all of the bonds held by a governmental agency have been released with respect to the Property or Additional Land, then the Development Period shall end.

(20) "Development Plan" means the general development or site plan or plans for the Submitted Land or Additional Land as approved by the County, as amended from time to time. Although the Declarant intends to develop the Property substantially in accordance with the Development Plan, the Declarant reserves the right to modify the Development Plan subject only to the requirements and procedures of the County.

(21) "Land Records" means the land records of Fairfax County, Virginia.

(22) "Lot" means a portion of the Property designated as a separate subdivided lot of record or any other parcel of Submitted Land held in separate ownership (but not including the land designated as Common Area and owned by the Association or land dedicated for public street purposes), together with any improvements now or hereafter appurtenant thereto. "Multifamily Lot" means a Lot occupied by one or more buildings containing multiple dwelling units and, unless otherwise specified, includes without limitation Lots containing rental apartments, condominium units, or cooperative units. A condominium unit or cooperative unit is part of a Multifamily Lot. "Unit" means a dwelling unit in a rental apartment building, a condominium unit created in accordance with Chapter 4.2 of Title 55 of the Code of Virginia (1950), as amended or a cooperative unit created in accordance with Chapter 29 of Title 55 of the Code of Virginia (1950), as amended. The common elements of any condominium or cooperative are appurtenances to the Units and are part of the Lot.

(23) "Majority Vote" means a simple majority (more than fifty percent) of the votes entitled to be cast by members present in person or by proxy at a duly held meeting of the members at which a quorum is present. Any vote of a specified percentage of members means that percentage with respect to the number of votes actually cast by members present in person or by proxy at a duly held meeting at which a quorum is present. Any vote by a specified percentage of the Board of Directors (or committee) means that percentage with respect to the number of votes entitled to be cast by directors (or committee members) present at a duly held meeting of the Board (or committee) at which a quorum is present. Any vote of or approval by a specified percentage of the Mortgagees means a vote of or approval (whether actual or presumed) by the Mortgagees calculated based on the number of votes allocated to the Lots (or

the Owners of the Lots) on which a Mortgage is held by a Mortgagee.

(24) "Mortgagee" means an institutional lender (one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds or business trusts, including but not limited to real estate investment trusts, any other lender regularly engaged in financing the purchase, construction or improvement of real estate, or any assignee of loans made by such lender, or any combination of any of the foregoing entities) holding a first mortgage or first deed of trust ("Mortgage") encumbering a Lot which has notified the Board of Directors of its status in writing pursuant to Section 13.2 and has requested all rights under the Association Documents. Only for the purpose of the notice and inspection rights in Articles 13, 14 and 15 of the Declaration, the term "Mortgagee" shall also include the Federal Housing Administration ("FHA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), Fannie Mae (formerly the Federal National Mortgage Association) ("FNMA"), the Department of Veterans Affairs ("VA"), the Government National Mortgage Association ("GNMA") and any other public or private secondary mortgage market agency participating in purchasing, guarantying or insuring Mortgages which has notified the Association of such participation in writing (together the "Secondary Mortgage Agencies").

(25) "Officer" means any Person holding office pursuant to Article 6 of the Bylaws.

(26) "Owner" means one or more Persons who own a Lot in fee simple, but does not mean any Person having an interest in a Lot solely by virtue of a contract or as security for an obligation. The term "Owner" is also used to mean a member of the Association. Notwithstanding the foregoing, in the case of any condominium or cooperative or property owners association governing a portion of the Property ("Subassociation"), the Subassociation shall be deemed to be the member entitled to vote in the Association.

(27) "Person" means a natural person, corporation, partnership, limited liability company, association, trust or other entity capable of holding title or any combination thereof.

(28) "POA Act" means the Virginia Property Owners' Association Act, Chapter 26 of Title 55 of the Code of Virginia (1950), as the same may be amended, supplemented or replaced from time to time.

(29) "Property" means, at any given time, the Submitted Land, together with all improvements and appurtenances thereto now or hereafter existing.

(30) "Rules and Regulations" means the rules and regulations governing the use, occupancy, operation, Upkeep, and physical appearance of the Property adopted from time to time by the Board of Directors.

(31) "Submitted Land" means the land designated as such in Exhibit A and all land which is from time to time submitted to the Declaration.

(32) "Supplementary Declaration" means: any declaration (i) submitting land to the terms of the Declaration and subjecting such land to the jurisdiction of the Association, whether or not such Supplementary Declaration contains additional provisions reflecting the unique characteristics of the real estate being submitted, or (ii) submitting a portion of the Property to such supplementary covenants in accordance with the provisions of Article 4 of the Declaration. A Supplementary Declaration may be part of a Deed of Subdivision.

(33) "Upkeep" means care, inspection, maintenance, snow and ice removal, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement and reconstruction.

Section 1.2. Construction of Association Documents.

(a) Captions. The captions are provided only for reference, and in no way define, limit or otherwise affect the scope, meaning or effect of any provision. All cross-references are to the Declaration unless otherwise indicated.

(b) Pronouns. The use of the masculine gender shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural and vice versa, whenever the context so requires.

(c) Severability. Each provision of an Association Document is severable from every other provision, and the invalidity or unenforceability of any one or more provisions shall not change the meaning of or otherwise affect any other provision. To the extent that any provision of the Association Documents is found to be overly broad or unenforceable and a narrower or partially enforceable construction may be given to such provision, then the narrower or partially enforceable construction shall be applied and, to the extent lawful, the provision shall be enforced.

(d) Interpretation. If there is any conflict among the Association Documents, the Declaration and then the applicable Supplementary Declaration shall control, except as to matters of compliance with the Act, in which case the Articles of Incorporation shall control. Specific provisions shall control general provisions, except that a construction consistent with the Act shall in all cases control over any construction

inconsistent with the Act. The provisions of the Bylaws shall control over any conflicting provision of any rule, regulation or other resolution adopted pursuant to any of the Association Documents. The Association Documents shall be construed together and shall be deemed to incorporate one another in full. Any requirements as to the content of one shall be deemed satisfied if the deficiency can be cured by reference to any of the others.

(e) Savings Clause. The easements granted and reservations made herein or in any Supplementary Declaration shall not terminate or merge and shall continue to run with the land, notwithstanding the common law doctrine of merger and the common ownership of the Property at this time by the Declarant. If the intended creation of any easement provided for in this Declaration should fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to be so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the Persons to whom the easement were originally to have been granted the benefit of such easement.

(f) Ambiguities Resolved by Declarant. If there is any ambiguity or question as to whether any Person, land or improvement falls within any of the definitions set forth in Article 1, the determination made by the Declarant (as evidenced by a recorded Supplementary Declaration) shall be binding and conclusive.

Section 1.3. The Association.

(a) Creation. The Rockland Village Homeowners Association, Inc. is a Virginia nonstock corporation organized and existing under the laws of the Commonwealth of Virginia, charged with the duties and vested with the powers prescribed by law and set forth in the Association Documents.

(b) Membership. Members of the Association shall at all times be, and be limited to, the Declarant (during the Development Period) and Persons who constitute Owners of the Lots. If more than one Person owns a Lot, then all of the Persons who own such Lot shall collectively constitute one Owner and be one member of the Association; provided, however, that if an Owner of a Unit on a Multifamily Lot is represented by a condominium or cooperative owners association ("Subassociation"), then such Owner is not directly a member of the Association. Subassociations shall cast their votes through a representative designated by and under the direction of the board of directors or the executive body serving similar purposes of such Subassociation. Each Person is entitled to attend all meetings of the Association. Membership in the Association is mandatory and automatic with ownership of a Lot.

(c) Classes of Owners; Voting Rights. The Association shall have the classes of Owners (members) with the voting rights set forth in Article 4 of the Articles of Incorporation as follows:

The Class A Owners shall be the Owners, other than the Declarant or a Builder during the Declarant Control Period or the Owners of Multifamily Lots, and shall have one vote for each Lot owned. After the Declarant Control Period, the Declarant and any Builder shall become a Class A Owner.

The Class B Owner shall be the Declarant. During the Declarant Control Period, the Class B Owner shall have 393 votes less three votes for each vote held by a Class A Owner when a vote is taken. If (i) the land described in Exhibits A or B is rezoned or the Declarant obtains other approval to permit a greater number of dwellings to be constructed than permitted at the time the Declaration is recorded, then the number of votes of the Class B Owner described above shall be increased by three times the number of additional dwellings permitted; or (ii) all or any portion of the land described as Phase II in Exhibit B to the Declaration or any other land that was not originally described in Exhibits A or B to the Declaration is subjected to the Declaration, then the number of votes of the Class B Owner described above shall be increased by three times the number of dwellings that would be permitted on any Lots that could be located on the whole of such residential land if such land were fully developed under the then applicable zoning and subdivision ordinances and subjected to the Declaration.

The Class C Owners shall be the Owners of a Multifamily Lot. Each Owner of a Multifamily Lot shall be entitled to cast one vote, unless such Multifamily Lot consists of a condominium or cooperative. In which case, the Subassociation governing such Multifamily Lot shall be considered the "Owner" of such Multifamily Lot for the purposes of voting and shall be entitled to cast only one vote, no matter how many Units are located on the Multifamily Lot.

After the Declarant Control Period expires, the Declarant shall have one vote as a Class B Owner and the Declarant shall also become a Class A Owner and have Class A votes with respect to the Lots owned by the Declarant. The Class B membership shall expire at the end of the Development Period.

Section 1.4. Board Authority to Act. Unless otherwise specifically provided in the Act or the Association Documents, all rights, powers, easements, obligations and duties of the Association may be performed by the Board of Directors on behalf of the Association.

Section 1.5. Merger or Consolidation. Upon merger or consolidation of the Association with another entity formed for

similar purposes, the Association's properties, rights and obligations may be transferred to the surviving or consolidated entity, or alternatively, the properties, rights and obligations of the other entity may be assumed by the Association, as the surviving corporation. No such merger or consolidation shall effect any revocation, termination, change or addition to this Declaration except pursuant to Articles 14 and 15.

ARTICLE 2

COMMON AREA

Section 2.1. Conveyance; Title. The Declarant shall convey the Common Area in each subdivided section of the Property to the Association in fee simple released from any encumbrance securing the repayment of monetary obligations incurred by the Declarant, but subject to all easements and other encumbrances then of record (including those created by this Declaration). The Common Area in each subdivided section of the Property shall be conveyed to the Association before the conveyance of any Lot subject to a Mortgage guaranteed by the Veterans Administration in such subdivided section. The Association shall accept title to any real estate or personal property offered to the Association by the Declarant. The Declarant will try to specifically identify the Common Area, but such identification shall not be required in order for the land to be Common Area. If the Declarant determines that particular land is or is not Common Area, such determination shall be binding and conclusive. The Common Area may change from time to time in connection with changes in the Development Plan. Accordingly, reference to Common Area shall be deemed to refer to the Common Area existing at the relevant time.

Section 2.2. No Dedication. Nothing contained herein or in the other Association Documents shall be construed as a dedication to public use or as an assumption of responsibility for Upkeep of any Common Area by any public or municipal agency, authority or utility, nor shall it be construed to prevent the Board of Directors of the Association from permitting public access to or use of any Common Area.

Section 2.3. Regulation of Common Area. The Board of Directors shall have the right to regulate use of the Common Area pursuant to Section 8.3. The Board of Directors may also mortgage, dedicate or convey Common Area owned in fee simple by the Association or grant easements over and through the Common Area subject to the restrictions in Section 14.4.

Section 2.4. Additional Improvements on Common Area. After the initial improvement and conveyance of any Common Area to the Association or the Declarant may, but is not obligated to, construct additional improvements on the Common Area for the benefit of the Property, pursuant to the easements in Section 3.1.

Section 2.5. Boundary Adjustments. The Association, acting through its Board of Directors without the approval or joinder of any Owner or Mortgagee, has the power at any time or times, consistent with the then existing zoning or subdivision ordinances of the applicable governmental authority, to transfer part of the Common Area for the purpose of adjusting Lot lines or otherwise in connection with the orderly subdivision and development of the Property; provided, however, that: (i) such transfer shall not reduce the portion of the Property designated as "open space" below the minimum level of "open space" required in the subdivision by the applicable County ordinances at the time of the transfer; (ii) if the transfer results in a material diminution of Common Area (an acre or more), then the Declarant shall transfer or cause to be transferred to the Association such land as may be necessary to maintain the amount of Common Area at the level previously existing or the Association shall be otherwise reasonably compensated; (iii) the appropriate governmental authorities approve such Lot line adjustments; (iv) the boundary line adjustment or resubdivision is approved by all Owners of Lots for which the boundaries are being adjusted and each Lot previously adjacent to Common Area remains adjacent to Common Area unless the Owner of such Lot approves otherwise; and (v) the transfer does not materially change the Development Plan.

ARTICLE 3

EASEMENTS

Section 3.1. Development Easements.

(a) Easements Reserved to the Declarant.

(1) Easement to Facilitate Development. The Declarant hereby reserves to itself, its successors and assigns and its designees a nonexclusive blanket easement over and through the Property for all purposes reasonably related to the development and completion of improvements on the Property and the Additional Land, including without limitation: (i) temporary slope and construction easements; (ii) drainage, erosion control and storm and sanitary sewer easements (including the right to cut or remove trees, bushes or shrubbery, to re-grade the soil and to take any similar actions reasonably necessary; provided, however, that thereafter the Declarant shall restore the affected area as near as practicable to its original condition); (iii) easements for the storage (in a sightly manner) of reasonable supplies of building materials and equipment necessary to complete the improvements; (iv) easements for the construction, installation and Upkeep of improvements (e.g., buildings, landscaping, street lights, signage, etc.) on the Property and the Additional Land or reasonably necessary to serve the Property or the Additional Land; and (v) easements for ingress and egress as necessary to accomplish the foregoing purposes.

(2) Easement to Facilitate Sales. The Declarant hereby reserves to itself, its successors and assigns and its designees the right to: (i) use any Lots owned or leased by the Declarant, any other Lot with the written consent of the Owner thereof or any portion of the Common Area (including any buildings thereon) as models, management offices, sales offices, a visitors' center, construction offices, customer service offices or sales office parking areas (provided, however, that the Declarant or its designee, as appropriate, shall remain responsible for the Upkeep of that portion of the Common Area used for the foregoing purposes); (ii) place and maintain in any location on the Common Area and on any Lot (for a distance of fifteen feet behind any Lot line which parallels a public or private street), street and directional signs, temporary promotional signs, temporary construction and sales offices, plantings, street lights, entrance features, "theme area" signs, lighting, stone, wood or masonry walls or fences and other related signs and landscaping features; provided, however, that all signs shall comply with applicable governmental regulations and the Declarant shall obtain the consent of the Owner of any affected Lot or of the Covenants Committee if the Owner does not consent; and (iii) relocate or remove all or any of the above from time to time at the Declarant's sole discretion. The Association is hereby granted an easement to perform Upkeep of any permanent structure or landscaping installed pursuant to (ii) above.

(3) Easement for Utilities, Community Systems and Related Services.

(A) General Utility Easement. A non-exclusive perpetual blanket easement is hereby granted over and through the Property for ingress, egress, installation and Upkeep of the equipment for providing to any portion of the Property or adjacent real estate, any utilities, including without limitation water, sewer, drainage, gas, electricity, telephone, television or other telecommunications service or other community services (including "Community Systems" as defined in Subsection 7.8(b)), whether public or private; such easement is hereby granted to any Person installing or providing Upkeep for the aforesaid services. Any pipes, conduits, lines, wires, transformers and any other apparatus necessary for the provision or metering of any utility or Community System may be installed, maintained or relocated where permitted by the Declarant, where contemplated on any site plan approved by the Declarant or where approved by resolution of the Board of Directors; provided, however that no utility or service line shall run beneath a dwelling other than the utility or service lines serving such dwelling.

(B) Specific Development Easement Areas. The Declarant hereby reserves to itself, its successors and assigns and its designees the right to grant and reserve

easements, rights-of-way and licenses over and through the Common Area or through any Lot within fifteen feet of any boundary line of any Lot (provided, however, that no utility or service line shall run beneath a dwelling other than the utility or service lines serving such dwelling) for the installation and Upkeep of the equipment for providing to any portion of the Property or adjacent real estate, any utilities, including without limitation water, sewer, drainage, gas, electricity, telephone, television or other telecommunications service or Community System, whether public or private, or for any other purpose necessary or desirable for the orderly development of the Property or for the benefit of adjoining real estate.

(4) Dedications and Easements Required by Governmental Authority. The Declarant hereby reserves to itself and its successors and assigns, the right to make any dedications and to grant any easements, rights-of-way and licenses required by any government or governmental agency over and through all or any portion of the Common Area. The Declarant also hereby reserves to itself and its successors and assigns an easement and a right to grant and reserve easements or to vacate or terminate easements across all Lots and Common Area as may be required by any governmental agency or authority or utility company in connection with the release of bonds or the acceptance of streets for public maintenance with respect to the Property.

(5) Storm Water Management Easement. The Declarant hereby reserves to itself and its successors and assigns an easement and the right to grant and reserve easements over and through the Property for the construction and Upkeep of storm water management facilities, including storm water retention areas. The Declarant shall also have the right to allow adjacent properties to tie their storm water management facilities into the storm water management facilities for the Property.

(b) Further Assurances. Any and all conveyances made by the Declarant to the Association or any Owner shall be conclusively deemed to incorporate these reservations of rights and easements, whether or not set forth in such grants. Upon written request of the Declarant, the Association and each Owner shall from time to time sign, acknowledge and deliver to the Declarant such further assurances of these reservations of rights and easements as may be requested.

(c) Duration and Assignment of Development Rights. The Declarant may assign its rights under this section to, or share such rights with, one or more other Persons, exclusively, simultaneously or consecutively. The rights and easements reserved by or granted to the Declarant pursuant to this section shall continue until the end of the Development Period, unless specifically stated otherwise.

Section 3.2. Association Power to Make Dedications and Grant Easements. The Declarant, on behalf of itself and its successors and assigns, hereby also grants to the Association the rights, powers and easements reserved to the Declarant by Paragraphs 3.1(a)(2)(ii), (3), and (4). These rights, powers and easements may be exercised by the Association, subject to Section 14.4; provided, however, that the limitations on duration applicable to the Declarant shall not apply to the Association. If the Declarant or any Owner requests the Association to exercise its powers under this section, the Association's cooperation shall not be unreasonably withheld, conditioned or delayed.

Section 3.3. Easement for Upkeep. The Declarant, on behalf of itself and its successors and assigns, hereby grants the right of access over and through any portion of the Property (excluding the interior of any occupied dwelling) to the Association, the managing agent and any other Persons authorized by the Board of Directors, for the exercise and discharge of their respective powers and responsibilities, including without limitation to make inspections, correct any condition originating in a Lot or in the Common Area threatening another Lot or the Common Area, correct drainage, perform installations or Upkeep of utilities, landscaping or other improvements located on the Property for which the Association is responsible for Upkeep, or correct any condition which violates the Association Documents. Each Owner shall be liable to the Association for the cost of all Upkeep performed by the Association and rendered necessary by any act, neglect, carelessness or failure to comply with the Association Documents for which such Owner is responsible pursuant to Section 12.1, and the costs incurred by the Association shall be assessed against such Owner's Lot in accordance with Sections 6.2 and 12.1.

Section 3.4. Limitations on Exercise of Rights and Easements.

(a) These easements are subject to all other easements and encumbrances of record (including those created by this Declaration). No Person who owns Property subject to this Declaration may subordinate the easements herein created to any subsequent encumbrance without the prior written approval of the Board of Directors.

(b) The Declarant, the Association or any Owner, as appropriate, when exercising the rights and easements granted by this Article, shall: (i) give reasonable prior notice to all affected Owners, unless an emergency exists which precludes such notice; (ii) minimize any economic or aesthetic injury to the affected Lots or the Common Area; and (iii) not unreasonably interfere with the affected Owners' use, enjoyment and benefit from such Owners' Lots or the Common Area.

(c) If an easement is relocated, the cost of such relocation shall be paid by the Person requesting the relocation.

(d) Any damage resulting from the exercise of the aforesaid rights and easements shall be promptly repaired and the site restored to the extent practicable by the Declarant or the Association, as appropriate, or at the option of the Declarant or the Association, the Person responsible for such damage. In either case, the cost of such repair and restoration shall be paid for by the Person responsible for the damage.

Section 3.5. Easements for Encroachments. If any improvement on the Property now or hereafter encroaches on any other portion of the Property by reason of: (i) the original construction thereof; (ii) deviations within normal construction tolerances in the Upkeep of any improvement; or (iii) the settling or shifting of any land or improvement, an easement is hereby granted to the extent of any such encroachment for the period of time the encroachment exists. The Owner of the encroaching improvement shall also have an easement for the limited purpose of Upkeep of the encroaching improvement. This easement does not relieve any Owner or any other Person from liability for such Owner's or other Person's negligence or willful misconduct or excuse the violation of County ordinances.

Section 3.6. Easement for Support. To the extent that any portion of the Property now or hereafter supports or contributes to the support of any other portion of the Property, the former is hereby burdened with an easement for the lateral and subjacent support of the latter.

Section 3.7. Easement for Emergency Access. The Declarant, on behalf of itself and its successors and assigns, hereby grants an easement: (i) to all police, fire, ambulance and other rescue personnel over and through all or any portion of the Property for the lawful performance of their functions during emergencies; and (ii) to the Association over and through all Lots, if emergency measures are required in any Lot to reduce a hazard thereto or to any other portion of the Property. The Association is hereby authorized but not obligated to take any such measures.

Section 3.8. Easement for Use of Common Area.

(a) Use and Enjoyment. The Declarant reserves to itself and its successors and assigns during the Development Period and grants to each Owner a non-exclusive right and easement of use and enjoyment in common with others of the Common Area, except as limited by the designation of Limited Common Area or Reserved Common Area. Each Owner is also hereby granted a non-exclusive easement for utility services and ingress and egress (including lead sidewalks, driveway aprons and utility laterals) over the Common Area to the extent necessary to provide vehicular and pedestrian access to such Lot for such Owner and such Owner's

household members, tenants, guests, employees, agents and invitees. The Association, acting through its Board of Directors without further approval or joinder of any Owner or Mortgagee, is authorized on behalf of each Owner to relocate, modify or terminate easements over and across the Common Area or Common Easement Areas now or hereafter granted to one or more Owners in this Declaration, in deeds of subdivision or otherwise; provided, however, that each Owner retains (in a location determined by the Board of Directors) a right of access to such Owner's Lot for vehicular and pedestrian ingress and egress and for utility services. A conveyance or dedication of a portion of the Common Area to any entity, other than an entity formed for similar purposes in which the Owner is a member, shall extinguish the Owner's easement rights except to the extent necessary to provide access and utility services to such Owner's Lot. The foregoing rights and easements of use and enjoyment and access, ingress and egress and utility services shall be appurtenant to each Lot, whether or not mentioned in the deed thereto. Any purported conveyance or other transfer of such rights and easements apart from the Lot to which such rights and easements are appurtenant shall be void.

(b) Limitations. The rights and easements of enjoyment created by this Section shall be subject (in addition to any easements granted or reserved in this Declaration or pursuant to the other Association Documents) to all rights and powers of the Declarant and the Association when exercised in accordance with the other applicable provisions of the Association Documents, including without limitation the Association's right to regulate the use of the Common Area and to establish reasonable charges therefor, to grant easements across the Common Area, to dedicate portions of the Common Area in and to mortgage the Common Area subject to Section 14.4.

