

BK 13853 1694

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Tax Map Numbers: 107-3 ((1)) Parcels 13A, 13B, 14, and 16

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LORTON VALLEY

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR LORTON VALLEY

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LORTON VALLEY

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made this 27th day of November, 2002, by SCC LORTON SOUTH, LLC, a Delaware limited liability company, its successors and assigns ("SCC"); THE RYLAND GROUP, INC., a Maryland corporation, its successors and assigns ("Ryland"); M/I SCHOTTENSTEIN HOMES, INC., an Ohio corporation, d/b/a M/I Homes, its successors and assigns ("M/I Homes"); KSI SERVICES, INC., a Virginia corporation, its successors and assigns ("KSI"); LORTON VALLEY III, L.C., a Virginia limited liability company, its successors and assigns ("Lorton Valley III"); LORTON VALLEY EAST, L.C. a Virginia limited liability company, its successors and assigns ("Lorton Valley East"); FOURTH PLACE L.C., a Virginia limited liability company, its successors and assigns ("Fourth Place"); FIFTH PLACE, L.C., a Virginia limited liability company, its successors and assigns ("Fifth Place"); and LORTON VALLEY HOMEOWNERS ASSOCIATION, INC. a Virginia non-stock corporation, its successors and assigns (the "Association").

WITNESSETH

R-1. SCC is the owner of certain real property situate in Fairfax County, Virginia (the "SCC Submitted Property"), with tax map numbers 107-3 ((1)) Parcels 13A, 13B, 14, and 16 (individually referred to as "Parcel 13A", "Parcel 13B", "Parcel 14", and "Parcel 16", respectively), having acquired the SCC Submitted Property by deeds recorded in Deed Book 12155, at Pages 1876, 1887, and 1892, respectively, all among the Land Records, said SCC Property being the Submitted Land (as defined hereinafter), as more particularly described and designated on Exhibit A.

R-2. SCC is also the owner of certain real property situate in Fairfax County, Virginia (the "SCC Additional Property"), with tax map number 107-3 ((1)) Parcel 15, having acquired the SCC Additional Property by deed recorded in Deed Book 12955, at Page 1490 (as corrected in Deed Book 13052, at Page 255), among the Land Records, said SCC Additional Property being a part of the Additional Land (as defined hereinafter), as more particularly described and designated on Exhibit B.

R-3. Ryland is the owner of certain real property situate in Fairfax County, Virginia (the "Ryland Property"), with tax map number 107-3 ((1)) Parcel 13, having acquired the Ryland Property by deed recorded in Deed Book 12768, at Page 1718, among the land records of Fairfax County, Virginia ("Land Records"), said Ryland Property being part of the Additional Land (as defined hereinafter), as more particularly described and designated on Exhibit B.

R-4. M/I Homes is the owner of certain real property situate in Fairfax County, Virginia (the "M/I Homes Property"), with tax map number 107-3 ((1)) Parcel 3A, having acquired the M/I Homes Property by deed recorded in Deed Book 12145, at Page 178, among the Land Records, said

M/I Homes Property being part of the Additional Land (as defined hereinafter), as more particularly described and designated on Exhibit B.

R-5. Lorton Valley III is the owner of certain real property situate in Fairfax County, Virginia (the "Lorton Valley III Property"), with tax map number 113-2 ((1)) Parcel 1, having acquired the Lorton Valley III Property by deed recorded in Deed Book 12078, at Page 1901, among the Land Records, said Lorton Valley III Property being part of the Additional Land (as defined hereinafter), as more particularly described and designated on Exhibit B.

R-6. Lorton Valley East is the owner of certain real property situate in Fairfax County, Virginia (the "Lorton Valley East Property"), with tax map numbers 107-3 ((3)) Parcels 24 and 31, having acquired the Lorton Valley East Property by deed recorded in Deed Book 12114, at Page 2090, among the Land Records, said Lorton Valley East Property being part of the Additional Land (as defined hereinafter), as more particularly described and designated on Exhibit B.

R-7. Fourth Place is the owner of certain real property situate in Fairfax County, Virginia (the "Fourth Place Property"), with tax map numbers 107-4 ((7)) Parcels 47 and 48, having acquired the Fourth Place Property by deeds recorded in Deed Book 12713, at Page 2137, and Deed Book 13287, at Page 402, respectively, both among the Land Records, said Fourth Place Property being part of the Additional Land (as defined hereinafter), as more particularly described and designated on Exhibit B.

R-8. Fifth Place is the owner of certain real property situate in Fairfax County, Virginia (the "Fifth Place Property"), with tax map number 107-3 ((3)) Parcel 27, having acquired the Fifth Place Property by deed recorded in Deed Book 12327, at Page 361, among the Land Records, said Fifth Place Property being part of the Additional Land (as defined hereinafter), as more particularly described and designated on Exhibit B.

R-9. SCC (hereinafter also referred to as the "Declarant") as the owner of the real property specifically described on Exhibit A hereto, intends by this Declaration to impose upon the SCC Submitted Property mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of property within the Lorton Valley subdivision, to provide a flexible and reasonable procedure for the overall development of the property and the interrelationships of the various types of development within the Lorton Valley development, and to establish a method for the administration, maintenance, preservation, use, enjoyment, and promotion of such property as is now or may hereafter be submitted to this Declaration.

R-10. SCC wishes to reserve unto itself the right to add all or any of the SCC Additional Property, which constitutes a portion of the land designated as Additional Land in the legal description attached hereto and made a part hereof as Exhibit B, to the Submitted Land, and may hereafter decide to subject all or any portion of the SCC Additional Property to the provisions of this Declaration, as amended from time to time

R-11. Ryland wishes to reserve unto itself the right to add all or any of the Ryland Property, which constitutes a portion of the land designated as Additional Land in the legal description

attached hereto and made a part hereof as Exhibit B, to the Submitted Land, and may hereafter decide to subject all or any portion of the Ryland Property to the provisions of this Declaration, as amended from time to time.

R-12. M/I Homes wishes to reserve unto itself the right to add all or any of the M/I Homes Property, which constitutes a portion of the land designated as Additional Land in the legal description attached hereto and made a part hereof as Exhibit B, to the Submitted Land, and may hereafter decide to subject all or any portion of the M/I Homes Property to the provisions of this Declaration, as amended from time to time.

R-13. Ryland and M/I Homes hereby consent to accept the rights and responsibilities of the Declarant, as co-declarants with SCC, at such time as all or any portion of the Ryland Property or the M/I Homes Property, as appropriate, is subjected to the provisions of this Declaration, as amended from time to time.

R-14. Lorton Valley III, Lorton Valley East, Fourth Place, and Fifth Place wish to reserve unto themselves the right to add all or any of the Lorton Valley III Property, the Lorton Valley East Property, the Fourth Place Property, or the Fifth Place Property, respectively, said Lorton Valley III Property, Lorton Valley East Property, Fourth Place Property, and Fifth Place Property constituting a portion of the land designated as Additional Land in the legal description attached