(c) Delegation. Subject to the Rules and Regulations and such other restrictions as may be adopted by the Association, any Person having the right to use and enjoy the Common Area may delegate such rights to such Person's household, guests, employees, tenants, agents and invitees and to such other Persons as may be permitted by the Association. The easements and rights granted by this Declaration shall not be enforceable by Persons to whom such easements and rights may be delegated by Owners, including without limitation the household, tenants, guests, employees, agents and invitees of any Owner. This section does not affect, however, the rights of the holders of Mortgages in possession or court-appointed officers in possession and control of a Lot acting in the name, place and stead of Owners, or any Person's right to enforce any easements or rights granted in any lease or agreement between such Person and an Owner.

Section 3.9. Reserved Common Area and Limited Common Area.

(a) Reserved Common Area. The Board of Directors shall have the power in its discretion from time to time to grant revocable licenses in the Common Area owned in fee simple by the Association by designating portions of the Common Area as Reserved Common Area. Such Reserved Common Area shall be subject to such restrictions, reasonable charges and conditions on the use thereof as the Board may deem appropriate. Such Reserved Common Area shall be maintained by the Association or, at the Board's option, by the Persons having the exclusive right to use the Reserved Common Area.

(b) Limited Common Area. During the Development Period, the Declarant shall have the right to restrict portions of the Common Area in the nature of an easement for the primary or exclusive use of the Owners of one or more specific Lots by designating such portions of the Common Area as Limited Common Area. The Declarant may either: (i) indicate the locations of the Limited Common Area appertaining to one or more Lots by depicting such Limited Common Area and the Lots to which it is appurtenant on the plat attached as an Exhibit to a Supplementary Declaration; or (ii) label a portion of the Common Area shown on a plat as an Exhibit to a Supplementary Declaration as "Common Area that may be assigned as Limited Common Area", and thereafter assign such Limited Common Area to one or more specific Lots by unilaterally amending the Supplementary Declaration to indicate the assignment, depicting the Limited Common Area being assigned and the Lots to which it is appurtenant

ARTICLE 4

DEVELOPMENT OF THE PROPERTY

Section 4.1. Expansion by the Declarant.

(a) Adding Additional Land. The Declarant hereby reserves an unilateral right until the fifteenth anniversary of the date of recordation of this Declaration to expand the Property from time to time without the approval or joinder of the Association or any Owner or Mortgagee (except the owner of or holder of a Mortgage on such land) by submitting all or any portion of the Additional Land to the provisions of this Declaration and the jurisdiction of the Association whether or not such land is owned by the Declarant. The Declarant may also unilaterally submit land not described as Additional land in Exhibit B to the extent the submission of such land does not increase the overall amount of land described in Exhibits A and B by greater than ten percent in either square footage of land or the number of dwellings permitted. If the Lots have been approved for VA financing, then in order to submit land not designated as Additional Land the approval of VA must also be obtained. The right to expand may be terminated only upon the recordation by the Declarant of an instrument relinquishing such right. The Declarant shall add Additional Land in accordance with the

procedures set forth in Section 4.3. There are no limitations on the option to expand except as set forth in this Article. If the Declarant does not submit all or any portion of the Additional Land to the Declaration, such land may be developed in any manner allowable under local zoning ordinance without regard to the restrictions in this Declaration.

(b) Recording Additional Covenants. The Declarant also reserves the unilateral right without the approval or joinder of the Association or any Owner or Mortgagee to execute and record a Supplementary Declaration, subjecting any Lot to such additional covenants and restrictions as may be necessary to reflect the different characteristics of such Lot as are not inconsistent with the overall scheme of the Declaration; provided, however, that the Declarant shall not have such right after the conveyance of such Lot to an Owner other than the Declarant without the written consent of such Owner (and the holder of the Mortgage on such Lot).

Section 4.2. Expansion by the Association. With the written consent of the fee simple owner (if not the Association) and any holder of a Mortgage on such real estate, a Sixty-seven Percent Vote of the members or written approval from members entitled to cast sixty-seven percent of the total number of votes, in both cases excluding the votes of the Declarant and the written consent of the Declarant during the Declarant Control Period, the Association may submit any real estate located immediately adjacent to the Property or across a public right of way from the Property to the provisions of this Declaration and the jurisdiction of the Association, in accordance with the procedures set forth in Sections 4.3 and 14.4.

Section 4.3. Procedure for Expansion; Additional Covenants. The Declarant or the Association, as appropriate, may record one or more amendments to the Declaration submitting the land described therein to this Declaration and to the jurisdiction of the Association ("Supplementary Declarations"). Each Supplementary Declaration shall include a legally sufficient description of the land added and shall designate such land with the term Phase and a unique identifier so as to differentiate between each section of the Property. The land designated as Submitted Land in Exhibit A shall be known by the Phase designations shown on Exhibit A. Any Supplementary Declaration may contain such additions to the provisions in this Declaration as may be necessary to reflect the different character of the land described therein and as are not inconsistent with the overall scheme of this Declaration; provided, however, that such additions shall not apply to any Lot previously submitted to this Declaration without the written consent of the Owner of the Lot (and the holder of a Mortgage on such Lot) subject to the additional provisions. Upon recording a Supplementary Declaration submitting land to the Declaration, the provisions of the Declaration shall apply to the land thereby added as if such land were originally part of the Submitted Land, including

without limitation the provisions for voting and Assessment. Any Owner other than the Declarant submitting Additional Land to the Declaration shall be deemed to have granted all the easements and rights granted and reserved herein to the Declarant, the Association and the Owners.

Section 4.4. Withdrawable Real Estate. During the Development Period, the Declarant has the unilateral right without the approval or joinder of the Association or any Owner or Mortgagee to execute and record an amendment to the Declaration withdrawing any portion of the Property, if such real estate is dedicated or to be dedicated to public use or otherwise conveyed to the County or an agency designated by the County. Thereafter, the Board of Directors acting on behalf of the Association, without the joinder or approval of any Owner or Mortgagee, may record an amendment to the Declaration withdrawing any portion of the Property, if such real estate is dedicated or is to be dedicated to public use or otherwise conveyed to the County or an agency designated by the County. Any land dedicated for public street purposes shall be deemed automatically withdrawn.

ARTICLE 5

SPECIAL DECLARANT RIGHTS; TRANSFER

Section 5.1. Special Declarant Rights. Special Declarant Rights are those rights reserved for the benefit of the Declarant as provided for in the Association Documents, and shall include without limitation the following rights: (i) to use, grant, reserve, vacate and terminate easements over and through the Property for the purpose of making improvements within the Property as provided in Article 3; (ii) to maintain models, management offices, construction offices, sales offices, customer service offices or other offices for similar purposes and signs advertising the Property; (iii) to exercise the rights and votes of the Class B Owner; (iv) to remove and replace any director elected by the Class B Owner; (v) to make unilateral amendments to the Association Documents as provided in Sections 3.9, 4.1, 4.4, 14.1 and 14.6; (vi) to add Additional Land; (vii) to withdraw Submitted Land pursuant to Section 4.4; and (viii) to exercise any other rights given to the Declarant.

Section 5.2. Transfer of Special Declarant Rights.

(a) Transfer. The Declarant may unilaterally transfer Special Declarant Rights created or reserved under the Association Documents (without the approval or joinder of the Association or any Owner or Mortgagee) to: (i) any Person acquiring Lots or Additional Land; or (ii) any lender holding a mortgage or deed of trust on Lots or Additional Land owned by the Declarant. Such transfer shall be evidenced by an instrument recorded in the Land Records. The instrument is not effective

unless signed by the transferor and transferee; provided, however, that a Person acquiring Lots or Additional Land pursuant to Subsection 5.2(c) or acquiring all the remaining undeveloped Lots and Additional Land may unilaterally sign and record an instrument to acquire some or all of the special declarant rights.

A partial transfer of Special Declarant Rights does not prevent the transferor declarant from continuing to exercise Special Declarant Rights with respect to land retained by such declarant. The instrument providing for a partial transfer of Special Declarant Rights shall allocate voting rights between the transferor and the transferee as such Persons shall agree among themselves or based on the number of dwellings permitted to be located on the Submitted Land and Additional Land owned by each declarant. Each Person having declarant rights under the Association Documents has the right to transfer such rights unilaterally with respect to land owned by such Person except to the extent provided otherwise in an instrument transferring the Special Declarant Rights to such Person. If at any time the Declarant ceases to exist and has not made an assignment of the Special Declarant Rights, a successor may be appointed by an amendment to the Declaration made pursuant to Section 14.2.

(b) Liability of Transferor. Upon transfer of any special declarant right, the liability of a transferor declarant is as follows:

(1) A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for warranty obligations (if any) the transferor has undertaken by contract or which are imposed upon the transferor by law.

(2) If the successor to any special declarant right is an Affiliate of a declarant (as defined in Subsection (g)), the transferor is jointly and severally liable with the successor for any obligation or liability of the successor which relates to the Property.

(3) If a transferor retains any special declarant rights, but transfers other special declarant rights to a successor who is not an Affiliate of the declarant, the transferor remains liable for any obligations and liabilities relating to the retained special declarant rights imposed on a declarant by the Association Documents arising after the transfer.

(4) A transferor has no liability for any act or omission, or any breach of a contractual or warranty obligation arising from the exercise of a special declarant right by a successor declarant who is not an Affiliate of the transferor.

(c) Unless otherwise provided in a Mortgage, in case of foreclosure of a Mortgage (or deed in lieu of foreclosure), tax sale, judicial sale, sale by a trustee under a deed of trust

or sale under the Bankruptcy Code or receivership proceedings, of any Lots or Additional Land owned by a declarant, a Person acquiring title to all the Lots or Additional Land being foreclosed or sold, but only upon such Person's request, succeeds to all special declarant rights related to such Lots or Additional Land or only to any rights reserved in the Association Documents to maintain models, management offices, construction offices, sales offices, customer service offices and signs advertising the Property. The judgment, instrument conveying title or other instrument recorded in the Land Records within a reasonable time shall provide for transfer of only the special declarant rights requested.

(d) Upon foreclosure (or deed in lieu of foreclosure), tax sale, judicial sale, sale by a trustee under a deed of trust, or sale under the Bankruptcy Code or receivership proceedings, of all Lots and Additional Land owned by a declarant (i) the declarant ceases to have any special declarant rights; and (ii) the Declarant Control Period terminates unless the judgment, instrument conveying title or other instrument recorded among the Land Records within a reasonable time provides for transfer of special declarant rights held by that declarant to a successor declarant.

(e) The liabilities and obligations of Persons who succeed to special declarant rights are as follows:

(1) A successor to any special declarant right who is an Affiliate of a declarant is subject to all obligations and liabilities imposed on the transferor by the Association Documents.

(2) A successor to any special declarant right, other than a successor described in paragraphs (3) or (4) of this subsection or a successor who is an Affiliate of a declarant, is subject to all obligations and liabilities imposed by the Association Documents: (A) on a declarant which relate to such declarant's exercise or non-exercise of special declarant rights; or (B) on the transferor, other than; (i) misrepresentations by any previous declarant; (ii) warranty obligations, if any, on improvements made by any previous declarant, or made before the Association was created; (iii) breach of any fiduciary obligation by any previous declarant or such declarant's appointees to the Board of Directors; or (iv) any liability or obligation imposed on the transferor as a result of the transferor's acts or omissions after the transfer.

(3) A successor to only a right reserved in the Association Documents to maintain models, sales offices, customer service offices and signs, if such successor is not an Affiliate of a declarant, may not exercise any other special declarant right, and is not subject to any liability or obligation as a declarant.

(4) A successor to all special declarant rights held by a transferor who succeeded to those rights pursuant to foreclosure, a deed in lieu of foreclosure or a judgment or instrument conveying title under Subsection (c), may declare the intention in an instrument recorded in the Land Records to hold those rights solely for transfer to another Person. Thereafter, until transferring all special declarant rights to any Person acquiring title to any Lots or Additional Land owned by the successor, or until recording an instrument permitting exercise of all those rights, that successor may not exercise any of those rights other than any right held by the transferor to vote as the Class B Owner in accordance with the provisions of the Association Documents for the duration of any Declarant Control Period, and any attempted exercise of those rights is void. So long as a successor declarant may not exercise special declarant rights under this subsection, such successor is not subject to any liability or obligation as a declarant.

(f) Nothing in this Article subjects any successor to a special declarant right to any claim against or other obligation of a transferor declarant, other than claims and obligations arising under the Association Documents.

(g) For the purposes of this section, "Affiliate" or "Affiliate of a declarant" means any Person who controls, is controlled by, or is under common control with a declarant. A Person controls a declarant if the Person (i) is a general partner, officer, director or employer of the declarant, (ii) directly or indirectly or acting in concert with one or more Persons or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing more than twenty percent of the voting interests in the declarant, (iii) controls in any manner the election of a majority of the directors of the declarant, or (iv) has contributed more than twenty percent of the capital of the declarant. A Person is controlled by a declarant if the declarant (i) is a general partner, officer, director or employer of the person, (ii) directly or indirectly or acting in concert with one or more other Persons or through one or more subsidiaries, owns, controls, holds with power to vote or holds proxies representing more than twenty percent of the voting interest in the Person, (iii) controls in any manner the election of a majority of the directors of the Person, or (iv) has contributed more than twenty percent of the capital of the Person. Control does not exist if the powers described in this paragraph are held solely as security for an obligation and are not exercised.

Section 5.3. No Obligations. Nothing contained in the Association Documents shall impose upon the Declarant or its successors or assigns any obligation of any nature to build, warrant, construct, renovate or provide any improvements. Neither the Declarant nor its successors or assigns shall be liable to any Owner or occupant by reason of any mistake in judgment, negligence, nonfeasance, action or inaction or for the

enforcement or failure to enforce any provision of this Declaration. No Owner or occupant of any portion of the Property shall bring any action or suit against the Declarant to recover any damages or to seek equitable relief because of the enforcement or failure to enforce any provision of the Declaration against a third party. This section shall not be construed to release or absolve the Declarant, its successors or assigns from any obligation imposed by the duly adopted ordinances of the local jurisdiction, including without limitation the approved Proffers and conditions of subdivision approval.

P A R T T W O

ARTICLE 6

COMMON EXPENSES AND ASSESSMENTS

Section 6.1. Determination of Common Expenses and Budget.

(a) Fiscal Year. The first fiscal year of the Association shall be as determined in accordance with Section 9.4 of the Bylaws.

(b) Preparation and Approval of Budget.

(1) At least fifty days before the beginning of each fiscal year, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount considered necessary for the ensuing fiscal year to pay the cost of management and Upkeep of the Common Area and, to the extent provided in the Association Documents, Upkeep of the Lots, and the cost of other expenses that may be declared to be Common Expenses by the Association Documents or by a resolution of the Board of Directors, including without limitation services provided to the Owners, Lots or Common Area.

(2) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital (available cash for day-to-day expenses which is otherwise uncommitted), a general operating reserve (including an amount to cover operating losses due to insurance deductibles) and reserves for contingencies (potential costs or liabilities which have not been incurred but which should be planned for) and reserves for replacements. At least forty days before the beginning of each fiscal year, the Board of Directors shall make available a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses and provide a copy of such budget to each Owner. Such budget shall constitute the basis for determining the assessment against each Lot.

(3) The budget shall also reflect the separate assessment of Limited Common Expenses, including without limita-

tion certain expenses (and reserves) relating to or benefiting one or more but less than all of the Lots, whether categorized by location or type of expense. Such expenses shall be assessed only against the Lots benefited in accordance with Subsection 6.2(a)(2).

(c) Installment Payments and Due Dates. Any and all such Assessments and other charges shall be a lien against each Owner's Lot as provided in Section 12.2. On or before the first day of each fiscal year, and the first day of each succeeding payment period in such fiscal year, each Owner shall pay to such Person at such place as the Board of Directors may direct that installment of the annual Assessment which is due during such period. The Board of Directors shall establish one or more payment periods and the due dates for each such payment in each fiscal year; provided, however, that payments shall be due not less than semi-annually or more frequently than monthly unless specifically provided otherwise herein. All sums collected by the Board of Directors with respect to Assessments against the Lots or from any other source may be commingled into a single fund.

(d) Initial Budget and Initial Assessment.

(1) Upon taking office, the first Board of Directors shall determine the budget, as defined in this section, for the period commencing thirty days after taking office and ending on the last day of the fiscal year in which such directors take office.

(2) The first installment of the annual Assessment for Common Expenses shall be prorated based upon the number of days remaining in the payment period and shall be due on the earlier of: (i) the date the Lot is conveyed to an Owner other than the Declarant or (ii) the date the Lot is occupied for the first time. Any additional amounts due shall be divided by the number of full payment periods (if any) remaining in that fiscal year and paid in equal installments on the first day of each payment period remaining in that fiscal year. Such assessment shall be levied and become a lien as set forth in Section 12.2.

(3) Notwithstanding the foregoing, the Declarant may, at the Declarant's sole option, decide to pay all ordinary operating costs of the Association for a period of time not to exceed two years. If the Declarant so elects, the Association will incur no Common Expenses and thus no regular annual Assessments will be collected during such time.

(4) Each initial purchaser other than the Declarant, a Builder or the Owner of a Multifamily Lot shall pay at settlement an "initial capital assessment" equal to One Hundred Fifty Dollars (\$150.00). The amount of the initial capital assessment may be increased by up to five percent each

fiscal year in the sole discretion of the Declarant. The Declarant, a Builder or an Owner of the Multifamily Lot shall not be required to pay an "initial capital assessment". Such funds may be used for certain prepaid items, initial equipment, supplies, organizational costs and other start-up costs, as the Board of Directors may determine. Such funds shall not be used to pay or offset expenses incurred by the Declarant in the development of the Property.

(e) Effect of Failure to Prepare or Adopt Budget. For the first fiscal year of the Association following the first conveyance of any Lot to an Owner other than the Declarant, and for all fiscal years thereafter, the Board of Directors shall establish the annual Assessment against each Lot for Common Expenses. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay the allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Owner shall continue to pay Assessments at the rate established for the previous fiscal year until notified of the new payment which is due on the first day of the next payment period which begins more than ten days after such new annual or adjusted budget is adopted and the Owner receives such notice.

(f) Pledge of Revenues. The Board of Directors, by a vote of two-thirds of the total number of directors, shall have the right and power to assign and pledge all revenues to be received by the Association, including but not limited to annual and additional Assessments in order to secure the repayment of any sums borrowed by the Association from time to time.

Section 6.2. Assessments.

(a) Purpose and Rate of Assessment; Payment.

(1) Subject to the provisions of paragraph (2) of Subsection 6.2(a) and Section 6.3, the total amount of the estimated funds required for: (i) the management and Upkeep of the Property; (ii) services to the Lots and Owners; or (iii) to meet obligations of the Association established pursuant to this Declaration or other shared Upkeep agreements shall be assessed annually or levied as an Additional Assessment. The Board of Directors shall establish an annual Assessment rate for each Lot in the same amount against all Lots subject to assessment for Common Expenses, excluding Undeveloped Lots and Multifamily Lots as provided in Section 6.3.

(2) Limited Common Expense Assessment. Limited Common Expenses may be assessed only against the Lots benefited in proportion to their relative Common Expense liability inter se or based on usage, as appropriate. Such Limited Common Expenses shall be determined as follows:

(i) Any expenses incurred in the Upkeep or reserves for the Upkeep of any Limited Common Area shall be assessed only against the Lots to which such Limited Common Area is appurtenant.

(ii) Any expenses designated in a Supplementary Declaration as Limited Common Expenses to be paid by the Owners of Lots located within the Additional Land being added by such Supplementary Declaration.

(iii) Any expenses proposed by the Board of Directors or a specific group of Owners as Limited Common Expenses against a specific group of Lots and agreed to by members entitled to cast a majority of the total number of votes with respect to such Lots, assessed against such Lots as such Owners may agree or on the basis set forth in Subsection 6.2(a)(1) inter se.

(iv) Any services or utilities to Lots, which vary based on usage, shall be assessed against the Lots served based on usage.

(b) Additional Assessments. The Board of Directors may levy Additional Assessments on the Lots subject to Assessment pursuant to Subsection 6.2(a)(1). The Board of Directors shall give notice of any Additional Assessment to the Owners specifying the amount and reasons therefor, and such assessment shall, unless otherwise specified in the notice, be payable in full with the next periodic installment which is due more than ten days after the date of such notice or in not more than six equal periodic installments, as the Board may determine. Such Assessment shall be a lien as set forth in Section 12.2.

(c) Individual Assessments. The Board of Directors shall have the power to assess an Owner's Lot individually: (i) for the amount of any costs incurred by the Association pursuant to Section 7.2 in performing Upkeep that the Owner failed to perform as required by that section; (ii) for the amount of any charges imposed on that Owner pursuant to Sections 6.5 or 12.1; (iv) for any costs incurred by the Association because of any violation or negligence for which that Owner is responsible under Section 12.1(a); and (v) any contract charges due pursuant to Section 7.8. Each such Assessment shall be due ten days after notice thereof is given to the Owner unless the notice specifies a later date

(d) Optional Expenses. Upon request, the Association may provide certain services to Owners (including the Declarant) on a contractual basis pursuant to Section 7.8; provided, however, that the charge for such services shall be assessed against such Owner's Lots in accordance with the terms of the contract.

(e) Reserves. The Board of Directors shall build up and maintain reasonable reserves for working capital, operations (including losses due to insurance deductibles), contingencies and replacements. Such funds shall be a Common Expense of the Association and shall be deposited and invested by the Board of Directors. Not less than seventy-five percent of such funds shall be deposited in one or more financial institutions, the accounts of which are insured by an agency of the United States of America or invested in obligations fully guaranteed as to principal by, the United States of America. Reserves for items serving only certain Lots shall be accounted for and funded solely by the Owners of the Lots served (as a Limited Common Expense). As to each separate reserve account:

(1) Extraordinary expenditures not originally included in the annual budget, which may become necessary during the year, shall be charged first against the appropriate reserves. Except for expenses for normal Upkeep shown in the annual operating budget, all expenses for repair and replacement of physical assets maintained by the Association shall be charged first against the appropriate reserves. Unless otherwise determined by the Board of Directors, the amount held as reserves shall not substantially exceed the amount reasonably required to assure the Association's ability to replace components as they reach the end of their useful lives.

(2) If regular annual Upkeep extends the useful life of components so that reserves are excessive, the reserves shall be adjusted by reallocation to other budget items or by distribution to each Owner (including the Declarant) in proportion to the percentage (if any) of Assessments paid by such Owner.

(3) If the reserves are inadequate to meet actual expenditures for any reason (including non-payment of any Owner's Assessment) then the Board of Directors shall, in accordance with Subsection 6.2(b), levy an Additional Assessment against the Lots unless the Declarant is then obligated to pay such amounts pursuant to Subsection 6.3(b).

(f) Surplus and Deficit.

(1) Any amount accumulated in excess of the amount required for actual expenses and reserves shall, at the discretion of the Board of Directors: (i) be placed in reserve accounts; (ii) be placed in a special account to be expended solely for the general welfare of the Owners; (iii) be credited to the next periodic installments due from Owners under the current fiscal year's budget, until exhausted, or (iv) be distributed to each Owner (including the Declarant) in proportion to the percentage (if any) of Assessments paid by such Owner.

(2) Unless the surpluses from the preceding years are applied against the deficit or the budget for the succeeding

fiscal year is adjusted to amortize the deficit, any net shortage in expenses (including reserves) shall be assessed promptly against the Owners as an Additional Assessment in accordance with Subsection 6.2(b); provided, however, if the Declarant is obligated to pay any cumulative deficits during the Declarant Control Period pursuant to Subsection 6.3(b), then the deficit for that fiscal year is not required to be assessed as an Additional Assessment.

(g) Lots Added During the Fiscal Year.

Notwithstanding any other provision of this Article, whenever any Additional Land is added, the Assessment against each Lot being added (other than unoccupied Lots that are owned by the Declarant and the Multifamily Lot which are exempt from Assessment in accordance with Section 6.3) shall be calculated in the same manner and be due in the same number of installments as the Assessment for the remainder of the fiscal year against Lots already a part of the Property. In addition, the Owner of the Lot being added shall pay a prorated portion of any amount payable for the period between the date the Lot becomes subject to assessment and the due date of the next installment. Such pro-ration of the Assessment due for any Lot added shall be based upon the total Assessment due and a 365-day fiscal year. Payment of the prorated portion will be due no later than the due date of the first installment to be paid by the Owner of any Lot added. The Board of Directors may revise the budget to reflect the addition of such Lots.

Section 6.3. Assessment Against Lots Owned by Builders; Declarant's Deficit-funding Obligation; Assessment Against Multifamily Lots; Exemptions.

(a) One-time/Reduced Assessment for Builders. Any Builder acquiring a Lot from the Declarant (excluding a Multifamily Lot) shall pay a one-time Assessment of Two Hundred Seventy Five Dollars (\$275.00) per Lot containing a single family detached dwelling or Two Hundred Fifty Dollars (\$250.00) per Lot containing a single family attached dwelling. This amount will also be paid by the Declarant if the Declarant acts as a Builder.

Such Lot shall not be subject to further assessment until the earlier of: (i) conveyance to an Owner other than the Declarant or a Builder; (ii) initial occupancy; or (iii) two years after submission of such Lot to the Declaration, at which time such Lot shall be assessed at twenty-five percent of the amount assessed per Lot for Common Expenses or Limited Common Expenses if such Lot is still unoccupied and owned by the Declarant or a Builder.

The above one-time Assessment shall be due upon the later of: (1) the date of conveyance of the Lot by the Declarant; (2) the date the subdivision plat creating the Lot is recorded; or (3) the date such Lot was added to the Property. At the sole discretion of the Declarant, the above amount may be increased after the first fiscal year by five percent each fiscal year thereafter.

(b) Exemption for Undeveloped Lots and Declarant's Deficit-funding Obligation. Notwithstanding any other provision of this Declaration, the Declarant and any Builder shall be exempt from full Assessment with respect to unoccupied Lots owned by the Declarant or such Builder ("Undeveloped Lots") and shall be assessed as provided in paragraph (a) above. The exemption from paying full Assessments shall not apply to Lots used for model home purposes.

For so long as the Declarant or a Builder pays the one-time or reduced Assessment for an Undeveloped Lot, the Declarant or Builder, as applicable, must provide all necessary Upkeep for such Lot. In addition, if the Declarant and Builders are paying a one-time or reduced Assessment, then the Declarant must fund all actual operating deficits (the amount by which the operating expenses of the Association exceed the total budgeted income of the Association), including reasonable reserves (based on expected useful life of the Common Area improvements) which occur during the Declarant Control Period. The net deficit to be paid by the Declarant shall be cumulative over the period the Declarant or Builders own Lots exempt from full Assessment, regardless of the timing of payments or cash flow of the Association. The Declarant's deficit funding obligation hereunder may be satisfied with in-kind payments of services or materials. The Declarant's obligation under this section does not include any expenses that the Association is unable to meet because of nonpayment of any Owner's Assessment or because of unusual or extraordinary expenses not included in the budget. The Declarant's obligation under this section shall not exceed the amount the Declarant would have been obligated to pay if all Lots owned by the Declarant or a Builder were assessed in accordance with Subsection 6.2(a); less any Assessments actually paid pursuant to Section 6.3(a) with respect to such Lots. The obligations of the Declarant under this section shall be a lien against the portion of the Property owned by the Declarant.

(c) Assessments Against Multifamily Lots. Notwithstanding any other portion of this Declaration, the Owner of a Multifamily Lot shall not be obligated to pay any Annual or Additional Assessments nor shall the Multifamily Lot be subject for a lien for Annual or Additional Assessments except as set forth in this Subsection 6.3(c). The only financial obligation of the Owner of a Multifamily Lot to the Association is the payment of the storm water management fee as provided in a separate storm water management agreement among the Association, the Sullyfield Business Park Owner's Association and the Owner of the Multifamily Lot. If a Multifamily Lot consists of condominium or cooperative units, then the obligation to pay a pro-rata portion of the storm water management fee shall be the obligation of such Subassociation, but each Owner of a Unit shall remain personally liable for the proportionate share of such Assessment against such Owner's Unit and each such Unit shall remain subject

to a lien for Assessments. If the Board elects to collect Assessments from such Subassociation, then all notices regarding Assessments shall be sent to such Subassociation, but notices of any intention to lien an Owner's Unit shall also be sent to the Owner. This section shall not limit or waive any of the Association's remedies for non-payment of Assessments. Any Owner of a Unit subject to the jurisdiction of a Subassociation which did not pay the Assessment levied against such Subassociation hereunder, shall have the right to pay the portion of such Assessment attributable to such Unit directly to the Association, and such Unit shall not be subject to further Assessment or lien by Association or the Subassociation with respect to such Assessment.

(d) Other Exemptions. In addition to the exemptions for Undeveloped Lots and Multifamily Lots set forth above, the Common Area, and properties dedicated to a public authority or exempt from taxation by a public authority shall be exempt from assessment and the lien created hereby.

Section 6.4. Liability for Common Expenses.

(a) Declarant and Owner Liability. The Declarant for each Lot owned by the Declarant, hereby covenants and agrees, and each Owner of a Lot by acceptance of a deed therefor, whether or not so expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association all Common Expenses, including Limited Common Expenses and other charges assessed by the Board of Directors pursuant to the provisions of this Declaration. Each Owner shall be personally liable for all Assessments against such Owner's Lot. No Owner may be exempted from liability for the assessment for Common Expenses by reason of waiver of the use or enjoyment of any of the Common Area or by abandonment of the Lot. No Owner shall be liable for the payment of any part of the Common Expenses assessed against the Lot subsequent to the date of recordation of a conveyance by such Owner in fee of such Lot. Prior to or at the time of any such conveyance, all liens, unpaid charges and Assessments shall be paid in full and discharged. The purchaser of a Lot shall be jointly and severally liable with the selling Owner for all unpaid Assessments against the latter for: (i) the amount shown on the Statement of Common Expenses; (ii) if no Statement of Common Expenses is obtained, the amount shown on the Assessment or judgment lien against the Lot filed in the Land Records; or (iii) if no Statement of the Common Expenses is obtained and no Assessment or judgment lien has been filed, the amount owed not to exceed six monthly installments of the Annual Assessment for all Common Expenses, in any case without prejudice to the purchaser's right to recover from the selling Owner amounts paid by the purchaser therefor. The Lot also shall remain subject to a lien for the amount owed to the Association in accordance with this section until such amount has been paid.

Any such purchaser may rely on a Statement of Common Expenses obtained pursuant to Section 6.6.

(b) Mortgagee Liability. Each holder of a Mortgage who comes into possession of a Lot by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid Assessments or charges against such Lot which accrue prior to the time such holder of a Mortgage or purchaser comes into possession thereof, except as provided below and for claims for a pro rata share of such Assessments or charges resulting from a pro rata reallocation of such Assessments or charges to all Lots including the mortgaged Lot assessed after the Mortgagee or purchaser takes possession. The lien created by Section 12.2 shall cease to exist with respect to Assessments and charges levied prior to the time title is transferred by foreclosure or by deed or assignment in lieu thereof; provided, however, that if the proceeds of a foreclosure exceed the total amount due to the holder of the Mortgage, the excess shall first be paid to the Association and applied to the satisfaction of the Association's lien.

Section 6.5. Collection of Assessments. Any Assessment, or installment thereof, not paid within ten days after the due date shall be delinquent and shall accrue a late charge in the amount of Twenty-five Dollars, or such other amount as may be established from time to time by the Board of Directors. The Board of Directors, or the managing agent at the request of the Board, shall take prompt action to collect any Assessments for Common Expenses due from any Owner which remain unpaid for more than thirty days after the due date for payment thereof. The late charge is in addition to the Association's other enforcement powers pursuant to Article 12.

Section 6.6. Statement of Common Expenses. The Board of Directors or managing agent shall provide any Owner, contract purchaser or Mortgagee, within fourteen days after a written request therefor (or within such other time period as may be required by law), with a written statement of all unpaid Assessments due with respect to a specific Lot (or a statement that the amount of unpaid Assessments is zero) ("Statement of Common Expenses") as part of the "Association Disclosure Packet" substantially in the form attached as Exhibit A to the Bylaws or otherwise. No contract purchaser, Mortgagee or purchaser from a Mortgagee requesting such a statement shall be liable for, nor shall the Lot conveyed to such Person relying on such statement be subject to a lien for, any unpaid Assessments due prior to the date of such statement in excess of the amount set forth on such statement; provided, however, that this section shall not be interpreted to release any Person from personal liability for such Assessments levied while such Person owned the Lot. The Board of Directors may impose a reasonable charge for the preparation of such statement to cover the cost of preparation.

ARTICLE 7

OPERATION OF THE PROPERTY

Section 7.1. Upkeep by the Association (a) The Association shall be responsible for the management and Upkeep of the Common Area (except to the extent performed by the County) and all Common Easement Areas, including without limitation: (i) Upkeep of all open areas, including grass cutting, trash collection, landscaping and lawn maintenance; (ii) Upkeep of the private streets and roadways, sidewalks, trails and parking areas, including snow and ice removal and repair and replacement; and (iii) Upkeep of all other improvements located on the Common Area. The cost of the management and Upkeep of the Common Area shall be charged to the Owners as a Common Expense or Limited Common Expense, depending on the nature of the service provided.

Notwithstanding the foregoing, Upkeep of lead sidewalks, driveway aprons and utility laterals shall be provided by the Owner of the Lot served or, if so determined by the Board of Directors, by the Association at such Owner's expense. Further, the Board of Directors shall maintain the trails whether located on a Lot or Common Area. The Association shall not have any other responsibility for the Upkeep of any Lot except for those responsibilities and duties specifically enumerated within the Association Documents for easement areas pursuant to Section 3.3, or other areas described in the subdivision documents for the Property or separate easement agreements. If the Board of Directors determines that certain Upkeep was necessitated by the negligence, misuse or misconduct of an Owner or for which an Owner is responsible pursuant to Section 12.1, the cost of such Upkeep shall be assessed against such Owner's Lot pursuant to Subsections 6.2(c) and 12.1(a). Further, the Board may determine that all or a part of the Upkeep of any portion of the Common Area designated as Reserved Common Area shall be performed by the Person having the exclusive right to use the same. The Board of Directors shall establish the standard for Upkeep of the Common Area in its sole discretion. The Board of Directors may also determine to provide for the Upkeep of the medians and rights-of-way along dedicated streets and roadways to the extent not provided by the appropriate governmental agency.

(b) Storm Water Management. The Declarant may construct improvements and facilities for storm water management control. The Upkeep of the storm water management facilities and easements on the Property shall be performed by the Association and shall be a Common Expense; provided, however, that the Upkeep obligations identified in this subsection shall cease and terminate at such time as the County elects to maintain the storm drainage and management facilities contained within the easements, or elects to maintain all such easements within the watershed where the easement is located. The Association may, but is not obligated to provide additional Upkeep to the extent not provided by the County. The Owner of any Lot on which there is located an easement for storm water drainage, management or

control shall be responsible for the following items of maintenance, where applicable, grass mowing with reasonable frequency and the removal of debris and other matter to the best of Owner's ability where such debris or matter has impeded or threatens to impede the free flow of storm water through drainage structures. Such Owner's responsibility shall include notification of the Association of: (i) any defects in any fencing, if any, surrounding or within the easement; (ii) any debris or other matter which is beyond such Owner's ability to remove; and (iii) any excessive erosion within the area of the easement. The Declarant and the Association shall have easements pursuant to Sections 3.1, 3.2 and 3.3 to enter upon any Lot to the extent necessary for Upkeep of such facilities.

(c) Entrance Features, Signs and Rights-of-Way. The Board of Directors may also determine to provide for Upkeep of the center islands, road frontage (including public rights-of-way to the extent not maintained by the appropriate governmental authorities and to the extent permitted by the appropriate governmental authorities) of all public roads within, adjacent to or leading to the Property, such Upkeep to include without limitation: (i) entrance features; (ii) sidewalks, trails and paths; (iii) project, street, traffic and directional signage and accessories, including poles; (iv) bus shelters; (v) pedestrian underpasses or overpasses; (vi) street lights and accessories, including poles; (vii) mail box pavilions; and (viii) landscaping and associated lighting and irrigation systems but not including street pavement area. The Association shall also maintain the items listed above located within the Property or within the public rights-of-way adjacent to or leading to the Property to the extent such items are not maintained by a governmental authority or others and to the extent required and permitted by the appropriate governmental authorities.

(d) Other Services. To the extent determined to be reasonably necessary or desirable by the Board of Directors, the Association may provide for recycling programs, water or other utilities or cable television or telecommunication services, transportation or similar services to the Owners as a Common Expense or a Limited Common Expense, as appropriate.

(e) Shared Maintenance. The Board of Directors may enter into shared maintenance agreements to maintain areas whether or not located within the Property to the extent such services benefit the Property or a portion thereof. Such areas may include without limitation storm water management or drainage easements and facilities, landscaping, entrance features, signage, trails, sidewalks and areas along streets and roadways (including within public rights-of-way to the extent not maintained by the appropriate governmental authorities, excluding street pavement areas). The amounts charged the Association pursuant to such agreements shall be a Common Expense, or a Limited Common Expense, as determined by the Board of Directors.

Section 7.2. Upkeep by the Owners.

Each Owner shall keep such Owner's Lot and all improvements located on the Lot in good order, condition and repair and in a clean and sanitary condition, including without limitation all necessary grounds maintenance and snow removal, in accordance with local ordinances. Each Owner shall maintain the lead sidewalk, driveway, driveway apron and utility laterals serving each Owner's Lot, even if located on Common Area. Each Owner shall also provide snow removal for any sidewalks located adjacent to such Owner's Lot. Each Owner shall perform these responsibilities in such manner as shall not unreasonably disturb or interfere with the reasonable enjoyment by the other Owners of their Lots. If any Owner shall fail to keep such Owner's Lot in a neat and orderly condition, consistent with such Rules and Regulations as the Board of Directors may promulgate, then the Board or the Covenants Committee may, pursuant to resolution, give notice to that Owner of the condition complained of, describing generally the action to be taken to rectify that condition. If the Owner fails to take the actions described or to otherwise rectify the condition within thirty days after the date the notice is given, or such other period as may be specified in the notice if the circumstances warrant a different period, the Board of Directors or the Covenants Committee shall have the right, but not the obligation, pursuant to Section 3.3 and Subsection 12.1(e) and any resolutions adopted by the Board of Directors, to rectify that condition by taking such action (or by causing such action to be taken) as was generally described in the notice. The costs incurred in rectifying the condition shall be assessed against such Owner's Lot in accordance with Subsection 6.2(c) and Section 12.1. The Owner shall reimburse the Association within thirty days after delivery of a statement for such expenses from the Board.

Section 7.3. Manner of Repair and Replacement. All repairs and replacements by the Association or the Owners shall be substantially similar to the original construction and installation and shall be of first-class quality, but may be made with contemporary materials. The method of approving payment vouchers for all repairs and replacements made by the Association shall be determined by the Board of Directors.

Section 7.4. Additions, Alterations or Improvements by the Board of Directors. Whenever in the judgment of the Board of Directors the Common Area shall require capital additions, alterations or improvements (other than for Upkeep) costing in excess of ten percent in the aggregate of the total annual assessment for Common Expenses for that fiscal year during any period of twelve consecutive months, the making of such additions, alterations or improvements requiring approval of the Owners as provided in Section 14.4 and the Board of Directors shall pay the cost from existing funds or assess all Owners benefited for the cost thereof as a Common Expense or Limited Common Expense depending on the nature of the improvement. Any

capital additions, alterations or improvements (other than for Upkeep) costing in the aggregate ten percent or less of the total annual assessment for Common Expenses for that fiscal year during any period of twelve consecutive months may be made by the Board of Directors without approval of the Owners and the cost thereof shall constitute a Common Expense or a Limited Common Expense, depending on the nature of the improvements.

Section 7.5. Additions, Alterations or Improvements by the Owners. Any addition, alteration or improvement by an Owner shall be subject to the provisions of Article 9.

Section 7.6. Parking. Each of the parking spaces located on the Common Area (other than on Limited Common Area or Reserved Common Area), if any, shall be available for the use of the Owners; provided, however, that no Owner shall be permitted to park regularly more than two vehicles on the Common Area; and provided further that Owners of Lots which include driveways and garages are permitted to park regularly no more than one vehicle on the Common Area without the prior written approval of the Board of Directors. In this Section 7.7, "Owners" means the Owners and such Owners' tenants and such Owners' (or tenants') households, guests, employees, agents or invitees. Such use shall be subject to such reasonable Rules and Regulations regulating the same as the Board of Directors may adopt. The Association will not unreasonably interfere with the right of any Owner, or such Owner's tenant or such Owner's (or tenant's) household, guests, employees, agents or invitees to use the private streets and roadways on the Common Area for both vehicular and pedestrian ingress and egress to and from such Owner's Lot. Unless otherwise specifically designated in this Declaration or any other agreement, the parking areas and driveways on each Owner's Lot are to be used and maintained solely by such Owner and such Owner's designees.

Section 7.7. Disclaimer of Liability.

(a) Bailee. The Board of Directors, the Association, any Owner and the Declarant shall not be considered a bailee of any personal property stored or placed on the Common Area (including property located in vehicles parked on the Common Area), whether or not exclusive possession of the particular area is given to an Owner for parking or otherwise, and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

(b) Operational. The Association shall not be liable for any failure of water supply or utility service or other services to be obtained by the Association or paid for as a Common Expense, or for personal injury or property damage caused by the elements or by any Owner, or any other Person, or resulting from electricity, water, snow or ice which may leak or

flow from or over any portion of the Property or from any pipe, drain, conduit, appliance or equipment, or any secondary or consequential damages of any type. No diminution, offset or abatement of any Assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Property by the Association or from any action taken by the Association to comply with any law, ordinance or with the order or directive of any governmental authority. This section is not intended nor shall it be construed to relieve any insurer of its contractual obligations under any policy benefiting the Association or an Owner.

Section 7.8. Services to Owners.

(a) Association Services. The Association may, in the sole discretion of the Board of Directors, provide additional services to Owners (including the Declarant), on a contractual basis at the request of such Persons. The charges for such services shall be assessed against the Lot of the Owner.

(b) Community Systems. The Declarant shall have the right, but not the obligation, to install and provide community systems ("Community Systems") and to provide the services available through the Community Systems to any and all Lots within the Property. Neither the Association nor any Owner shall have any interest therein unless specifically granted by another instrument. Any or all of such services may be provided either indirectly, through the Association and paid for as a Common Expense, or directly, by the Declarant, an affiliated entity or a third party and paid for by the recipient of the services. The Community Systems shall be the property of the Declarant (or an affiliated entity) unless transferred by the Declarant (or such affiliated entity), whereupon any proceeds of such transfer shall belong to the Declarant (or such affiliated entity). The Declarant shall have the right, but not the obligation, to convey, transfer, sell or assign all or any portion of the Community Systems, or all or any portion of the rights, duties or obligations with respect thereto to the Association or any other Person (including an Owner, as to any portion of a Community System located on such Owner's Lot). The Declarant's rights with respect to the Community Systems installed by the Declarant and the services provided through such Community Systems are exclusive, and no other Person may provide such services through the Community Systems installed by the Declarant without the prior written consent of the Declarant. However, the provision of the services available through the Community Systems installed by the Declarant shall be non-exclusive and the Association may permit any third party to install and provide community systems and the services available through such community systems in the Association's sole discretion and on such non-exclusive terms and conditions as the Association may determine; provided, however, that such other community systems and services shall not affect or modify the rights of the Declarant, its affiliated entities or its successors and assigns.

ARTICLE 8

RESTRICTIONS ON USE OF LOTS AND COMMON
AREA; RULES AND REGULATIONS

Section 8.1. Permitted Uses. Except as otherwise provided in the Association Documents, including without limitation Subsection 8.2, no Lot shall be used for other than the residential purposes for which such Lot is zoned and designed and related uses that are permissible under local zoning ordinances.

Notwithstanding the foregoing, nothing in the Association Documents shall be construed to prohibit the Declarant or its designees from using any Lot owned by the Declarant (or any other Lot with the permission of the Owner thereof) or any portion of the Common Area for promotional, marketing, display or customer service purposes (such as a visitors' center) or for the settlement of sales of Lots. Further, the Declarant specifically reserves the right to operate a construction office or a rental, brokerage and management office at any time on Lots owned or leased by the Declarant (or any other Lot with the permission of the Owner thereof) and on any portion of the Common Area, to the extent permitted by law. The Declarant may assign its rights under this subsection to or share such rights with one or more other Persons, exclusively, simultaneously or consecutively with respect to the Common Area and Lots owned or leased by the Declarant or such Persons.

Section 8.2. Restrictions on Use.

(a) No Unsafe Activities or Waste. Nothing shall be done or kept on the Property which will increase the rate of insurance for the Common Area or any part thereof applicable for permitted uses without the prior written consent of the Board of Directors; including without limitation any activities which are unsafe or hazardous with respect to any person or property. No Person shall permit anything to be done or kept on the Property which will result in the cancellation of any insurance on the Common Area or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste will be committed on the Common Area.

(b) Compliance with Laws. No improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed; provided, however, that the Association and the Board of Directors shall have the power but not the obligation to enforce such laws, ordinances and regulations, enforcement being the primary responsibility of government officials. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Property shall be complied with, by and at the sole expense of

the Owner, the Association or the Declarant, whichever shall have the obligation for the Upkeep of such portion of the Property, and, if the Association, then the cost of such compliance shall be a Common Expense or Limited Common Expense, as appropriate.

(c) Harmful Discharges. There shall be no emissions of dust, sweepings, dirt, cinders, odors, gases or other substances into the atmosphere (other than normal residential chimney or grill emissions), no production, storage or discharge of hazardous wastes on the Property or discharges of liquid, solid wastes or other harmful matter into the ground or any body of water, if such emission, production, storage or discharge may adversely affect the use or intended use of any portion of the Property or may adversely affect the health, safety or comfort of the occupants of the Lots. No waste nor any substance or materials of any kind shall be discharged into any public sewer serving the Property or any part thereof in violation of any regulation of any public body having jurisdiction over such public sewer.

(d) Noise. No Person shall cause any unreasonably loud noise (except for security devices) anywhere on the Property, nor shall any Person permit or engage in any activity, practice or behavior that results in unreasonable annoyance, discomfort or disturbance to any Person lawfully present on any portion of the Property.

(e) Obstructions. No Person shall obstruct any of the Common Area or otherwise impede the rightful access of any other Person on any portion of the Property upon which such Person has the right to be. No Person shall place or cause or permit anything to be placed on or in any portion of the Common Area without the approval of the Board of Directors. Nothing shall be altered or constructed in or removed from the Common Area except with the prior written approval of the Board of Directors.

(f) Association Property. The Common Area shall be used only for the furnishing of the services and facilities for which the same is reasonably suited and which are incident to the use and occupancy of the Lots. The improvements located on the Common Area, if any, shall be used only for their intended purposes. Except as otherwise expressly provided in the Association Documents, no Owner shall make any private, exclusive or proprietary use of any of the Common Area (except those areas, if any, designated as Limited Common Area or Reserved Common Area) without the prior written approval of the Board of Directors, and then only on a temporary basis. No Person shall engage or direct any employee of the Association on any private business of the Owner or otherwise direct, supervise or in any manner attempt to assert control over such employee during the hours such employee is employed by the Association.

(g) Mining. No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other

hydrocarbons, minerals, gravel or earth except with the prior written approval of the Board of Directors.

(h) Signs and Flags. Except for such signs, flags and banners as may be posted by the Declarant for promotional or marketing purposes or by the Association, no signs, flags or banners of any character shall be erected, posted or displayed in a location that does not comply with Design Guidelines without the prior written approval of the Covenants Committee. An American Flag and the flag of any one of the United States may only be flown in the size, manner and place permitted by the Covenants Committee. No free-standing flagpoles are permitted, except as may be installed by the Declarant during the Development Period or the Association.

(i) Trash. Trash storage and collection shall be in accordance with the Rules and Regulations. Except in connection with construction activities, no burning of any trash and no accumulation or storage of litter, refuse, bulk materials, building materials or trash of any other kind shall be permitted on any Lot. Trash containers shall not be permitted to remain in public view from the Common Area or another Lot except on days of trash collection. No incinerator shall be kept or maintained upon the Property without the prior written approval of the Board of Directors.

(j) Landscaping; Utility Lines. No tree, hedge or other landscape feature shall be planted or maintained in a location that obstructs sightlines for vehicular traffic on public or private streets. No structure of a temporary character, and no trailer, tent, shack, barn, pen, kennel, run, stable, shed or other temporary accessory buildings shall be erected, used or maintained on any Lot except in connection with construction activities or except as permitted in writing by the Board of Directors. Pavement, plantings and other landscape materials shall not be placed or permitted to remain upon any Lot: (i) if such materials may damage or interfere with any easement for the installation or Upkeep of utilities; (ii) in violation of the requirements of such easements; (iii) unless in conformity with public utility standards; or (iv) if such materials may unreasonably change, obstruct or retard direction or flow of any drainage channels. Except for hoses and the like which are reasonably necessary in connection with construction activities or normal landscape Upkeep, no water pipe, sewer pipe, gas pipe, drainage pipe, television or telephone cable, electric line or other similar transmission line shall be installed or maintained upon any Lot above the surface of the ground, except to the extent such line existed prior to the recording of this Declaration or the installation of such line has been approved in writing by the Board of Directors.

(k) Cutting Trees. No live trees with a diameter in excess of four inches, measured twelve inches above ground, nor trees in excess of two inches in diameter, similarly measured,

which are generally known as flowering trees (such as dogwood or redbud) or as broad leaf evergreens (such as holly, laurel, or rhododendron), no live vegetation on slopes of greater than twenty percent gradient or marked "no cut" areas on approved site plans may be cut without prior approval of the Covenants Committee. Further, no live trees planted by the Declarant to comply with applicable ordinances or other governmental requirements shall be cut without the prior written approval of the Covenants Committee. The Association shall set rules for cutting of trees to allow for selective clearing or cutting.

(l) Antennas. No exterior antenna, satellite dish or similar exterior improvement shall be maintained upon the Property without the prior written approval of the Covenants Committee; provided, however, that the Association shall not prevent access to telecommunications services in violation of applicable law. Exterior antennas, satellite dishes greater than one meter (39 inches) in diameter, or amateur radio equipment generally will not be allowed upon the Property; provided, however, that: (i) an Owner may install an antenna permitted by the Association's antenna rules upon prior written notice to the Covenants Committee; (ii) the Covenants Committee may approve other antennas in the appropriate circumstances; and (iii) the Covenants Committee may establish additional guidelines for antennas as technology changes. Notwithstanding the foregoing, the Board of Directors may install and maintain antennas, satellite dishes and similar equipment on the Common Area to serve the Property.

(m) Fences. Except for any fence installed by the Declarant or by the Association, no fence shall be installed except with the written approval of the Covenants Committee. No chain link fence shall be permitted on the Property except as permitted in writing by the Board of Directors; provided, however, that the Declarant or its designees may erect a chain link fence for the temporary storage of building materials for the protection of building sites or ground storm water management ponds or for other construction or safety purposes.

(n) Vehicles. Except in connection with construction activities, no commercial vehicles (vehicles on which commercial lettering or equipment is visible or which are larger than normally used for noncommercial purposes), taxicabs or trailers, campers, recreational vehicles, boats and other large vehicles, including grounds maintenance equipment, may be parked or used on any portion of the Property if it is visible from the Common Area or another Lot or on any public right-of-way within or adjacent to the Property, unless expressly permitted by the Board of Directors and only in such parking areas or for such time periods (if any) as may be designated for such purpose; provided, however, that taxicabs and other commercial vehicles may be parked within garage spaces. Except as may be modified by resolution of the Board of Directors, prohibited vehicles would include, without limitation, any vehicle: (i) with a load

capacity in excess of one ton; (ii) oversized (higher than eight feet, wider than eight feet or longer than eighteen feet); (iii) with commercial license plates; or (iv) with commercial signage.

The Board has no obligation to designate any such area or permit parking of such vehicles except on a temporary and non-recurring basis. No junk or derelict vehicle or other vehicle on which current registration plates and current county and state inspection permits are not displayed shall be kept upon any portion of the Property if it is visible from the Common Area or another Lot. Vehicle repairs and storage of vehicles are not permitted, except in accordance with the Rules and Regulations; provided, however, that washing of vehicles on Lots and noncommercial repair of vehicles is permitted as provided in the Rules and Regulations. All motor vehicles, including without limitation trail bikes, motorcycles, dune buggies and snowmobiles, shall be driven only upon paved streets and parking lots. No motor vehicles shall be driven on trails or unpaved portions of Common Area, except such vehicles authorized by the Board of Directors for Upkeep of the Common Area. This prohibition shall not apply to normal vehicular use of designated streets and lanes constructed on Common Area.

(o) Timesharing. No Lot shall be subjected to or used for any timesharing, cooperative, licensing or other arrangement that would entail weekly, monthly or any other type of revolving or periodic occupancy by multiple Owners, cooperators, licensees or timesharing participants.

(p) Animals. The maintenance, keeping, boarding or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited on any Lot or upon the Common Area, except that the keeping of guide animals and a reasonable number of orderly, traditional domestic pets (e.g., two dogs, cats, fish or caged birds) is permitted, subject to the Rules and Regulations adopted by the Board of Directors; provided, however, that such pets are not kept or maintained for commercial purposes or for breeding. Any pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon ten days written notice from the Board of Directors. Pets shall not be permitted upon the Common Area unless accompanied by someone who can control the pet and unless carried or leashed. The Owner shall clean up pet droppings. Any Owner who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Association, each Owner and the Declarant free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Property. All pets that regularly leave the Lot shall be registered and inoculated as required by law.

(q) Hunting and Firearms. No hunting or trapping of any kind or discharge of any firearm or other weapon shall be permitted without the prior written approval of the Board of Directors.

(r) Open Fires. Open burning is not permitted on the Property, except that outdoor fireplaces, grills, and chimneys may be used if equipped with fire screens to prevent the discharge of embers or ashes.

(s) Lighting. No exterior lighting shall be directed outside the boundaries of a Lot, except as approved by the Covenants Committee.

(t) Mailboxes and Newspaper Tubes. Only mailboxes and newspaper tubes meeting Design Guidelines or approved by the Covenants Committee are permitted.

(u) Clothes Drying Equipment. No exterior clotheslines or other clothes drying apparatus shall be permitted on any Lot, unless approved in writing by the Covenants Committee.

(v) Home Businesses. No Lot, except a Multifamily Lot, shall be used for any business, commercial, manufacturing, mercantile, storage, sales or other similar purposes; provided, however, that an Owner may maintain an office or home business in the dwelling on such Owner's Lot if: (i) such office or home business is operated by the Owner or a member of the Owner's household residing on the Lot; (ii) there are no displays or signs indicating that the Lot is being used other than as a residence; (iii) such office or business does not generate significant traffic or parking usage (as determined by the Board of Directors) by clients, customers or other persons related to the business; (iv) no equipment or other items related to the business are stored, parked or otherwise kept on such Owner's Lot or the Property outside of an approved enclosure; (v) such Owner has obtained any required approvals for such use from the appropriate local governmental agency; (vi) the activity is consistent with the residential nature of the Property and complies with local ordinances; and (vii) the Owner has obtained prior written approval of the Board of Directors. As a condition to such use, the Board may require the Owner to pay any increase in the rate of the insurance.

(w) Garages. No garage shall be converted to living space or altered or used for purposes that would prevent the use of the garage for the parking of the intended number of vehicles for which it was constructed without the prior written approval of the Covenants Committee.

(x) Construction Activities. This section shall not be construed as forbidding any work involved in the construction or Upkeep of any portion of the Property so long as such work is undertaken and carried out (i) with the minimum practical disturbance to Persons occupying other portions of the Property; (ii) in such a way as does not violate the rights of any Person under other provisions of this Declaration; and (iii) in

accordance with all applicable restrictions in the Rules and Regulations, the resolutions of the Board of Directors and the other provisions of this Declaration. The Board of Directors may approve temporary structures for construction purposes which may otherwise be in violation of the Association Documents or the Rules and Regulations.

Section 8.3. Rules and Regulations. The Board of Directors shall have the power to adopt, amend and repeal Rules and Regulations restricting and regulating the use and enjoyment of the Property or of any portion thereof, which may supplement, but may not be inconsistent with the provisions of the Association Documents. The Property shall be occupied and used in compliance with the Rules and Regulations. For the purposes of interpretation and enforcement of the Rules and Regulations, the term Property shall be deemed to include the land immediately adjacent to the Property within the public rights-of-ways or otherwise to the extent an Owner's or occupant's actions affect the appearance of or value of the Property. Upon written request, copies of the Rules and Regulations shall be furnished by the Board of Directors to each Owner. Changes to the Rules and Regulations shall be published prior to the time when the same shall become effective and copies thereof shall be provided to each Owner. The Rules and Regulations shall not unreasonably interfere with the use or enjoyment of the Lots or Common Area. Also, the Board of Directors may issue temporary or permanent exceptions or variances to any prohibitions expressed or implied by this Article, for good cause shown, in accordance with the procedures set forth in Subsection 9.1(d).

Section 8.4. Exclusions. Notwithstanding any other provision of the Association Documents, neither the foregoing restrictions in this Article nor the Rules and Regulations of the Association shall apply to any otherwise lawful acts or omissions of the Declarant or the acts of any Builder approved by the Declarant during the Development Period. This exception for Builders shall be subject to such rules as may be established by the Declarant for safety or to maintain the appearance of the Property.

Section 8.5. Leasing and Resale of Lots.

(a) Leasing. No Lot, except a Multifamily Lot, or any portion thereof shall be used or occupied for transient or hotel purposes or in any event leased for an initial period of less than six months. No portion of any dwelling (other than the entire dwelling) shall be leased for any period; provided, however, that a reasonable number of roommates is permitted. No Owner shall lease a Lot other than on a written form of lease: (i) requiring the lessee to comply with the Association Documents; (ii) providing that failure to comply constitutes a default under the lease; and (iii) providing that the Board of Directors has the power to terminate the lease or to bring summary proceedings to evict the tenant in the name of the lessor

thereunder after forty-five days prior written notice to the Owner, in the event of a default by the tenant in the performance of the lease. The Board of Directors may suggest or require a standard form lease language for use by Owners. Each Owner shall, promptly following the execution of any lease of a Lot, forward a conformed copy thereof to the Board of Directors. The foregoing provisions of this subsection, except the restriction against use or occupancy for hotel or transient purposes, shall not apply to Lots owned by the Association, by the Declarant, or by a Mortgagee in possession of a Lot as a result of foreclosure, judicial sale or a proceeding in lieu of foreclosure. This Section shall not apply to a Multifamily Lot.

(b) Resale.

(1) Reference to Declaration. The deed or instrument transferring title to any Lot shall contain a provision incorporating by reference the provisions of this Declaration, as well as any applicable Supplementary Declaration. Notwithstanding failure to include a reference to this Declaration in a deed or instrument transferring title to a Lot, the covenants, restrictions, easements, conditions, charges and liens set forth herein shall encumber the Lot as though reference thereto was set forth in such deed or instrument.

(2) Notification. The contract seller of a Lot shall notify the Board of Directors of the name of the contract purchaser and the scheduled date and place of settlement.

(3) Association Resale Disclosure. The Board of Directors shall, upon written request from a contract seller of a Lot, and upon payment of the applicable fee, furnish an Association Disclosure Packet as required by applicable Virginia law and a Statement of Common Expenses in accordance with Section 6.6.

Section 8.6. Resubdivision and Rezoning.

(a) Resubdivision. No Lot shall be further subdivided or separated into smaller Lots by any Owner, except with the prior written approval of the Declarant during the Development Period or the Board of Directors thereafter. No portion of any such Lot, nor any easement or other interest therein, except easements for utilities, storm water drainage and management, street dedications and other easements or dedications to any utility or public authority, shall be conveyed or transferred by an Owner without the approval of the Declarant during the Development Period or the Board of Directors thereafter. This provision shall not require the approval of the Declarant or the Board of Directors to deeds of correction, deeds to resolve boundary line disputes and similar corrective instruments. This provision shall not require the approval of the Board of Directors to the conversion of a Multifamily Lot from rental use

to condominium or cooperative ownership, nor to any other subdivision of a Multifamily Lot.

(b) Rezoning. Each Owner acknowledges, on behalf of such Owner and such Owner's successors and assigns, that the Declarant may from time to time rezone or amend the Proffers or the Development Plan relating to the Property. If any rezoning application, proffer amendment, variance, special exception, use permit or other type of land use application filed with the County shall require the joinder of any Owner, each Owner, by acceptance of the deed for a Lot, irrevocably appoints the Association as its attorney-in-fact for the purpose of executing any such rezoning application, proffer amendment, variance, special exception, use permit or other type of land use application, as may be reasonably required in connection with the development of the Property and also agrees to execute any such document upon request; provided, however, that the foregoing shall be without expense to such Owner.

ARTICLE 9

ARCHITECTURAL REVIEW

Section 9.1. Covenants Committee.

(a) Purpose. The Board of Directors shall establish a Covenants Committee, consisting of at least three persons appointed by the Board. Each person shall serve for a term of from one to three years as may be determined by the Board of Directors, in order to assure that the Property shall always be maintained in a manner: (i) providing for visual harmony and soundness of repair; (ii) avoiding activities deleterious to the aesthetic or property values of the Property; and (iii) promoting the general welfare and safety of the Owners, such Owners' tenants and such Owners' (or tenants') households, guests, employees, agents and invitees. If the Board of Directors fails to appoint a Covenants Committee, then the Board of Directors shall perform the duties of the Covenants Committee.

(b) Powers.

(1) The Covenants Committee shall regulate the external design, signage, appearance, use and Upkeep of the Property; provided, however, that the Covenants Committee shall not have the power to regulate the activities of the Declarant on the Common Area or any Lot owned by the Declarant or construction on any Lot which has been approved by the Declarant; provided, further, that the Covenants Committee shall not have the power to regulate the appearance of the Multifamily Lot.

(2) The Covenants Committee may from time to time establish requirements regarding the form and content of plans and specifications to be submitted for approval. The Covenants Committee shall have the power to impose reasonable application

fees to cover the costs of reports, analyses or consultations required in connection with improvements or changes proposed by an Owner. Such fees shall be assessed against the Lot owned by the Owner making the application; provided, however, that the Committee shall inform the applicant Owner of the potential fees before incurring or assessing such fees and the Owner shall have the option to withdraw the application.

(3) The Covenants Committee shall have the power pursuant to Subsection 12.1(h) (upon petition of any Owner or upon its own motion) to impose reasonable charges upon, and issue a cease and desist request to, an Owner, such Owner's tenant and such Owner's (or tenant's) household, guests, employees, agents, and invitees whose actions are inconsistent with the provisions of the Association Documents or the Rules and Regulations.

(4) Subject to the review of the Board of Directors, the Covenants Committee shall from time to time provide interpretations of the Association Documents pursuant to the intents, provisions and qualifications thereof when requested to do so by an Owner, or the Board of Directors. The Committee may publish and record such interpretations in order to establish precedents for application of the Association Documents or the Design Guidelines or other matters relative to architectural control and protection of the aesthetic or property values of the Property.

(5) The Covenants Committee shall propose changes or additions to the Design Guidelines for approval by the Board of Directors. Such Design Guidelines approved by the Board of Directors are hereby incorporated by this reference and shall be enforceable as if set forth herein in full.

(6) A Majority Vote of the Covenants Committee shall be required in order to take any action. The Covenants Committee shall keep written records of all its actions. Any action, ruling or decision of the Covenants Committee may be appealed to the Board of Directors by any party who appeared at a hearing with respect to such action, ruling or decision or who submitted a written protest prior to the action, ruling or decision or any other person as determined appropriate by the Board, and the Board may modify or reverse any such action, ruling or decision. The Covenants Committee and the Board of Directors shall have no authority to regulate construction by the Declarant or approved by the Declarant.

(c) Authority. The Covenants Committee shall have such additional duties, powers and authority as the Board of Directors may from time to time provide by resolution. The Board of Directors may relieve the Covenants Committee of any of its duties, powers and authority either generally or on a case-by-case basis. The Covenants Committee shall carry out its duties and exercise its powers and authority in accordance with Subsections 12.1(h) and (i) and in the manner provided for in the

Rules and Regulations adopted by the Board of Directors or by resolution of the Board of Directors. Notwithstanding the foregoing, neither the Covenants Committee nor the Board of Directors shall have authority to regulate new construction or alterations of existing improvements by the Declarant or by others as approved by the Declarant during the Development Period, nor shall the Covenants Committee or the Board of Directors have the authority to regulate construction or alterations with respect to a Multifamily Lot.

(d) Time for Response; Variances or Exceptions. The Covenants Committee shall act on all matters properly before it within forty-five days after its receipt of a complete application in the form prescribed by the Covenants Committee; failure to do so within the stipulated time shall constitute a referral to the Board of Directors. Except when a request is being handled by the Covenants Committee, the Board of Directors shall be obligated to answer any written request for approval of a proposed structural addition, alteration or improvement within fifteen days after the first Board of Directors meeting held following such referral to the Board, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed structural addition, alteration or improvement; provided, however, that neither the Board of Directors or Covenants Committee has the right or power, either by action or failure to act, to waive enforcement or grant variances or exceptions from written Design Guidelines without a specific finding that enforcement of such guidelines would impose an unfair burden on such Owner and stating the variance or exception and the reasons therefor in a written instrument which shall be part of the records of the Association.

Section 9.2. Additions, Alterations and Improvements Requiring Approval.

(a) Approval Required.

(1) No Person shall make any addition, alteration, improvement or change of grade in or to any Lot (other than for normal Upkeep or natural landscaping and not including areas within a building visible from the exterior only because of the transparency of glass doors, walls or windows) which is visible from the exterior of the Lot, without the prior written consent of the Covenants Committee. No Person shall paint, affix a sign not permitted by the Rules and Regulations to or alter the exterior of any improvement, including the doors and windows, if such exterior is visible from another Lot or the Common Area, without the prior written consent of the Covenants Committee. Approval by the Declarant, the Board of Directors or the Covenants Committee shall not relieve an Owner from any obligation to obtain required governmental approvals and permits. The Owner shall deliver all approvals and permits required by law to the Covenants Committee or Board of Directors, as appropriate, prior to the commencement of the construction requiring such

approval or permit. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement to any Lot or improvement located on any Lot requires signature by the Association, and provided consent has been given by the Declarant, Board of Directors or the Covenants Committee, as appropriate, then the application shall be signed on behalf of the Association by an Officer only, without incurring any liability on the part of the Officer, the Declarant, Board of Directors, the Association, the Covenants Committee or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any Person having a claim for personal injury or property damage arising therefrom. Any addition, alteration or improvement upon any Lot in violation of the Association Documents shall be removed or altered to conform to the Association Documents (including the Design Guidelines) within thirty days after notice from the Board of Directors of the violation.

(2) During the Development Period, the provisions of this section shall not apply to Lots owned by the Declarant or to new construction or alteration of existing improvements on any Lot if such construction or alteration has been approved by the Declarant. The Declarant or an Owner, if approved by the Declarant, shall have the right to construct improvements, make alterations or subdivisions without the approval of the Board of Directors or the Covenants Committee and an authorized Officer shall sign any application required therefor.

(3) The provisions of this Article do not apply to the Multifamily Lots.

(4) The provisions of this section shall not apply to a Mortgagee (in possession of a Lot as a result of foreclosure, judicial sale or proceeding in lieu of foreclosure) affixing a sign or taking any other actions that may be necessary to sell or lease all or any portion of the Lot, if such actions are in accordance with applicable zoning and not detrimental to the value of the Property.

(b) Limitations.

(1) Any Person obtaining approval of the Covenants Committee shall commence construction or alteration in accordance with plans and specifications approved within six months after the date of approval and shall substantially complete any construction or alteration within twelve months after the date of approval, or within such other period as specified in the approval. Notwithstanding the foregoing, the approval may provide for a different period during which to commence or complete construction. If any such Person does not commence work within six months after approval, or such other time period determined by the Committee, then approval shall lapse.

(2) Any Person obtaining approval of the Covenants Committee shall not deviate materially from the plans and specifications approved without the prior written consent of the Committee. Such Person shall notify the Committee when the alterations or improvements are complete. Approval of any particular plans and specifications or design does not waive the right of the Committee to disapprove such plans and specifications, or any elements or features thereof, if such plans and specifications are subsequently submitted for use in any other instance or by any other Person.

(c) Certificate of Compliance. Upon the completion of any construction or alterations in accordance with plans and specifications approved by the Covenants Committee, the Covenants Committee shall, at the request of the Owner thereof, issue a certificate of compliance which shall be prima facie evidence that such construction or alteration referenced in such certificate has been approved by the Committee. The certificate shall not be used and may not be relied upon for any other purpose, and shall not constitute a representation either as to the accuracy or sufficiency of the plans and specifications reviewed by the committee or the quality or soundness of the construction, alterations or improvements or as a substitute for governmental approvals or permits. The Committee may impose a reasonable charge to cover the costs of inspection and preparation of such a certificate.

(d) New Construction. With respect to initial construction, all references in the Declaration to the Covenants Committee shall be deemed to mean the Declarant and such initial construction shall be subject only to such limitations as determined by the Declarant.

ARTICLE 10

INSURANCE

Section 10.1. Authority to Purchase; Notice.

(a) The Board of Directors shall have the power and responsibility on behalf of the Association to: (i) purchase insurance policies relating to the Common Area; (ii) adjust all claims arising under such policies; and (iii) execute and deliver releases upon payment of claims. The cost of all insurance policies purchased by the Board relating to the Common Area shall be a Common Expense or Limited Common Expense, as appropriate. The Board of Directors, the managing agent and the Declarant shall not be liable for failure to obtain any coverages required by this Article or for any loss or damage resulting from such failure: (i) if such failure is due to the unavailability of such coverages from reputable insurance companies; (ii) if such coverages are so available only at demonstrably unreasonable

cost; or (iii) if the Association's insurance professionals advise that the coverages required by paragraph (2) of Subsection 10.2(b) are unnecessary. Exclusive authority to negotiate losses under policies purchased by or on behalf of the Association shall be vested in the Board of Directors or with its authorized representative. The Board of Directors shall promptly notify the Owners and Mortgagees of material adverse modifications, lapses or termination of, insurance coverages obtained on behalf of the Association.

(b) Each such policy shall provide that:

(1) The insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Board of Directors, the managing agent, any Owner and their respective households, guests, employees, tenants, agents and invitees;

(2) Such policy shall not be canceled, invalidated or suspended due to the conduct of any Owner, or such Owner's tenant or such Owner's (or tenant's) household, guests, employees, agents and invitees, or of any Officer or employee of the Board of Directors or the managing agent without a prior demand in writing that the Board or the managing agent cure the defect and neither shall have so cured such defect within thirty days after such demand; and

(3) Such policy may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty days prior written notice to the Board of Directors and the managing agent.

(c) All policies of insurance shall be written by reputable companies licensed or qualified to do business in Virginia.

(d) The deductible or retained limit (if any) on any insurance policy purchased by the Board of Directors shall be a Common Expense (or a Limited Common Expense, as appropriate); provided, however, that the Association may, pursuant to Subsections 6.2(c) and 12.1(a), assess any deductible amount necessitated by the misuse or neglect of an Owner, or such Owner's tenant or such Owner's (or tenant's) household, guests, employees, agents or invitees against the Lot owned by such Owner.

(e) The Declarant, so long as the Declarant shall own any Lot, shall be protected by all such policies as an Owner.

Section 10.2. Physical Damage Insurance.

(a) The Board of Directors shall obtain and maintain a "Special Form" policy of insurance including without limitation fire damage, vandalism, malicious mischief, sprinkler leakage (if applicable), cost of demolition, debris removal, and water damage

coverage, insuring any improvements located on the Common Area, if any, and covering the interests of the Association, in an amount equal to one hundred percent of the then current full insurable replacement cost of any improvements located on the Common Area (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation (such amount to be redetermined periodically by the Board with the assistance of the insurance company affording such coverage). The Board of Directors shall also obtain and maintain appropriate coverage on all personal property and real estate other than the Common Area owned by the Association.

(b) Each such policy shall also provide:

(1) a waiver of any right of the insurer to repair, rebuild or replace any damage or destruction, if a decision is made not to do so;

(2) the following endorsements (or equivalent):

A) "no control" (to the effect that coverage shall not be prejudiced by any act or neglect of any Owner or occupant or their agents when such act or neglect is not within the control of the insured or the Owners collectively, nor by any failure of the insured or the Owners collectively, to comply with any warranty or condition with regard to any portion of the Property over which the insured, or the Owners collectively have no control; B) "cost of demolition"; C) "contingent liability from operation of building laws or codes"; D) "increased cost of construction" or "inflation guard"; E) "replacement cost" or "guaranteed replacement cost"; and F) "agreed amount" or "elimination of co-insurance" clause;

(3) that any "no other insurance" clause expressly exclude individual Owners' policies from its operation so that the physical damage policy purchased by the Board of Directors shall be deemed primary coverage and any individual Owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder provide for or be brought into contribution with insurance purchased by individual Owners or Mortgagees, unless otherwise required by law;

(4) such deductibles as to loss, but not coinsurance features, as the Board of Directors in its sole discretion deems prudent and economical; and

(5) to the extent a policy covers a dwelling located on any Lot, the standard mortgagee clause.

(c) All Mortgagees shall be notified promptly of any event giving rise to a claim under such policy arising from damage to improvements located on the Common Area in excess of ten percent of the then current replacement cost of such

improvements. The Mortgagee of any Lot insured by the Association shall be notified promptly of any event giving rise to a claim under such policy arising from damage to improvements located on such Lot.

Section 10.3. Liability Insurance. The Board of Directors shall obtain and maintain comprehensive general liability (including without limitation libel, slander, false arrest and invasion of privacy coverage) and property damage liability insurance in such limits as the Board may from time to time determine, insuring the Association, each director, the managing agent, the Owners and the employees of the Association against any liability to the public or to any Owner or such Owner's tenants and such Owner's (or tenant's) household, guests, employees, agents and invitees arising out of, or incident to the ownership or care, custody, control and use of the Common Area or any facilities located in the public right-of-way or legal liability arising out of employment contracts of the Association.

Such insurance shall be issued on a comprehensive liability basis and shall contain: (A) a cross-liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to an action against another named insured; (B) hired and non-owned vehicle coverage; (C) host liquor liability coverage with respect to events sponsored by the Association; (D) deletion of the normal products exclusion with respect to events sponsored by the Association; and (E) a "severability of interest" endorsement which shall preclude the insurer from denying liability coverage to an Owner because of negligent acts of the Association or of another Owner. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than one million dollars covering all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits shall also be obtained in an amount not less than two million dollars.

Section 10.4. Other Insurance. The Board of Directors shall obtain and maintain:

(a) adequate fidelity coverage to protect against dishonest acts on the part of directors, Officers, trustees and employees of the Association and all others who handle or are responsible for handling funds of the Association, including the managing agent and volunteers. If the Association has delegated some or all of the responsibility for handling funds to a managing agent, such managing agent shall be covered by its own fidelity insurance. Such fidelity insurance (except for fidelity insurance obtained by the managing agent for its own personnel) shall: (i) name the Association as an obligee; (ii) be written in an amount not less than one-fourth the total annual assessment for Common Expenses or the amount required by the Mortgagees, FNMA or FHLMC, whichever is greatest; and (iii) contain waivers of any defense based upon the exclusion of Persons who serve

without compensation from any definition of "employee" or similar expression;

(b) if required by a majority of the Mortgagees or governmental regulations, flood insurance in accordance with the then applicable regulations for such coverage;

(c) workers' compensation insurance if and to the extent necessary to meet the requirements of law (including a voluntary employees endorsement and an "all states" endorsement);

(d) if applicable, pressure, mechanical and electrical equipment including air conditioning equipment coverage on a comprehensive form in an amount not less than fifty thousand dollars per accident per location;

(e) directors and officers liability insurance in an amount not less than one million dollars; and

(f) such other insurance: (i) as the Board of Directors may determine; or (ii) as may be requested from time to time by a Majority Vote of the members.

Section 10.5. Insurance on Lots.

(a) Optional Insurance. Each Owner shall have the right to obtain insurance for such Owner's benefit, at such Owner's expense, covering the improvements located on such Owner's Lot and such Owner's personal liability. No Owner shall acquire or maintain insurance coverage on the Common Area insured by the Association so as to: (i) decrease the amount which the Board of Directors may realize under any insurance policy maintained by the Board; or (ii) cause any insurance coverage maintained by the Board to be brought into contribution with insurance coverage obtained by an Owner.

(b) Required Coverage. Unless the Board of Directors, pursuant to Subsection 10.4(f), obtains property coverage on the Lots comparable to the coverage required on the Common Area by Section 10.2, each Owner of a Lot containing a single family attached dwelling shall obtain a "special form" policy of fire insurance with extended coverage in an amount equal to one hundred percent of the then current insurable replacement cost of any improvements located on such Owner's Lot. If the Board of Directors so requests, the Owner of such a Lot shall provide a certificate of insurance to the Board fifteen days prior to the expiration of such insurance. Any policy obtained shall provide that it may not be canceled except upon ten days written notice to the Association. If an Owner fails to obtain the insurance coverage required by this Article, the Board of Directors may purchase such insurance coverage on such Owner's behalf and assess the Lot owned by such Owner for the cost thereof pursuant to Subsections 6.2(c) and 12.1(a). The

Declarant, the Association and the Board of Directors shall not be held liable for the failure of any Owner to purchase insurance.

ARTICLE 11

RECONSTRUCTION AND REPAIR

Section 11.1. When Reconstruction or Repair Required.

(a) Common Area. Except as otherwise provided in Section 11.4, if all or any part of any improvement located on the Common Area is damaged or destroyed by fire or other casualty, the Board of Directors shall arrange for and supervise the prompt repair and restoration thereof (including without limitation any floor coverings, fixtures and appliances). The Association shall not use the proceeds of casualty insurance received as a result of damage or destruction of improvements located on the Common Area for purposes other than the repair, replacement or reconstruction of such improvements except in accordance with Sections 11.4 and 14.4.

(b) Lots. If a building or other major improvement located upon a Lot is damaged or destroyed, the Owner thereof shall restore the site either: (i) by repairing or reconstructing such building or other major improvement; or (ii) by clearing away the debris and restoring the site to an acceptable condition compatible with the remainder of the Property. Unless the Covenants Committee permits a longer time period, such work must be commenced within three months after the casualty and substantially completed within six months after the casualty. If the building or other major improvement will look substantially the same as before the casualty and will comply with the Design Guidelines, no prior approval of the Covenants Committee shall be required.

Section 11.2. Procedure for Reconstruction and Repair of Common Area.

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to any portion of any improvement located on the Common Area, the Board of Directors shall obtain reliable and detailed estimates of the cost of restoring and repairing such improvement (including without limitation any floor coverings, fixtures and appliances) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

(b) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the original construction of any improvement located on the Common Area, subject to any modifications required by changes in applicable governmental regulations, and using contemporary building

materials and technology to the extent feasible; provided, however, that other action may be taken if approved in accordance with Section 14.4.

Section 11.3. Disbursement of Construction Funds for Common Area.

(a) Construction Fund and Disbursement. The proceeds of insurance collected on account of a casualty and the sums received by the Board of Directors from the collection of Assessments against the Owners pursuant to Subsection 11.3(b) or any Owner pursuant to Subsections 6.2(c) or 12.1(a), shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner.

(1) If the estimated cost of reconstruction and repair is less than twenty percent of the total annual Assessment for Common Expenses for that fiscal year, then the construction fund shall be disbursed in payment of such costs upon order of the Board of Directors.

(2) If the estimated cost of reconstruction and repair is twenty percent or more of the total annual Assessment for Common Expenses for that fiscal year, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in the jurisdiction where the Property is located and employed by the Board of Directors to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other Persons who have rendered services or furnished materials in connection with the work stating that: (i) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished; (ii) there is no other outstanding indebtedness known to such architect for the services and materials described; and (iii) the cost as estimated by such architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested. The Board of Directors shall be entitled to rely on such certificate.

(b) Shortfalls. If the proceeds of insurance are not sufficient to defray such estimated costs of reconstruction and repair, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds or shall be deemed a Common Expense or Limited Common Expense as appropriate, and an Assessment therefor shall be levied subject to Section 6.2.

(c) Surplus. The first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds. If, after payment of the costs of all reconstruction and repair, and the refund of any excess payments made by Owners pursuant to Subsection 11.3(b) in proportion to their contributions or the refund of excess payments by any Owner pursuant to Subsection 12.1(a), there remains any surplus fund, such fund shall be paid to the Association and shall be placed in the appropriate reserve account.

Section 11.4. When Reconstruction and Repair of Common Area Not Required. If destruction of the improvements located on the Common Area is insubstantial, the Board of Directors may elect not to repair such insubstantial damage. Otherwise, any decision not to repair or restore improvements on the Common Area shall be made in accordance with Section 14.4. If damaged improvements are not repaired, then the Board of Directors shall remove all remnants of the damaged improvements and restore the site thereof to an acceptable condition compatible with the remainder of the Common Area and the balance of any insurance proceeds received on account of such damage shall be placed in the appropriate reserve account.

Section 11.5. Condemnation.

(a) Definition. For the purposes of this Article, "Taking" means an acquisition of all or any part of the Common Area or of any interest therein or right accruing thereto as a result of, in lieu of, or in anticipation of the exercise of the right of condemnation or eminent domain, or a change of grade caused by the action of a governmental entity affecting the value of the Common Area or any part thereof so severely as to amount to condemnation.

(b) Taking of Common Area. If there is a Taking of all or any part of the Common Area, then the Association shall notify the Owners, but the Board of Directors shall act on behalf of the Association in connection therewith and no Owner shall have any right to participate in the proceedings incident thereto. The award made for such Taking shall be payable to the Association, to be disbursed as follows. If the Taking involves a portion of the Common Area on which improvements have been constructed, then the Association shall restore or replace such improvements so taken on another portion of the Common Area, to the extent land is available therefor, in accordance with plans approved by the Board of Directors, unless within sixty days after such Taking the Declarant (during the Declarant Control Period) or the members by a Sixty-seven Percent Vote (after the Declarant Control Period) shall otherwise agree. The provisions of Article 11 regarding the disbursement of funds following damage or destruction shall apply.

ARTICLE 12

COMPLIANCE AND DEFAULT

Section 12.1. Compliance; Relief. Each Owner shall be governed by, and shall comply with, all of the terms of the Association Documents and the Rules and Regulations as they may be amended from time to time. For the purpose of determining an Owner's liability under this Article, except for the Owner of a Multifamily Lot, for the violation of any provision of the Association Documents, the Rules and Regulations or for an act of neglect or carelessness, the acts of such Owner's tenants, and such Owner's (or tenant's) household, guests, employees, agents, or invitees shall be deemed to be acts of the Owner. A default by an Owner shall entitle the Association, acting through its Board of Directors or through the managing agent, to the following relief.

(a) Additional Liability. Each Owner shall be liable to the Association or to any affected Owner for the expense of all Upkeep rendered necessary by such Owner's act or omission regardless of negligence or culpability but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in casualty insurance rates occasioned by use, misuse, occupancy or abandonment of any Lot or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation. Any costs, including without limitation legal fees, incurred as a result of a failure to comply with the Association Documents or the Rules and Regulations by any Owner, or for which any Owner is deemed responsible hereunder, may be assessed against such Owner's Lot.

(b) Costs and Attorney's Fees. In any proceedings arising out of any alleged default by an Owner, the prevailing party shall be entitled to recover the costs of such proceeding and reasonable attorneys' fees, even if the proceeding is settled prior to judgment.

(c) No Waiver of Rights. The failure of the Association, the Board of Directors or an Owner to enforce any right, provision, covenant or condition which may be granted by the Association Documents or the Rules and Regulations shall not constitute a waiver of the right of the Association, the Board or any Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors or any Owner pursuant to any term, provision, covenant or condition of the Association Documents shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted

to such party by the Association Documents, the Act or at law or in equity.

(d) Interest. If a default by any Owner in paying any sum assessed against such Owner's Lot continues for a period in excess of thirty days, interest at a rate not to exceed that interest rate then charged by the Internal Revenue Service (or a successor agency) on delinquent taxes may be imposed in the discretion of the Board of Directors on the principal amount unpaid from the date due until paid; provided, however, that if the Board of Directors does not impose interest, the Board shall set forth its reasons for not charging such interest in a written record of its decision. The imposition of interest shall not preclude collection of a late charge nor shall a late charge levied pursuant to Section 6.5 be considered interest subject to the limitations of this subsection.

(e) Abating and Enjoining Violations. The violation of any of the Rules and Regulations adopted by the Board of Directors or the breach of any provision of the Association Documents shall give the Board of Directors the right, in addition to any other rights set forth in the Association Documents or the Rules and Regulations: (i) to enter the portion of the Property (excluding any occupied dwelling) pursuant to Section 3.3, on which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions of the Association Documents or the Rules and Regulations, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; (ii) to use self-help to remove or cure any violation of the Association Documents or the Rules and Regulations on the Property (including without limitation the towing of vehicles); or (iii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; provided, however, that before any construction may be altered or demolished (except in emergencies) judicial proceedings shall be instituted.

(f) Legal Proceedings. Failure to comply with any of the terms of the Association Documents or the Rules and Regulations shall be grounds for relief, including without limitation an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all Assessments, any other relief provided for in the Association Documents and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the managing agent or, if appropriate, by any aggrieved Owner and shall not constitute an election of remedies.

(g) Suspension of Rights; Other Remedies. The Board of Directors or the Covenants Committee, as appropriate, shall have the power to suspend an Owner's voting rights pursuant to

Subsection 3.2(d) of the Bylaws. The Board of Directors or the Covenants Committee, as appropriate, shall also have the power to suspend the right of an Owner or occupant, and the right of such Person's household, guests, employees, tenants, agents and invitees, to use the Common Area for a reasonable period not to exceed sixty days for any violation of any provision of any of the Association Documents or the Rules and Regulations or for any period during which any Assessment against an Owner's Lot remains unpaid; provided, however, that the Association shall not suspend the right to use the private streets and roadways located on the Common Area for both vehicular and pedestrian ingress and egress to and from such Owner's Lot and for parking or to use the Common Area for necessary, ordinary and reasonable pedestrian ingress and egress to and from such Owner's Lot, or to suspend any easement over the Common Area for utilities (storm water drainage, electricity, water, sanitary sewer, natural gas) or telecommunications (television reception, telephone service) or similar utilities and services to the Lots.

Notwithstanding the foregoing, if a utility service is paid for as a Common Expense or a Limited Common Expense and an Owner does not pay the Assessment for such Common Expense or Limited Common Expense for a period of more than sixty days, then such utility service may be discontinued to such Owner until payment of the Assessment for such service is made; provided, however, that such suspension shall not endanger the health, safety or property of any Owner or occupant. The Board or Committee may suspend voting rights and the right to use the Common Area due to non-payment of Assessments without giving the Person charged with the violation notice or an opportunity for a hearing to the extent not prohibited by the POA Act or other law. The Board or Committee may determine to take certain other actions, including, without limitation, towing vehicles or performing Upkeep on a Lot pursuant to Sections 6.2 and 7.2 without providing a hearing to the extent not prohibited by the POA Act or other law.

(h) Charges. The Board of Directors or the Covenants Committee shall have the power to impose charges and levy an Assessment therefore in the case of an Owner found by the Board or committee to be responsible for a violation of the Association Documents or the Rules and Regulations (personally or under the provisions of the Association Documents). No such penalty shall be imposed until the Person charged with such a violation has been given notice and an opportunity for a hearing as set forth in paragraph (i) below. Charges may not exceed Fifty Dollars for each violation, or Ten Dollars per day for each violation of a continuing nature (subject to the limitations imposed in the POA Act, if any), or such greater amounts as may be permitted by the POA Act and imposed by the committee. No charge may be imposed for failure to pay an Assessment, except as otherwise provided in the Declaration. Charges are Individual Assessments and shall be collectible as such and, if against an Owner, shall also constitute a lien against a Lot in accordance with Section 12.2 to the extent permissible under law. Imposition of a charge does

not preclude the liability of an Owner for reimbursement to the Association of costs incurred by the Association.

(i) Due Process. The Board of Directors or the Covenants Committee may deliberate privately, but shall either announce its decision in the presence of the respondent or give the respondent notice thereof. A decision adverse to the respondent shall require a two-thirds vote of the entire membership of the Board or Committee. The Board or Committee, before imposing any charge or before taking any action affecting one or more specific Owners, shall afford such Owners the following basic due process rights.

(1) Notice. The respondent shall be afforded prior written notice of any action (except when an emergency requires immediate action) and, if notice is of default or violation, an opportunity to cure which is reasonable under the circumstances, prior to the imposition of any sanction. The notice shall also state that the respondent is entitled to a hearing, if a hearing is required pursuant to Subsection 12.1(h) or the POA Act. Notice of a hearing shall include a summary of the charges or other sanctions that may be imposed as a result of the alleged violation. Notice of any violation or any hearing shall be sent by registered or certified United States mail, return receipt requested, to the Owner at such Owner's address of record with the Association at least fourteen days prior to such hearing.

(2) Hearing. If the respondent is entitled to a hearing and requests in writing a hearing before any charge is imposed or action taken, then the imposition of the charge or the taking of the action shall be suspended until the respondent has an opportunity to be heard at a hearing at which the Board of Directors or the Covenants Committee discusses such charge or action. Each Person so appearing shall have the right to be represented by such Person's counsel, at such Person's own expense. The hearing result shall be hand delivered or mailed by registered or certified mail, return receipt requested to the Owner at the Owner's address of record with the Association within three days after the hearing.

(3) Appeal. Upon receipt of a written request therefor made within ten days after the date of an action by the Covenants Committee, the Board of Directors may afford any Person deemed by the Board to have standing as an aggrieved party the right to appeal to the Board, and the Board may reconsider, review, modify or reverse any action taken by the Covenants Committee.

(4) Fairness. The Board of Directors and the Covenants Committee shall treat all Persons equitably, based upon decision-making procedures, standards and guidelines that shall be applied to all Persons consistently.

(j) New Owner Information. If the contract seller or the new Owner does not give the Secretary written notice stating the name and address of the new Owner and the number or address of the Lot within thirty days after acquiring title to such Lot, then reasonable record-keeping costs incurred by the Association, as determined by the Board of Directors, may be assessed against such Owner's Lot. The Board may set or change the amount of such assessment from time to time. Such assessment shall be a lien against such Owner's Lot as provided in Section 12.2.

Section 12.2. Lien for Assessments.

(a) Lien. In addition to the lien established by the POA Act, the total annual Assessment of each Owner for Common Expenses, including Limited Common Expenses, any Additional Assessment, any Individual Assessment or any other sum duly levied (including without limitation charges, interest, late charges, contractual charges, etc.), made pursuant to the Association Documents, is hereby declared to be a lien levied against any Lot owned by any Owner in accordance with this Declaration and Section 55-516 of the POA Act. Until fully paid and satisfied, the lien shall apply to and encumber all of the Lots that were owned, as of the date when payment was due, by the Owner from whom payment was due, and shall also apply to and encumber any and all Lots thereafter acquired by that Owner from the time such Owner becomes the Owner thereof. With respect to annual Assessments, the lien is effective on the first day of each fiscal year of the Association and, as to Additional Assessments, Individual Assessments and other sums duly levied, on the first day of the next payment period which begins more than ten days after the date of notice to the Owner of such Additional Assessment, Individual Assessment or levy. The Board of Directors or the managing agent may file or record such other or further notice of any such lien, or such other or further document, as may be required to confirm the establishment and priority of such lien. The lien created by this section shall be prior to all liens and encumbrances hereafter recorded except Mortgages, real estate taxes and other charges levied by governmental authority and made superior by law. The personal obligation of the Owner to pay such Assessment shall, in addition, remain such Owner's personal obligation and a suit to recover a money judgment for non-payment of any Assessment or installment thereof, levied pursuant hereto, may be maintained without foreclosing or waiving the lien herein created to secure the same.

(b) Acceleration. If an Assessment against an Owner is payable in installments, upon a default by such Owner in the timely payment of any two consecutive installments, the maturity of the remaining total of the unpaid installments of such Assessment may be accelerated, at the option of the Board of Directors, and the entire balance of the Assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Owner. If an Owner is delinquent in

payment of Assessments for a prior fiscal year, then the entire Assessment (otherwise payable in installments) shall be due and payable in full when assessed, upon receipt of notice of such Assessment by the defaulting Owner.

(c) Enforcement. The lien for Assessments may be enforced and foreclosed in any manner permitted by the laws of the jurisdiction in which the Lot is located for foreclosure of mortgages or deeds of trust containing a power of sale or by an action in the name of the Board of Directors, or the managing agent, acting on behalf of the Association. Any such sale provided for herein is to be conducted in accordance with the provisions of Section 55-5161 of the POA Act, Sections 55-59.1 through 55-59.4 of the Code of Virginia (1950), as amended, applicable to the exercise of powers of sale in Mortgages and Deeds of Trust, or in any other manner permitted or provided by law. The Declarant, through its duly authorized agents, shall have the power to bid on the lien property at any foreclosure sale, and to acquire, lease, Mortgage and convey the same. During the pendency of any such action to enforce the Association lien, the Owner shall be required to pay a reasonable rental for the Lot for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale. The plaintiff in such proceeding shall have the right to the appointment of a receiver, if available under the laws of the jurisdiction. The Association shall also have the power to bid on the Lot at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with such Lot.

(d) Remedies Cumulative. A suit to recover a money judgment for unpaid Assessments may be maintained without foreclosing or waiving the lien securing the same, and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment.

Section 12.3. Subordination and Mortgagee Protection. Notwithstanding any other provision hereof to the contrary, the lien of any assessment levied pursuant to the Association Documents upon any Lot (and any charges, interest on Assessments, late charges or the like) shall be subordinate to, and shall in no way affect the rights of the holder of a Mortgage made in good faith for value received; provided, however, that such subordination shall apply only to Assessments which have become due and payable prior to a sale or transfer of such Lot pursuant to foreclosure or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the holder of Mortgage or the purchaser of the Lot at such sale from liability for any Assessments thereafter becoming due, nor from the lien of any such subsequent Assessment, which lien shall have the same effect and be enforced in the same manner as provided herein. Notwithstanding any other provision of this Declaration, to the extent specifically permitted by Virginia statute in the future, the Association's lien shall prime a Mortgage to the extent of six-months worth of Assessments which would have become due (based on the budget

adopted by the Association) in the absence of acceleration during the six months immediately preceding perfection of the lien.

ARTICLE 13

MORTGAGEES

Section 13.1. Notice to Board of Directors. Upon request, an Owner who mortgages such Owner's Lot shall notify the Board of Directors of the name and address of the holder of the Mortgagee.

No holder of a Mortgage shall be entitled to any Mortgagee rights under the Association Documents unless such Mortgagee has notified the Board of its address as required by Section 13.2 and has requested all rights under the Association Documents.

Section 13.2. Notices to Mortgagees. Any holder of a Mortgage who desires notice from the Association shall notify the Secretary of the Association to that effect by certified or registered United States mail, postage prepaid. Any such notice shall contain the name and address, including post office address of such Mortgagee and the name of the person to whom or office to which notices from the Association should be directed. The Mortgagee shall be responsible for keeping such information current. The Board of Directors shall notify Mortgagees of the following:

(1) Any default by an Owner of a Lot upon which the Mortgagee has a Mortgage: (i) in paying Assessments (which remains uncured for sixty consecutive days); or (ii) any other default, simultaneously with the notice sent to the defaulting Owner (failure to notify the Mortgagee shall not affect the validity of the Association's lien);

(2) In accordance with Subsection 10.2(c), any event giving rise to a claim under the Association's physical damage insurance policy arising from damage to improvements located on the Common Area;

(3) All actions taken by the Association with respect to reconstruction of the Common Area or a Lot upon which the Mortgagee has a Mortgage;

(4) Any termination, lapse or material adverse modification in an insurance policy held by the Association at least ten days in advance;

(5) Any taking in condemnation or by eminent domain of the Common Area and the actions of the Association in connection therewith;

(6) Any proposal to terminate this Declaration or dissolve the Association, at least thirty days before any action is taken to terminate or dissolve in accordance with Articles 14 and 15; and

(7) Any proposal to amend materially the Articles of Incorporation, this Declaration or the Bylaws or to take an extraordinary action, at least ten days before any action is taken pursuant to Section 14.4.

Section 13.3. Other Rights of Mortgagees. Upon request, all Mortgagees or their authorized representatives shall have the right to receive notice of and to attend and speak at meetings of the Association. All Mortgagees shall have the right to examine the Association Documents, Rules and Regulations and books and records of the Association and to require the submission of existing annual financial reports and other budgetary information on the same terms as the Owners. A Majority of the Mortgagees may make a request and shall be entitled to an audited financial statement for the preceding fiscal year of the Association prepared at the Association's expense and provided within a reasonable time. A Majority of the Mortgagees shall have the right to require the Association to hire a professional manager. No Mortgagee nor holder of a Mortgage shall have any approval rights under the Declaration, except as specifically provided herein.

ARTICLE 14

AMENDMENT; EXTRAORDINARY ACTIONS

Section 14.1. Amendment by the Declarant. In addition to corrective amendments made pursuant to Section 14.6, during the Development Period, the Declarant may unilaterally (without the joinder or approval of the Association or any Owner or Mortgagee) amend any provision of this Declaration to: (i) satisfy the requirements of any government, governmental agency or holder of a Mortgage; (ii) reflect the relocation of boundary lines between the Common Area and any Lots or among any Lots; provided, however, that such relocation does not materially and adversely affect any Owner other than the Declarant and that such relocation is reflected in an approved resubdivision of all or any part of the Property; (iii) depict the assignment of Limited Common Area as permitted by Subsection 3.9(b); (iv) amend Exhibit A pursuant to Subsection 4.1; (v) add all or any portion of the Additional Land in accordance with Section 4.1; and (vi) withdraw Submitted Land in accordance with Section 4.4.

Section 14.2. Amendment by the Association.

(a) Owner Approval. In addition to corrective amendments made pursuant to Section 14.6, and subject to Sections 14.3, 14.4 and 14.5, the Association may amend this Declaration by at least a Sixty-seven Percent Vote of the members or with the written approval of members entitled to cast at least sixty-seven percent of the total number of votes.

(b) Certification. An amendment by the Association shall be certified by the President as to compliance with the procedures set forth in this Article, signed and acknowledged by the President and Secretary of the Association, and recorded among the Land Records. An action to challenge the validity of an amendment may not be brought more than one year after the amendment is effective.

(c) Supplementary Declarations. Amendment of a Supplementary Declaration is governed by the provisions for amendment contained therein and the requirements of Sections 14.3 and 14.4. A Supplementary Declaration may not include provisions inconsistent with the Declaration except as specifically provided by the Declarant in accordance with Section 4.1. Although the Declaration and Supplementary Declaration should be construed to give effect to both, in the case of conflicting provisions, the Declaration shall control.

Section 14.3. Prerequisites to Amendment. Written notice of any proposed amendment to this Declaration or any Supplementary Declaration by the Association shall be sent to every Owner (or every Owner of a Lot subject to such Supplementary Declaration) at least fifteen days before any action is taken. No amendment shall increase the financial obligations of an Owner in a discriminatory manner or further restrict development on existing Lots in a discriminatory manner. No amendment to the Declaration shall diminish or impair the rights of the Declarant during the Development Period under the Declaration without the prior written consent of the Declarant. No amendment to the Declaration shall diminish or impair the express rights of the Mortgagees under the Declaration without the prior written approval of at least Fifty-one Percent of the Mortgagees. No amendment may modify this Article or the rights of any Person hereunder without obtaining the approvals required by Sections 14.4(c) and (f). Except as specifically provided in the Declaration, no provision of the Declaration shall be construed to grant to any Owner or to any other Person any priority over any rights of Mortgagees.

Section 14.4. Extraordinary Actions and Material Amendments. The provisions of this section shall not be construed to reduce the vote that must be obtained from Owners where a greater vote is required by the Act or other provisions of the Association Documents nor shall it be construed to lessen the unilateral rights given to the Declarant pursuant to Articles 3, 4 and 14 to amend the Declaration or a Supplementary Declaration without the approval or joinder of the Association or any Owner or Mortgagee or Secondary Mortgage Market Agency. To the extent this section applies to amendments to a Supplementary Declaration, the approval of the Owners required shall be deemed to refer only to the Owners owning Lots subject to such Supplementary Declaration.

(a) Material Amendments. A material amendment to the Association Documents includes any amendment adding, deleting or amending any provisions regarding:

- (1) Assessment basis or Assessment liens;
- (2) any method of imposing or determining any charges to be levied against Owners;
- (3) reserves for maintenance, repair or replacement of the Common Area;
- (4) maintenance obligations;
- (5) allocation of rights to use the Common Area;
- (6) any scheme of regulation or enforcement of standards for maintenance, architectural design or exterior appearance of improvements;
- (7) reduction of insurance requirements;
- (8) restoration or repair of the Common Area or Lots;
- (9) the addition, annexation or withdrawal of land to or from the Property;
- (10) voting rights (except to reduce the Declarant's voting rights with the consent of the Declarant);
- (11) restrictions affecting lease or sale of a Lot; and
- (12) any provision which is for the express benefit of the Mortgagees.

(b) Extraordinary Actions. An extraordinary action of the Association includes:

(1) determining not to require professional management after the Declarant Control Period, if professional management has been required by the Association Documents, a Majority Vote of the Owners or a Majority Vote of the Mortgagees;

(2) expanding the Association: (i) so as to increase the overall land area of the Property described in Exhibit A by greater than ten percent in land area; or increase the number of planned dwellings by greater than ten percent or (ii) by including land which is not adjacent to or across a public right-of-way or private street from the Property;

(3) abandoning, partitioning, encumbering, mortgaging, conveying, selling or otherwise transferring or relocating the boundaries of the Common Area except for:

(i) granting easements for utilities or other purposes to serve the Property or adjacent land which are not inconsistent with and which do not interfere with the intended use of such Common Area;

(ii) dedicating or conveying a portion of the Common Area to a public authority or a governmental entity;

(iii) making conveyances or resubdivisions as part of a boundary-line adjustment or otherwise pursuant to Section 2.5; and

(iv) conveyances to an entity formed for similar purposes pursuant to a consolidation or merger;

(4) using insurance proceeds for purposes other than repair and reconstruction of the insured improvements; and

(5) making capital improvements (other than for Upkeep of existing Common Area improvements) during any period of twelve consecutive months costing in excess of ten percent in the aggregate of the total Annual Assessment for Common Expenses for the fiscal year.

(c) Owner Approval. Any material amendment or extraordinary action listed above must be approved: (i) in writing by Owners entitled to cast at least sixty-seven percent of the total number of votes entitled to be cast by Owners, including a majority of the votes entitled to be cast by Owners other than the Declarant, or (ii) by at least a Sixty-seven Percent Vote of the Owners, including a Majority Vote of Owners other than the Declarant, entitled to be cast at a meeting for approval of material amendments or extraordinary actions provided that: (A) at least twenty-five days notice of the meeting is provided to all Owners; (B) the notice of the meeting states the purpose of the meeting and contains a copy or summary of any material amendments or extraordinary actions proposed; and (C) the notice of the meeting also contains a copy of the proxy that can be cast in lieu of attendance at the meeting.

(d) Class Approval. Any material amendment which changes the voting rights or assessment obligations of a specific class of Owners, must also be approved in writing by Owners entitled to cast at least fifty-one percent of the total number of votes of such class of Owners or by at least a Fifty-one Percent Vote of such class of Owners at a meeting held in accordance with Subsection (c) above. No amendment to the Declaration may be made that will alter the rights or obligations

of the Owners of Multifamily Lots without the approval of the Owners of a majority of the Multifamily Lots.

(e) Additional Material Amendments and Extraordinary Actions. The following amendments and actions must be approved in writing by Owners entitled to cast at least sixty-seven percent of the total number of votes in the Association, including a majority of the total number of votes entitled to be cast by Owners other than the Declarant, and the Declarant during the Development Period:

(1) amendment or addition of any provisions of the Association Documents regarding rights of first refusal or similar restrictions on the right of Owners to sell, transfer or otherwise convey a unit;

(2) termination of the Declaration or of the planned unit development;

(3) dissolving, merging or consolidating the Association, except pursuant to a merger or consolidation with another nonprofit entity formed for purposes similar to the purposes for which the Association was formed; or

(4) conveyance of all the Common Area, except to an entity formed for similar purposes pursuant to a consolidation or a merger.

(f) Mortgagee Approvals. Any material amendment or extraordinary action listed in subparagraphs (a), (b) and (e) except item (b)(5) above must also be approved by Fifty-one Percent of the Mortgagees. If a Mortgagee is notified of proposed amendments or actions of the Association in writing by certified or registered United States mail, return receipt requested, and such Mortgagee does not deliver a negative response within thirty days (or such lesser period as may be provided in the POA Act), such Mortgagee shall be deemed for the purposes of this Declaration to have approved such amendment or action. Approval by a Mortgagee also includes the issuance of any written waiver or letter stating "no objection."

(g) Non-material Amendments. Any amendment to the Association Documents shall not be considered material if made only for the purposes of correcting technical errors or for clarification. Any amendment to the Association Documents adding provisions to or interpreting the application of provisions of the Declaration, contained in a Supplementary Declaration and applied to a specific portion of the Property, shall not be considered a material amendment.

(h) VA or FHA Consent. When a VA guarantee is in effect on a Mortgage, without the consent of VA, or when FHA insurance is in effect on a Mortgage, without the consent of FHA:

(i) the Declarant may not amend the description of Additional Land except as provided in Section 4.1; and (ii) during the Declarant Control Period, the Association may not take any action described in Section 14.4(a), (b) or (e). The foregoing shall only apply for so long as a Lot within the Property is encumbered by a loan guaranteed by VA or insured by FHA. In addition, during the Declarant Control Period, VA and FHA must be informed of all amendments to the Association Documents if such documents have been previously approved by such agency. This provision may be enforced only by FHA or VA.

(i) Contracts made by the Association during the Declarant Control Period shall meet one of the following criteria: (i) be for a term limited to two years or less; (ii) be terminable by the Association upon ninety days written notice; (iii) be commercially reasonable and made with an entity not affiliated with the Declarant; ~~or~~ (iv) be approved by VA.

Section 14.5. County Approval. A number of provisions are contained within this Declaration to comply with the proffers or conditions of subdivision approval applicable to the Property or the Additional Land. No Supplementary Declaration or amendment, including an amendment withdrawing land as provided in Section 4.4 or otherwise, shall impair the right and authority of the County to require compliance with the proffers and subdivision approval conditions applicable to the Property without the prior written approval of the County.

Section 14.6. Corrective Amendments. The Declarant may unilaterally sign and record a corrective amendment or supplement to the Declaration to correct a mathematical mistake, an inconsistency or a scrivener's error, or clarify an ambiguity in the Declaration with respect to an objectively verifiable fact (including without limitation recalculating the liability for Assessments or the number of votes in the association appertaining to a lot), within five years after the recordation of the Declaration containing or creating such mistake, inconsistency, error or ambiguity. Regardless of the date of recordation of the Declaration, the President of the Association may also unilaterally sign and record such a corrective amendment or supplement upon a vote of two-thirds of the members of the Board of Directors.

ARTICLE 15

TERMINATION

Section 15.1. Duration; Termination by the Association. The covenants and restrictions of this Declaration shall run with the land and bind the Property and be in full force and effect (except as amended as provided above) for a period of twenty years, and then shall be automatically extended for successive periods of twenty years each in perpetuity except as amended as provided above or unless terminated as hereinafter provided.

Subject to Sections 14.4 and 14.5, the Association may terminate this Declaration only with the approval of Owners entitled to cast at least eighty percent of the total number of votes. The termination shall be certified by the President as to compliance with the procedures set forth in this Article, signed and acknowledged by the President and Secretary of the Association and recorded among the Land Records. See Article 4 for provisions on withdrawing land.

Section 15.2. Prerequisites. Written notice of the proposed termination shall be sent to every Owner and Mortgagee at least thirty days before any action is taken. The Declaration may not be terminated during the Development Period without the prior written consent of the Declarant. Such termination shall not affect any permanent easements or other permanent rights or interests relating to the Property created by or pursuant to the Association Documents. To the extent necessary, the termination agreement shall provide for the transfer or assignment of the easements, rights or interests granted to the Association herein to a successor entity which is assuming the Association's Upkeep and regulatory responsibilities. Any lien that has arisen pursuant to the provisions of the Declaration shall remain in full force and effect despite termination of the Declaration until the amounts secured thereby are paid in full.

Section 15.3. Conveyance of Common Area Upon Dissolution. Upon the dissolution of the Association, the assets of the Association shall be granted, conveyed and assigned to another nonprofit corporation, association, trust or other organization or government agency devoted to purposes similar to those for which the Association was created or offered for dedication to the County; provided, however, that if a site plan is approved for the Property, or any portion thereof containing Common Area, which changes the design, layout or use of the Property in such a manner that the Common Area is no longer necessary to the new design, layout or use and the County refuses a dedication, then such Common Area and other associated assets of the Association may be distributed as agreed upon by the Owners in accordance with the requirements of Section 14.4.

ARTICLE 16

PARTY WALLS AND FENCES

Section 16.1. Applicable Law; Easement. All matters arising in connection with any wall which would constitute a party wall at common law shall, to the extent consistent with the provisions of this Article, be subject to the common law of the jurisdiction in which the Property is located, as modified by statute from time to time and as modified by this Article. If the centerline of a party wall now or hereafter fails to coincide with the boundary between the Lots it serves, an easement for any resulting encroachment is hereby granted. If a party wall serves three or more Lots, each segment of it serving two Lots shall be

treated for the purposes of this Article as a separate party wall.

Section 16.2. Upkeep. The Owners of Lots served by a party wall shall provide for the Upkeep of party walls and shall share equally the cost of its Upkeep except as otherwise provided in this Article. No Owner shall impair the structural integrity of any party wall nor diminish the fire protection afforded by any party wall.

Section 16.3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, the following procedures shall be followed in order to restore such party wall.

(1) Either Owner served by the party wall shall notify the other Owner served by the party wall of any proposal to repair the wall. If within ten days after such notice (or in an emergency, within twenty-four hours after such notice or a bona fide attempt to give such notice) the other Owner has not responded to the notice, then the Owner giving notice may proceed with the repairs. Such repairs must be substantially similar to the original construction and installation and of first class quality, but may be made with contemporary materials.

(2) If the other Owner served by the party wall responds to the notice, the Owners shall act together to repair the party wall. If the Owners are unable to agree upon the action to be taken, they shall submit the issue to arbitration in accordance with Section 16.5.

(3) If any Owner restores a party wall in accordance with this section, then the other Owner shall contribute one-half of the cost thereof. An Owner may, however, demand a larger contribution from the other Owner or refuse to contribute one-half of such costs, under any rule of law or equity regarding liability for negligent or willful acts or omissions.

(4) To the extent that any failure to repair a party wall affects the use and enjoyment of the Common Area, the Association may participate in the repair of the party wall and, in an emergency situation threatening life or property, may make such repair without notice to the Owners. The Association may assess the cost of such repair against the Owners responsible for the damage or benefiting from the repair pursuant to Subsections 6.2(c) and 12.1(a).

Section 16.4. Liability. Any Owner who by a negligent or willful act or omission causes or permits a party wall to be damaged shall pay the cost of restoring such party wall to its condition prior to such damage.

Section 16.5. Arbitration. In the event of any dispute between Owners concerning a party wall, the Owners on each side shall each select one arbitrator, and the arbitrators thus selected shall select one additional arbitrator. Arbitrators shall be qualified by experience and education to serve. Once selected, the arbitrators shall promptly agree upon and notify the parties of the discovery procedures and rules of evidence to be used in the arbitration. The arbitrators shall be requested to reach a decision within twenty days after their appointment. The decision of a majority of the arbitrators shall bind the Owners and their successors in interest. The losing party shall pay the cost of arbitration unless the arbitrators determine that the cost should be otherwise allocated between the parties, in which case that allocation shall be binding.

Section 16.6. Shared Fences and Other Shared Barriers. The provisions of this Article pertaining to party walls shall also govern any shared fence, other shared barrier or shared improvement originally installed by the Declarant (except for fences or barriers installed in connection with construction activities) and to any replacement thereof authorized by the Board of Directors or the Covenants Committee. Otherwise, the Upkeep of any fence, other barrier or improvement shall be the responsibility of the Owner installing such fence, barrier or improvement unless different arrangements are agreed to by the adjoining Owners.

Section 16.7. Right to Contribution Runs With Land. Rights and duties of contribution set forth in this Article and any such rights and duties arising under the laws of the jurisdiction in which the Property is located shall run with the land and bind successors in interest. This Article shall not prejudice any right of a successor in interest to recover any amount from a predecessor in title for which such predecessor was liable. Any rights of contribution set forth in this Article shall constitute a lien in favor of any Owner entitled to contribution against any Owner obligated to pay such contribution. Until fully paid and satisfied, the lien shall apply to and encumber all of the Lots that were owned, as of the date when payment was due, by the Owner from whom payment was due, and shall also apply to and encumber any and all Lots thereafter acquired by that Owner from the time such Owner becomes the Owner thereof. The lien created by this section shall be prior to all liens and encumbrances except Mortgages, real estate taxes and other charges levied by governmental authority made superior by law and the Association's lien established pursuant to Section 12.2.

Section 16.8. Townhouse Maintenance Easement . If an Owner (including the Declarant) of any Lot must, in order to make repairs or improvements to a building on such Owner's Lot, enter or cross any area owned or to be owned by the Association, or a Lot of another Owner, such Owner is hereby granted an easement to do so, providing that the Owner shall use the most direct, feasible route in entering and crossing over such an area and

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shall restore the surface so entered or crossed to its original condition, at the expense of the Owner, and further provided that such easement shall not exist on the land of any other Owner if the purpose for the entrance or crossing is one requiring approval of either the Board of Directors or the Covenants Committee of the Association, unless such approval has been given.

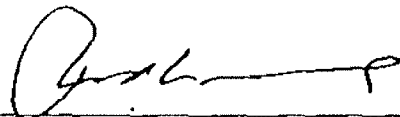
IN WITNESS WHEREOF, the undersigned have caused this Declaration to be signed pursuant to due and proper authority as of the date first set forth above.

ROCKLAND VILLAGE, LC
a Virginia limited liability
company

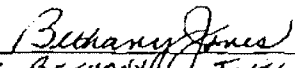
By: KSI AMERICA, LP, a
Virginia limited partnership,
Its Managing Member

By: KSI SERVICES/AMERICA, LLC,
a Virginia limited liability
company, Its General Partner

By: KSI Services, Inc.
A Virginia corporation
Its Managing Member

By: 
Title: President

ROCKLAND VILLAGE
HOMEOWNERS ASSOCIATION, INC.

By: 
Name: BETHANY JONES
Title: President

State OF Virginia)
County OF Fairfax) SS:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Richard W. Hausler,
President of KSI Services, Inc., Managing Member of KSI
Services/America, LLC, General Partner of KSI America LP,
Managing Member of Rockland Village, LC, whose name is signed to
the foregoing instrument, has acknowledged the same before me in
the aforesaid jurisdiction as a duly authorized officer of the
company.

GIVEN under my hand and seal on August 17, 2000 . .

Christina Bear [SEAL]
Notary Public

My commission expires: 9/30/00

_____ OF _____)
 _____ OF _____) SS:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Bethany Jones, President of ROCKLAND VILLAGE HOMEOWNERS ASSOCIATION, INC., whose name is signed to the foregoing instrument, has acknowledged the same before me in the aforesaid jurisdiction as a duly authorized officer of the corporation.

GIVEN under my hand and seal on September 13, 2000.

Mary S. [Signature] [SEAL]
Notary Public

My commission expires: 9/30/03

BK 11582-0722

EXHIBIT A

[Description of the Submitted Land]

Parcel(s) A, B, C, D, E and Outlot F, ROCKLAND VILLAGE, Phase Four(4), as the same appear duly dedicated, platted and subdivided by a deed recorded prior hereto as instrument number ____ among the Land Records.

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EXHIBIT B
[Description of the Additional Land]

PHASE I -

TAX MAP NOS. 34-4 ((6)) Parcels 1-5, 25-29, 31-45, 50-59, 63-67

TAX MAP NOS. 44-2 ((1)) Parcel 1 - (044-2-01-0001)

TAX MAP NOS. 44-2 ((2)) Parcels 8-20, 22, 23

Lots 25 through 29, inclusive, Lots 31 through 42, inclusive, Lots 50 through 59, inclusive, and Lots 63 through 67, inclusive, ROCKLAND VILLAGE, as the same appear duly dedicated, platted and subdivided in Deed Book 512 at Page 441, as consolidated into Parcel A, Rockland Village, in Deed Book 11359 at Page 887, among the Land Records and part of Westmore Street as abandoned by Order of Abandonment recorded in Deed Book 11244, at Page 1487, among the Land Records.

Lots 12 through 20, inclusive, Lots 43, 44 and 45, ROCKLAND VILLAGE, as the same appear duly dedicated, platted and subdivided in Deed Book 512 at Page 441, among the Land Records.

Also, an additional parcel located between the land of G. Ray Harrison and said Lot 14 on the southerly side of Dallas Street, fronting 300.47 feet thereon, extending back from said street to a line extending from the southwesterly corner of said Lot No. 14 in a southeasterly direction S 62 degrees 49.7' E to the line of said G. Ray Harrison.

Also, Parcels 1B, 2B, 3B as shown on a plat entitled "Plat Showing Street Abandonment and Vacation of Westmore Street and a Portion of Dallas Street, Rockland Village", prepared by Bowman Consulting group and dated December 22, 1998, revised through November 2, 1999, a copy of which is attached to the certain Order of Abandonment recorded in Deed Book 11244, at page 1487 among the Land Records.

Lots 1 through 6, inclusive, Lots 8 through 11, inclusive, and Lots 22 through 23, ROCKLAND VILLAGE, as the same appear duly dedicated, platted and subdivided in Deed Book 512 at Page 441, as consolidated in Deed Book 11359 at Page 887, among the Land Records.

Also see attached legal descriptions.

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EXHIBIT B
[Description of the Additional Land]

PHASE II -

Lots 7, 21, 24, 30, 46, 47, 48, 71, 72, 49, 68, 69, 70, 60, 61 and 62, ROCKLAND VILLAGE, as the same appear duly dedicated, platted and subdivided in Deed Book 512 at Page 441 among the Land Records.

EXHIBIT B
TO
DECLARATION FOR
ROCKLAND VILLAGE
ADDITIONAL LAND

METES AND BOUNDS DESCRIPTION
OF
LOTS 1 THRU 6, 8 THRU 20, 22 THRU 23,
25 THRU 29, 31 THRU 45, 50 THRU 57
PART OF 58 AND 59, 63 THRU 67
ROCKLAND VILLAGE
DEED BOOK 512, PAGE 441
TAX MAP #34-4-((6))-PARCELS 1 - 5, 25 - 29,
31 - 45, 50 - 59, 63 - 67
TAX MAP #44-2-((2))-PARCELS 8 - 20, 22 - 23
THE PROPERTY OF
WAYNE M. WHITLOW
DEED BOOK 7753, PAGE 1759
TAX MAP #44-2-((1))-0001
A PORTION OF
WESTMORE STREET, STATE ROUTE 3575
AND
DALLAS STREET, ROUTE 745
FAIRFAX COUNTY, VIRGINIA

PARCEL A

BEGINNING AT A POINT ON THE EASTERN RIGHT-OF-WAY LINE FOR WALNEY ROAD, STATE ROUTE 657 (VARIABLE WIDTH) AND THE SOUTHERN RIGHT-OF-WAY LINE FOR WESTMORE STREET, STATE ROUTE 3575 (50 FOOT RIGHT-OF-WAY); THENCE DEPARTING SOUTHERN RIGHT-OF-WAY AND CROSSING SAID WESTMORE STREET AND RUNNING WITH THE EASTERN RIGHT-OF-WAY LINE OF SAID WALNEY ROAD THE FOLLOWING TWO (2) COURSES AND DISTANCES:

N 19°23'23" E 73.14' [22.292m] TO A POINT; THENCE

N 19°33'00" E 199.30' [60.746m] TO A POINT IN THE SOUTHERN LINE OF LOT 60, ROCKLAND VILLAGE AS RECORDED IN DEED BOOK 512 AT PAGE 441 AMONG THE LAND RECORDS OF FAIRFAX COUNTY, VIRGINIA. THENCE DEPARTING SAID WALNEY ROAD AND RUNNING WITH THE SAID LINE OF LOT 60 AND CONTINUING WITH THE SOUTHERN AND EASTERN LINE OF LOT 62 OF SAID ROCKLAND VILLAGE THE FOLLOWING TWO (2) COURSES AND DISTANCES:

S 62°49'42" E 314.88' [95.977m] TO A POINT BEING COMMON TO LOTS 56, 57, 62 AND 63 OF SAID ROCKLAND VILLAGE; THENCE

N 27°10'18" E 220.00' [67.056m] TO A POINT BEING COMMON TO LOTS 62 AND 63 AND ON THE SOUTHERN RIGHT-OF-WAY LINE OF VERNON STREET, STATE ROUTE 3624 (50 FOOT RIGHT-OF-WAY); THENCE RUNNING WITH SAID VERNON STREET

S 62°49'42" E 525.00' [160.020m] TO A POINT BEING COMMON TO LOTS 67 AND 68 OF SAID ROCKLAND VILLAGE; THENCE DEPARTING SAID VERNON STREET AND RUNNING WITH THE WESTERN AND SOUTHERN LINE OF SAID LOT 68 AND CONTINUING WITH THE SOUTHERN LINE OF LOT 69 AND THE WESTERN LINE OF LOT 49 OF SAID ROCKLAND VILLAGE AND CROSSING THE NORTHERN RIGHT-OF-WAY LINE OF SAID WESTMORE STREET THE FOLLOWING THREE (3) COURSES AND DISTANCES:

S 27°10'18" W 220.00' [67.056m] TO A POINT BEING COMMON TO
 LOTS 51, 52, 67 AND 68 OF SAID ROCKLAND VILLAGE; THENCE
 S 62°49'42" E 210.00' [64.008m] TO A POINT BEING COMMON TO
 LOTS 49, 50, 69 AND 70 OF SAID ROCKLAND VILLAGE; THENCE
 S 27°10'18" W 245.00' [74.676m] TO A POINT ON THE CENTERLINE
 OF SAID WESTMORE STREET; THENCE RUNNING WITH SAID CENTERLINE
 S 62°49'42" E 120.00' [36.576m] TO A POINT IN THE WESTERN
 RIGHT-OF-WAY LINE OF ELMWOOD STREET, STATE ROUTE 1010 (50 FOOT RIGHT-
 OF-WAY); THENCE RUNNING WITH SAID ELMWOOD STREET
 S 27°10'18" W 245.00' [74.676m] TO A POINT COMMON TO LOTS 21
 AND 42 OF SAID ROCKLAND VILLAGE; THENCE DEPARTING SAID ELMWOOD STREET
 AND RUNNING WITH THE NORTHERN LINE OF SAID LOT 21 OF SAID ROCKLAND
 VILLAGE
 N 62°49'42" W 100.00' [30.480m] TO A POINT COMMON TO LOTS 21,
 22, 41 AND 42 OF SAID ROCKLAND VILLAGE; THENCE DEPARTING SAID COMMON
 POINT AND RUNNING WITH THE WESTERN LINE OF SAID LOT 21;
 S 27°10'18" W 220.00' [67.056m] TO A POINT BEING COMMON TO
 LOT 21 AND 22 OF SAID ROCKLAND VILLAGE AND ON THE NORTHERN RIGHT-OF-WAY
 LINE OF DALLAS STREET STATE ROUTE 754 (50 FOOT RIGHT-OF-WAY); THENCE
 RUNNING WITH THE RIGHT-OF-WAY LINE OF SAID DALLAS STREET
 N 62°49'42" W 200.00' [60.960m] TO A POINT BEING THE COMMON
 TO LOT 24 AND 23 OF SAID ROCKLAND VILLAGE; THENCE DEPARTING SAID DALLAS
 STREET AND RUNNING WITH THE EASTERN LINE OF SAID LOT 24
 N 27°10'18" E 220.00' [67.056m] TO A POINT BEING COMMON TO
 LOTS 23, 24, 39 AND 40 OF SAID ROCKLAND VILLAGE THENCE DEPARTING SAID
 EASTERN LINE OF LOT 24 AND RUNNING WITH THE NORTHERN LINE AND
 CONTINUING WITH THE WESTERN LINE OF SAID LOT 24 THE FOLLOWING TWO
 COURSES AND DISTANCES:
 N 62°49'42" W 100.00' [30.480m] TO A POINT BEING COMMON TO
 LOTS 24, 25, 38 AND 39 OF SAID ROCKLAND VILLAGE; THENCE
 S 27°10'18" W 220.00' [67.056m] TO A POINT BEING COMMON TO
 LOTS 24 AND 25 OF SAID ROCKLAND VILLAGE AND ON THE NORTHERN RIGHT-OF-
 WAY LINE OF SAID DALLAS STREET; THENCE DEPARTING SAID LOT 24 AND
 RUNNING WITH SAID DALLAS STREET
 N 62°49'42" W 487.52' [148.596m] TO A POINT BEING COMMON TO
 LOTS 29 AND 30 OF SAID ROCKLAND VILLAGE; THENCE DEPARTING SAID DALLAS
 STREET AND RUNNING WITH THE EASTERN LINE AND CONTINUING WITH THE
 NORTHERN LINE OF SAID LOT 30 FOLLOWING TWO (2) COURSES AND DISTANCES:
 N 19°33'00" E 115.00' [35.051m] TO A POINT BEING COMMON TO
 LOTS 30 AND 31 OF SAID ROCKLAND VILLAGE; THENCE
 N 62°49'42" W 210.00' [64.008m] TO A POINT IN THE LINE OF
 SAID WALNEY ROAD; THENCE DEPARTING SAID LOT 30 AND RUNNING WITH SAID
 WALNEY ROAD THE FOLLOWING TWO (2) COURSES AND DISTANCES:
 N 19°33'00" E 306.07' [93.290m] TO A POINT OF CURVATURE;
 THENCE
 34.08' [10.387m] ALONG AND ARC OF A CURVE DEFLECTING TO THE RIGHT
 AND HAVING A RADIUS OF 20.00' [6.096m], A CENTRAL ANGLE OF
 97°37'18", A CHORD BEARING AND DISTANCE OF N 68°21'39" E 30.10'
 [9.175m] TO THE POINT OF BEGINNING AND CONTAINING 824,897 SQUARE FEET
 [76,635.41 SQUARE METERS] OR 18.93702 AC. [7.66354 HECTARES] OF LAND
 MORE OR LESS.

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PARCEL B

BEGINNING AT A POINT ON THE SOUTHERN RIGHT-OF-WAY LINE OF DALLAS STREET, STATE ROUTE 745 (50' RIGHT-OF-WAY), SAID POINT BEING COMMON TO LOTS 7 AND 8 OF SAID ROCKLAND VILLAGE AS RECORDED IN DEED BOOK 512 AT PAGE 441, AMONG THE LAND RECORDS OF FAIRFAX COUNTY, VIRGINIA; THENCE DEPARTING SAID LOT 7 AND RUNNING WITH SAID DALLAS STREET

S 62°49'42" E 411.87' [125.538m] TO A POINT; THENCE DEPARTING THE SOUTHERN RIGHT-OF-WAY LINE OF SAID DALLAS STREET, CROSSING OVER SAID DALLAS STREET, CONTINUING WITH ELMWOOD STREET, STATE ROUTE 1010 (50' RIGHT-OF-WAY) AND CROSSING THE SOUTHERN RIGHT-OF-WAY LINE OF WESTMORE STREET, STATE ROUTE 3575 (50' RIGHT-OF-WAY)

N 27°10'18" E 515.00' [156.972m] TO A POINT ON THE CENTERLINE OF SAID WESTMORE STREET; THENCE RUNNING WITH THE CENTERLINE OF SAID WESTMORE STREET

S 62°49'42" E 367.20' [111.924m] TO A POINT IN THE LINE OF PINE MEADOWS AS RECORDED IN DEED BOOK 3963 AT PAGE 550 AMONG THE LAND RECORDS OF FAIRFAX COUNTY, VIRGINIA. THENCE DEPARTING THE CENTERLINE OF SAID WESTMORE STREET AND RUNNING WITH THE EASTERN RIGHT-OF-WAY LINE AND CONTINUING WITH SAID PINWOOD MEADOWS

S 16°29'00" W 165.09' [50.319m] TO A POINT; THENCE DEPARTING SAID PINWOOD MEADOWS AND RUNNING WITH WINDING BROOK, SECTION 4 AS RECORDED IN DEED BOOK 6114 AT PAGE 602, CONTINUING WITH WILARD ROAD INDUSTRIAL PARK AS RECORDED IN DEED BOOK 5872 AT PAGE 882, CHANTILLY INDUSTRIAL PARK RECORDED IN DEED BOOK 4046 AT PAGE 522 AND MARKEY BUSINESS PARK A CONDOMINIUM AS RECORDED IN DEED BOOK 6067 AT PAGE 914 AMONG THE LAND RECORDS OF FAIRFAX COUNTY, VIRGINIA THE FOLLOWING THREE [3] COURSES AND DISTANCES:

S 28°05'15" E 356.05' [108.524m] TO A POINT; THENCE

S 61°21'30" W 444.79' [135.571m] TO A POINT; THENCE

N 62°49'42" W 852.35' [259.800m] TO A POINT BEING COMMON TO LOT 7 AND 8; THENCE DEPARTING THE EASTERN LINE OF SAID MARKEY BUSINESS PARK A CONDOMINIUM AND RUNNING WITH THE LINE OF SAID LOT 7

N 27°10'18" E 218.06' [66.464m] TO THE POINT OF BEGINNING AND CONTAINING 470,310 SQUARE FEET [43,693.22 SQUARE METERS] OR 10.79683 AC. [4.36932 HECTARES] OF LAND MORE OR LESS.

THE ABOVE DECRIED LAND HAS BEEN COMPILED OF EXISTING RECORDS.

PARCEL C

BEGINNING AT A POINT BEING THE SOUTHWEST CORNER OF LOT 1 ROCKLAND VILLAGE AS RECORDED IN DEED BOOK 512 AT PAGE 441 AMONG THE LAND RECORDS OF FAIRFAX COUNTY, VIRGINIA AND BEING A COMMON CORNER TO THE BOARD OF SUPERVISORS OF FAIRFAX COUNTY, VIRGINIA, TAX MAP 44-2-((1))-0002, AS RECORDED IN DEED BOOK 4140 PAGE 727 AMONG THE LAND RECORDS OF FAIRFAX COUNTY, VIRGINIA; SAID POINT BEING ON THE EASTERN RIGHT-OF-WAY LINE OF WALNEY ROAD, STATE ROUTE 657 [VARIABLE WIDTH]; THENCE RUNNING WITH SAID EASTERN RIGHT-OF-WAY OF WALNEY ROAD

N 19°33'00" E 220.00' [67.056m] TO A POINT BEING AT THE INTERSECTION OF SAID WALNEY ROAD AND THE SOUTHERN RIGHT-OF-WAY OF DALLAS STREET, STATE ROUTE 745 [50 FOOT RIGHT-OF-WAY], SAID POINT BEING THE NORTHWEST CORNER OF LOT 2 OF SAID ROCKLAND VILLAGE; THENCE DEPARTING THE EASTERN RIGHT-OF-WAY LINE OF SAID WALNEY ROAD AND RUNNING WITH THE SOUTHERN RIGHT-OF-WAY LINE OF SAID DALLAS STREET

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S 62°49'42" E 628.95' [191.704m] TO A POINT BEING COMMON TO
LOTS 6 AND 7 OF SAID ROCKLAND VILLAGE; THENCE DEPARTING DALLAS STREET
AND RUNNING WITH WESTERN LINE OF SAID LOT 7

S 27°10'18" W 218.06' [66.464m] TO A POINT BEING COMMON TO
LOTS 5 AND 6 OF SAID ROCKLAND VILLAGE AND BEING ON THE NORTHERN LINE OF
THE AFOREMENTIONED BOARD OF SUPERVISORS OF FAIRFAX COUNTY; THENCE
DEPARTING SAID LOT 6 AND RUNNING WITH THE LINE OF SAID BOARD OF
SUPERVISORS OF FAIRFAX COUNTY

N 62°49'42" W 599.77' [182.810m] TO THE POINT OF BEGINNING
AND CONTAINING 133,966 SQUARE FEET [12,445.85 SQUARE METERS] OR
3.07544 AC. [1.24458 HECTARES] OF LAND MORE OR LESS.

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RECORDED FAIRFAX CO VA

TESTE:

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SUPPLEMENTARY DECLARATION
FOR
ROCKLAND VILLAGE

Tax Map No. 034-4-06-0001 through 0005;
044-2-02-0008 through 0011; 044-2-02-0022;
044-2-02-023

Phase 4
(Single Family Detached)

THIS SUPPLEMENTARY DECLARATION FOR ROCKLAND VILLAGE is made as of August 17, 2000 by ROCKLAND VILLAGE, L.C., a Virginia limited liability company ("Declarant"); ROCKLAND VILLAGE HOMEOWNERS ASSOCIATION, INC., a Virginia nonstock corporation ("Association"); and M/I SCHOTTENSTEIN HOMES, INC. an Ohio corporation ("Builder").

RECITALS:

R-1. The Declarant executed the Declaration For Rockland Village ("Declaration") dated August 17, 2000 and recorded on NOVEMBER 1, 2000 immediately prior hereto among the land records of Fairfax County, Virginia ("Land Records") as instrument number 192292, submitting certain real estate as further described in the Declaration to the covenants, charges, restrictions, easements and liens contained in the Declaration.

R-2. Section 4.1 of the Declaration reserves to the Declarant the unilateral right to sign and record Supplementary Declarations submitting certain land, designated as Additional Land and described in Exhibit B thereto, to the Declaration and the jurisdiction of the Association until the fifteenth anniversary of the date of recordation of the Declaration.

R-3. The Builder and the Association are the owners in fee simple absolute of a portion of certain real estate described in Exhibit A hereto and constituting a portion of the Additional Land and the Builder and the Association have consented to submit such land to the Declaration as evidenced by their signature hereon.

R-4. The Declarant has complied with the provisions of Article 4 of the Declaration and wishes to submit the real estate described in Exhibit A hereto to the Declaration and this Supplementary Declaration.

NOW, THEREFORE, the Declarant, the Builder and the Association hereby covenant and declare on behalf of themselves and their respective successors and assigns that all of the real estate described in Exhibit A hereto, together with such

BOX 56
MERIT TITLE COME.
3900 UNIVERSITY DRIVE
FAIRFAX, VIRGINIA 22030
(F00-0001)

additions as may hereafter be made thereto as provided in Article 2 hereof, shall, from the date this Supplementary Declaration is recorded, be held, conveyed, acquired and encumbered subject to the covenants, charges, restrictions, easements, liens and other provisions of the Declaration as the same may be amended from time to time in accordance with the provisions for amendment contained therein, and subject to the covenants, charges, restrictions, easements, liens and other provisions set forth herein.

ARTICLE 1

PHASE DESIGNATION

The land described on Exhibit A hereto shall be known by the designation set forth in the title hereof.

ARTICLE 2

ADDITIONAL LAND

All or any part of the land designated as Additional Land in Exhibit B to the Declaration may be added to this Phase and submitted to the Declaration and this Supplementary Declaration, without the consent of the Association and the Owners (except for the owner of the real estate being submitted to this Supplementary Declaration) or the Mortgagees, for so long as the Declarant retains the right to add Additional Land pursuant to Section 4.1 of the Declaration. The Declarant may submit such real estate by recording an amendment to this Supplementary Declaration or recording a separate Supplementary Declaration signed by the Declarant which designates such Additional Land as part of this Phase.

ARTICLE 3

COMMON AREA

The real estate described in Exhibit B hereto will be Common Area effective upon conveyance to the Association.

ARTICLE 4

LIMITED COMMON EXPENSE ASSESSMENTS

Section 4.1. Purpose. Assessments for Limited Common Expenses made against the Lots in this Phase shall be used for the purpose of providing services which are necessary or desirable for the health, safety and welfare of the Owners of Lots within the Phase. Such services may include: (i) management and Upkeep and reservation of reserves for Upkeep of any Common Area designated as Limited Common Area primarily for the benefit of Lots in this Phase; (ii) management and Upkeep and the reservation of reserves for Upkeep of private streets and parking areas located within this Phase; (iii) services only

benefiting Lots within this Phase; or (iv) any purpose consistent with Subsection 6.2(a)(2) of the Declaration.

Section 4.2. Basis of Assessment. The basis for assessment shall be as set forth in Section 6.2(a)(2) of the Declaration.

Section 4.3. Method of Assessment. The Lots which are part of this Phase shall be assessed in accordance with this Article and Article 6 of the Declaration.

ARTICLE 5

GENERAL PROVISIONS

Section 5.1. Amendment/Termination. Subject to the Declarant's right to add Additional Land to this Phase pursuant to Article 2 hereof and unilaterally to amend a Supplementary Declaration in accordance with Section 14.1 of the Declaration, the provisions of this Supplementary Declaration may be amended only by an instrument signed or ratified by: (1) the Declarant, during the Development Period; (2) the Owners by at least a Sixty-seven Percent Vote of the Owners or with the written approval of members entitled to cast at least sixty-seven percent of the total number of votes appurtenant to Lots in this Phase (including the Declarant based on a pro rata allocation of Class B votes or Class A votes entitled to be cast by the Declarant); and (3) an Officer of the Association as authorized by the Board of Directors. All amendments shall be made in accordance with the provisions of Section 14.4 of the Declaration by obtaining the approval of Owners of Lots in this Phase and Mortgagees holding Mortgages on Lots in this Phase, if necessary. Any amendment which conflicts with the provisions of the Declaration shall be void. No amendment shall have the effect of terminating the Supplementary Declaration or withdrawing the real estate described on Exhibit A hereto from the Supplementary Declaration or Declaration, except in accordance with the provisions for termination or withdrawal in the Declaration. Upon withdrawal of any portion of land described in Exhibit A hereto from the provisions of the Declaration in accordance with the requirements of Section 4.4 thereof, such land shall also be deemed to be withdrawn from the provision of this Supplementary Declaration. An amendment or termination shall not be effective until recorded among the Land Records. During the Declarant Control Period and subject to the Declarant's right to add Additional Land pursuant to Article 2 hereof and to amend unilaterally a Supplementary Declaration in accordance with Section 14.1 of the Declaration, amendment or termination of this Supplementary Declaration requires the approval of the Department of Veterans Affairs (VA), if a Mortgage on a Lot in this Phase is guaranteed by VA, and the approval of the Federal Housing Administration (FHA), if a Mortgage on a Lot in this Phase is insured by FHA.

Section 5.2. Enforcement. The Association, the Declarant or any Owner or Mortgagee of Lots in this Phase shall have the

right, by any proceeding at law or in equity, to enforce all covenants, charges, restrictions, easements and liens now or hereafter imposed by the provisions of this Supplementary Declaration. Failure to enforce any provision herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5.3. Severability. Invalidation of any one of the provisions of this Supplementary Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 5.4. Terms and Definitions. The terms used herein shall have the same meaning and definition as set forth in the Declaration, except as otherwise specifically stated.

This Supplementary Declaration may be signed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

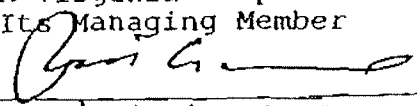
IN WITNESS WHEREOF, the undersigned have caused this Supplementary Declaration to be executed pursuant to due and proper authority as of the date first set forth above.

ROCKLAND VILLAGE, LC
a Virginia limited liability
company

By: KSI AMERICA, LP, a
Virginia limited partnership,
Its Managing Member

By: KSI SERVICES/AMERICA, LLC,
a Virginia limited liability
company, Its General Partner

By: KSI Services, Inc.
A Virginia corporation
Its Managing Member

By: 
Name: Richard W. Hauser
Title: President

BK 11582 0733

State OF Virginia ,
County OF Fairfax) SS:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Richard W. Hausler,
President of KSI Services, Inc., Managing Member of KSI Services/America, LLC, General Partner of KSI America LP, Managing Member of Rockland Village, LC, whose name is signed to the foregoing instrument, has acknowledged the same before me in the aforesaid jurisdiction as a duly authorized officer of the company.

GIVEN under my hand and seal on August 17, 2000.

 [SEAL]
Notary Public

My commission expires: 9/30/00

BK 11582 0734

ROCKLAND VILLAGE
HOMEOWNERS ASSOCIATION, INC.

By: Bethany Jones
Name: Bethany Jones
Title: President

My commission expires: _____

STATE OF VIRGINIA)
COUNTY OF FAIRFAX) SS:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Bethany Jones, President of ROCKLAND VILLAGE HOMEOWNERS ASSOCIATION, INC., whose name is signed to the foregoing instrument, has acknowledged the same before me in the aforesaid jurisdiction as a duly authorized officer of the corporation.

GIVEN under my hand and seal on September 13, 2000.

Mary St (SEAL)
Notary Public

My commission expires: 9/30/03

BK 11582 0735

M/I SCHOTTENSTEIN HOMES, INC.
an Ohio corporation

By: 

Name: Thomas P. Dunn

Title: Area President

State OF Virginia
County OF Fairfax) SS:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Thomas P. Dunn, Area President of M/I SCHOTTENSTEIN HOMES, INC., whose name is signed to the foregoing instrument, has acknowledged the same before me in the aforesaid jurisdiction as a duly authorized officer of the company.

GIVEN under my hand and seal on August 23, 2000.

Julie A. St. Denis (SEAL)
Notary Public

My commission expires: Oct. 31, 2003

BK 11582 0736

EXHIBIT A

[Description of the Submitted Land]

Lots One (1) through Forty-five(45), inclusive, and Parcels A, B, C, D and E, and Outlot F, ROCKLAND VILLAGE, Phase 4, as the same appear duly dedicated, platted and subdivided as instrument number 192291 among the Land Records.

BK 11582 0737

EXHIBIT B
[Description of the Common Area]

Parcels A, B, C, D and E, and Outlot F, ROCKLAND VILLAGE, Phase 4, as the same appear duly dedicated, platted, subdivided and recorded prior hereto as instrument number 192291 among the Land Records.

NOV -1 00

RECORDED FAIRFAX CO VA

TESTE

CLERK

00 NOV -1 AM 10:50

BK 11582 0791

192295

(BOX 5)
MERIT TITLE CO., INC.
3900 UNIVERSITY DRIVE
FAIRFAX, VIRGINIA 22030
(703-0001)

SUPPLEMENTARY DECLARATION
FOR
ROCKLAND VILLAGE

Tax Map Nos. 0034-4-06-0043 through 0045;
044-2-02-0012 through 0020 and 044-2-01-0001

Phase 3
(Townhouse)

THIS SUPPLEMENTARY DECLARATION FOR ROCKLAND VILLAGE is made as of October 6, 2000 by ROCKLAND VILLAGE, L.C., a Virginia limited liability company ("Declarant"); ROCKLAND VILLAGE HOMEOWNERS ASSOCIATION, INC., a Virginia nonstock corporation ("Association"); and SLF CHANTILLY, LLC, a Delaware limited liability company ("Builder").

RECITALS:

R-1. The Declarant executed the Declaration For Rockland Village ("Declaration") dated August 17, 2000 and recorded as instrument number 192292 among the land records Fairfax County, Virginia ("Land Records"), submitting certain real estate as further described in the Declaration to the covenants, charges, restrictions, easements and liens contained in the Declaration.

R-2. Section 4.1 of the Declaration reserves to the Declarant the unilateral right to sign and record Supplementary Declarations submitting certain land, designated as Additional Land and described in Exhibit B thereto, to the Declaration and the jurisdiction of the Association until the fifteenth anniversary of the date of recordation of the Declaration.

R-3. The Builder and the Association are the owners in fee simple absolute of a portion of certain real estate described in Exhibit A hereto and constituting a portion of the Additional Land and the Builder and the Association have consented to submit such land to the Declaration as evidenced by their signature hereon.

R-4. The Declarant has complied with the provisions of Article 4 of the Declaration and wishes to submit the real estate described in Exhibit A hereto to the Declaration and this Supplementary Declaration.

NOW, THEREFORE, the Declarant, the Builder and the Association hereby covenant and declare on behalf of themselves and their respective successors and assigns that all of the real estate described in Exhibit A hereto, together with such additions as may hereafter be made thereto as provided in Article 2 hereof, shall, from the date this Supplementary Declaration is

recorded, be held, conveyed, acquired and encumbered subject to the covenants, charges, restrictions, easements, liens and other provisions of the Declaration as the same may be amended from time to time in accordance with the provisions for amendment contained therein, and subject to the covenants, charges, restrictions, easements, liens and other provisions set forth herein.

ARTICLE 1

PHASE DESIGNATION

The land described on Exhibit A hereto shall be known by the designation set forth in the title hereof.

ARTICLE 2

ADDITIONAL LAND

All or any part of the land designated as Additional Land in Exhibit B to the Declaration may be added to this Phase and submitted to the Declaration and this Supplementary Declaration, without the consent of the Association and the Owners (except for the owner of the real estate being submitted to this Supplementary Declaration) or the Mortgagees, for so long as the Declarant retains the right to add Additional Land pursuant to Section 4.1 of the Declaration. The Declarant may submit such real estate by recording an amendment to this Supplementary Declaration or recording a separate Supplementary Declaration signed by the Declarant which designates such Additional Land as part of this Phase.

ARTICLE 3

COMMON AREA AND LIMITED COMMON AREA

The real estate described in Exhibit B hereto will be Common Area and the parking areas thereon shall be Limited Common Area primarily to serve the Lots in this Phase effective upon conveyance to the Association.

ARTICLE 4

LIMITED COMMON EXPENSE ASSESSMENTS

Section 4.1. Purpose. Assessments for Limited Common Expenses made against the Lots in this Phase shall be used for the purpose of providing services which are necessary or desirable for the health, safety and welfare of the Owners of Lots within the Phase. Such services may include: (i) management and Upkeep and reservation of reserves for Upkeep of any Common Area designated as Limited Common Area primarily for the benefit of Lots in this Phase; (ii) management and Upkeep and

the reservation of reserves for Upkeep of private streets and parking areas located within this Phase; (iii) services only benefiting Lots within this Phase; or (iv) any purpose consistent with Subsection 6.2(a)(2) of the Declaration.

Section 4.2. Basis of Assessment. The basis for assessment shall be as set forth in Section 6.2(a)(2) of the Declaration.

Section 4.3. Method of Assessment. The Lots which are part of this Phase shall be assessed in accordance with this Article and Article 6 of the Declaration.

ARTICLE 5

GENERAL PROVISIONS

Section 5.1. Amendment/Termination. Subject to the Declarant's right to add Additional Land to this Phase pursuant to Article 2 hereof and unilaterally to amend a Supplementary Declaration in accordance with Section 14.1 of the Declaration, the provisions of this Supplementary Declaration may be amended only by an instrument signed or ratified by: (1) the Declarant, during the Development Period; (2) the Owners by at least a Sixty-seven Percent Vote of the Owners or with the written approval of Owners entitled to cast at least sixty-seven percent of the total number of votes appurtenant to Lots in this Phase (including the Declarant based on a pro rata allocation of Class B votes or Class A votes entitled to be cast by the Declarant); and (3) an Officer of the Association as authorized by the Board of Directors. All amendments shall be made in accordance with the provisions of Section 14.4 of the Declaration by obtaining the approval of Owners of Lots in this Phase and Mortgagees holding Mortgages on Lots in this Phase, if necessary. Any amendment which conflicts with the provisions of the Declaration shall be void. No amendment shall have the effect of terminating the Supplementary Declaration or withdrawing the real estate described on Exhibit A hereto from the Supplementary Declaration or Declaration, except in accordance with the provisions for termination or withdrawal in the Declaration. Upon withdrawal of any portion of land described in Exhibit A hereto from the provisions of the Declaration in accordance with the requirements of Section 4.4 thereof, such land shall also be deemed to be withdrawn from the provision of this Supplementary Declaration. An amendment or termination shall not be effective until recorded among the Land Records. During the Declarant Control Period and subject to the Declarant's right to add Additional Land pursuant to Article 2 hereof and, to amend unilaterally a Supplementary Declaration in accordance with Section 14.1 of the Declaration, amendment or termination of this Supplementary Declaration requires the approval of the Department of Veterans Affairs (VA), if a Mortgage on a Lot in this Phase is guaranteed by VA, and the approval of the Federal Housing Administration (FHA), if a Mortgage on a Lot in this Phase is insured by FHA.

Section 5.2. Enforcement. The Association, the Declarant or any Owner or Mortgagee of Lots in this Phase shall have the right, by any proceeding at law or in equity, to enforce all covenants, charges, restrictions, easements and liens now or hereafter imposed by the provisions of this Supplementary Declaration. Failure to enforce any provision herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5.3. Severability. Invalidation of any one of the provisions of this Supplementary Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 5.4. Terms and Definitions. The terms used herein shall have the same meaning and definition as set forth in the Declaration, except as otherwise specifically stated.

This Supplementary Declaration may be signed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

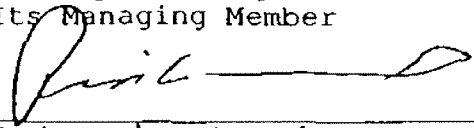
IN WITNESS WHEREOF, the undersigned have caused this Supplementary Declaration to be executed pursuant to due and proper authority as of the date first set forth above.

ROCKLAND VILLAGE, LC
a Virginia limited liability
company

By: KSI AMERICA, LP, a
Virginia limited partnership,
Its Managing Member

By: KSI SERVICES/AMERICA, LLC,
a Virginia limited liability
company, Its General Partner

By: KSI Services, Inc.
A Virginia corporation
Its Managing Member

By: 
Name: Richard W. Hausler
Title: President

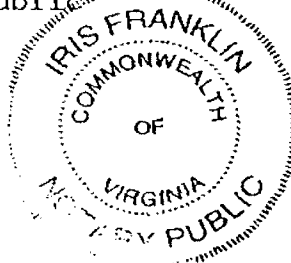
County of Franklin)
 State of Virginia) SS:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Richard W. Hawker, President of KSI Services, Inc., Managing Member of KSI Services/America, LLC, General Partner of KSI America LP, Managing Member of Rockland Village, LC, whose name is signed to the foregoing instrument, has acknowledged the same before me in the aforesaid jurisdiction as a duly authorized officer of the company.

GIVEN under my hand and seal on 10-19, 2000.

Irish Franklin [SEAL]
 Notary Public

My commission expires: 08-31-03



8K11582 0796

ROCKLAND VILLAGE
HOMEOWNERS ASSOCIATION, INC.

By: Bethany Jones
Name: BETHANY JONES
Title: President

My commission expires: March 31, 2002

County OF Fairfax)
State OF Virginia) SS:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that BETHANY JONES, President of ROCKLAND VILLAGE HOMEOWNERS ASSOCIATION, INC., whose name is signed to the foregoing instrument, has acknowledged the same before me in the aforesaid jurisdiction as a duly authorized officer of the corporation.

GIVEN under my hand and seal on October 13, 2, 2000.

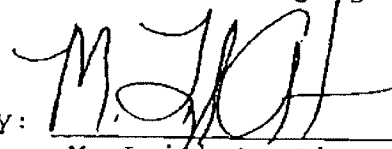
M. Dexter Warner [SEAL]
Notary Public

My commission expires: June 31, 2002

BK 11582 0797

SLE CHANTILLY, LLC,
a Delaware limited liability company
By: Saybrook Chantilly Investors, LLC,
a Delaware limited liability
company, its managing member
By: Saybrook Capital, LLC, a
California limited liability
company, its managing member

By:



M. Leigh Austin,
Managing Director

State of California)

County of Los Angeles)

ss.

On October 6, 2000, before me, the undersigned, a
Notary Public in and for said State, personally appeared
M. LEIGH AUSTIN, personally known to me (or
proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the
same in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed
the instrument.

WITNESS my hand and official seal.

Diana Hagerott

(Seal)



My commission expires: 12-14-03

BK 11582 0798

EXHIBIT A

[Description of the Submitted Land]

Lots One (1) through Eighty-six(86), inclusive, and Parcel A, ROCKLAND VILLAGE, Phase 3, as the same appear duly dedicated, platted and subdivided as instrument number 192294 among the Land Records.

BK 11582 0799

EXHIBIT B
[Description of the Common Area]

Parcel A, ROCKLAND VILLAGE, Phase 3, as the same appears
duly dedicated, platted and subdivided as instrument number
192294 among the Land Records.

BK11582 0800

CONSENT OF TRUSTEES TO
SUPPLEMENTARY DECLARATION FOR ROCKLAND VILLAGE -PHASE 3

THIS CONSENT OF TRUSTEES is made as of October 10, 2000, by CHEVY CHASE BANK, F.S.B., a federal savings bank ("Mortgagee"), and MICHAEL S. DONOVAN and ERIC A. LAWRENCE, Trustees ("Trustees").

The undersigned as beneficiary under a certain Deed of Trust, dated April 26, 2000, and recorded among the land records of Fairfax County, Virginia ("Land Records") in Deed Book 11334 at Page 155 ("Mortgage") hereby consents to: 1) the execution and recordation of the Supplementary Declaration for ROCKLAND VILLAGE, Phase 3, dated October 6, 2000 ("Supplementary Declaration") and recorded on NOVEMBER 1, 2000 in ~~Deed Book~~ Instrument at Page 192295 among the Land Records; 2) the submission of the real estate described in Exhibits A and B thereto to the Supplementary Declaration and the Declaration for Rockland Village dated August 17, 2000 ("Declaration") and recorded on NOVEMBER 1, 2000 in ~~Deed Book~~ INSTR at Page 192292 among the Land Records; and 3) the subordination of the Mortgage to the Declaration and the Supplementary Declaration, and for such purposes hereby directs the trustees under the Mortgage to join in the execution and delivery of this Consent of Trustees to Supplementary Declaration.

IN WITNESS WHEREOF, the undersigned CHEVY CHASE BANK, F.S.B., a federal savings bank, has caused this Consent of Trustees to be executed and recorded pursuant to due and proper authority as of the date first set forth above.

MORTGAGEE:

CHEVY CHASE BANK, F.S.B.,
a federal savings bank

By: [Signature]
Name: PATRICK L. BORKS
Title: VICE PRES.

BK11582 0801

State of Maryland)
CITY/COUNTY of Montgomery) ss:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Patrick L. Burke, Vice President of CHEVY CHASE BANK, F.S.B., whose name is signed to the foregoing Consent of Trustees has acknowledged the same before me in the aforesaid jurisdiction as an authorized officer of the bank.

GIVEN under my hand and seal on October 10, 2000.

Daniela Michele Moya [SEAL]
Notary Public

My commission expires: DANIELA MICHELE MOYA
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires November 15, 2003

BK11582 0802

The undersigned Trustees, at the request of the Mortgagee as evidenced above, join in, without liability or obligation for the sole purpose of subordinating the lien of the Mortgage to provisions of the Declaration and the Supplementary Declaration.



[SEAL]

MICHAEL S. DONOVAN, TRUSTEE

and/or

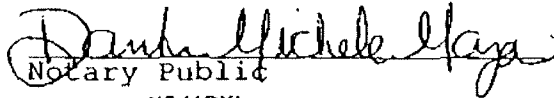


[SEAL]

ERIC A. LAWRENCE, TRUSTEE

State of Maryland)
County/City of Montgomery) ss:

The foregoing instrument was acknowledged before me this 10 day of October 2000, by MICHAEL S. DONOVAN, Trustee.



[SEAL]

Notary Public

DANIELA MICHELE MOYA

NOTARY PUBLIC STATE OF MARYLAND

My commission expires: My Commission Expires November 15, 2003

State of Maryland)
County/City of Montgomery) ss:

The foregoing instrument was acknowledged before me this 10 day of October 2000, by ERIC A. LAWRENCE, Trustee.



[SEAL]

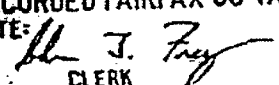
Notary Public

DANIELA MICHELE MOYA

NOTARY PUBLIC STATE OF MARYLAND

My commission expires: My Commission Expires November 15, 2003

NOV -1 00

RECORDED FAIRFAX CO VA
TESTE: 
CLERK

FILED

SUPPLEMENTARY DECLARATION
FOR
ROCKLAND VILLAGE

SEP 14 2001

JOHN T. FREY
Clerk of the Circuit Court
of Fairfax County, VA

Tax Map No. 034-4-06-0024 and 044-2-02-0006

Phase 4

THIS SUPPLEMENTARY DECLARATION FOR ROCKLAND VILLAGE is made as of September 9, 2001, by and among ROCKLAND VILLAGE, L.C., a Virginia limited liability company ("Declarant").

RECITALS:

R-1. The Declaration For Rockland Village ("Declaration") was recorded in Deed Book 11582 at Page 644 among the land records of Fairfax County, Virginia ("Land Records") submitting certain real estate as further described in the Declaration to the covenants, charges, restrictions, easements and liens contained in the Declaration.

R-2. Section 4.1 of the Declaration reserves to the Declarant the unilateral right to sign and record Supplementary Declarations submitting certain land, designated as Additional Land and described in Exhibit B thereto, to the Declaration and the jurisdiction of the Association until the fifteenth anniversary of the date of recordation of the Declaration.

R-3. The Declarant is the owner in fee simple absolute of certain real estate described in Exhibit A hereto and constituting the Additional Land and the Declarant has consented to submit such land to the Declaration as evidenced by their signature hereon.

R-4. The Declarant has complied with the provisions of Article 4 of the Declaration and wishes to submit the real estate described in Exhibit A hereto to the Declaration and this Supplementary Declaration.

NOW, THEREFORE, the Declarant hereby covenant and declare on behalf of themselves and their respective successors and assigns that all of the real estate described in Exhibit A hereto, together with such additions as may hereafter be made thereto as provided in Article 2 hereof, shall, from the date this Supplementary Declaration is recorded, be held, conveyed, acquired and encumbered subject to the covenants, charges, restrictions, easements, liens and other provisions of the Declaration as the same may be amended from time to time in accordance with the provisions for amendment contained therein, and subject to the covenants, charges, restrictions, easements, liens and other provisions set forth herein.

Reed Smith Hazzell & Thomas LLP
3110 Fairview Park Drive, Suite 1400
PO Box 12001
Falls Church, Virginia 22042
(504) (KH)

ARTICLE 1

PHASE DESIGNATION

The land described on Exhibit A hereto shall be known by the designation set forth in the title hereof.

ARTICLE 2

ADDITIONAL LAND

All or any part of the land designated as Additional Land in Exhibit B to the Declaration may be added to this Phase and submitted to the Declaration and this Supplementary Declaration, without the consent of the Association and the Owners (except for the owner of the real estate being submitted to this Supplementary Declaration) or the Mortgagees, for so long as the Declarant retains the right to add Additional Land pursuant to Section 4.1 of the Declaration. The Declarant may submit such real estate by recording an amendment to this Supplementary Declaration or recording a separate Supplementary Declaration signed by the Declarant which designates such Additional Land as part of this Phase.

ARTICLE 3

COMMON AREA

A portion of the real estate described in Exhibit A hereto may be Common Area upon conveyance to the Association.

ARTICLE 4

LIMITED COMMON EXPENSE ASSESSMENTS

Section 4.1. Purpose. Assessments for Limited Common Expenses made against the Lots in this Phase shall be used for the purpose of providing services which are necessary or desirable for the health, safety and welfare of the Owners of Lots within the Phase. Such services may include: (i) management and Upkeep and reservation of reserves for Upkeep of any Common Area designated as Limited Common Area primarily for the benefit of Lots in this Phase; (ii) management and Upkeep and the reservation of reserves for Upkeep of private streets and parking areas located within this Phase; (iii) services only benefiting Lots within this Phase; or (iv) any purpose consistent with Subsection 6.2(a)(2) of the Declaration.

Section 4.2. Basis of Assessment. The basis for assessment shall be as set forth in Section 6.2(a)(2) of the Declaration.

Section 4.3. Method of Assessment. The Lots which are part of this Phase shall be assessed in accordance with this Article and Article 6 of the Declaration.

ARTICLE 5

GENERAL PROVISIONS

Section 5.1. Amendment/Termination. Subject to the Declarant's right to add Additional Land to this Phase pursuant to Article 2 hereof and unilaterally to amend a Supplementary Declaration in accordance with Section 14.1 of the Declaration, the provisions of this Supplementary Declaration may be amended only by an instrument signed or ratified by: (1) the Declarant, during the Development Period; (2) the Owners by at least a Sixty-seven Percent Vote of the Owners or with the written approval of members entitled to cast at least sixty-seven percent of the total number of votes appurtenant to Lots in this Phase (including the Declarant based on a pro rata allocation of Class B votes or Class A votes entitled to be cast by the Declarant); and (3) an Officer of the Association as authorized by the Board of Directors. All amendments shall be made in accordance with the provisions of Section 14.4 of the Declaration by obtaining the approval of Owners of Lots in this Phase and Mortgagees holding Mortgages on Lots in this Phase, if necessary. Any amendment which conflicts with the provisions of the Declaration shall be void. No amendment shall have the effect of terminating the Supplementary Declaration or withdrawing the real estate described on Exhibit A hereto from the Supplementary Declaration or Declaration, except in accordance with the provisions for termination or withdrawal in the Declaration. Upon withdrawal of any portion of land described in Exhibit A hereto from the provisions of the Declaration in accordance with the requirements of Section 4.4 thereof, such land shall also be deemed to be withdrawn from the provision of this Supplementary Declaration. An amendment or termination shall not be effective until recorded among the Land Records. During the Declarant Control Period and subject to the Declarant's right to add Additional Land pursuant to Article 2 hereof and to amend unilaterally a Supplementary Declaration in accordance with Section 14.1 of the Declaration, amendment or termination of this Supplementary Declaration requires the approval of the Federal Housing Administration (FHA), if a Mortgage on a Lot in this Phase is insured by FHA.

Section 5.2. Enforcement. The Association, the Declarant or any Owner or Mortgagee of Lots in this Phase shall have the right, by any proceeding at law or in equity, to enforce all covenants, charges, restrictions, easements and liens now or hereafter imposed by the provisions of this Supplementary Declaration. Failure to enforce any provision herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5.3. Severability. Invalidation of any one of the provisions of this Supplementary Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 5.4. Terms and Definitions. The terms used herein shall have the same meaning and definition as set forth in the Declaration, except as otherwise specifically stated.

This Supplementary Declaration may be signed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

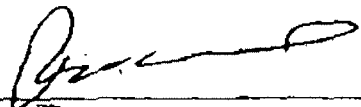
IN WITNESS WHEREOF, the undersigned have caused this Supplementary Declaration to be executed pursuant to due and proper authority as of the date first set forth above.

ROCKLAND VILLAGE, LC
a Virginia limited liability company

By: KSI AMERICA, LP, a Virginia limited
partnership, Its Managing Member

By: KSI SERVICES/AMERICA, LLC, a
Virginia limited liability company, Its
General Partner

By: KSI Services, Inc.
A Virginia corporation
Its Managing Member

By: 
Title: President

State OF Virginia)
) SS:
County OF Fairfax)

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Richard W. Huster, President of KSI Services, Inc., Managing Member of KSI Services/America, LLC, General Partner of KSI America LP, Managing Member of Rockland Village, LC, whose name is signed to the foregoing instrument, has acknowledged the same before me in the aforesaid jurisdiction as a duly authorized officer of the company.

GIVEN under my hand and seal on 9/10, 2001

[Signature] [SEAL]
Notary Public

My commission expires: 9/30/03

Exhibit A

Lot 6, Rockland Village, as the same appears duly dedicated, platted and recorded in Deed Book 512, at Page 441, among the land records of Fairfax County, Virginia.

Lot Numbered Twenty-Four (24) of the subdivision known as Rockland Village, as per deed of dedication thereof with plat annexed, dated September 20, 1946, and duly recorded in Deed Book 512, at Page 441, among the land records of Fairfax County, Virginia.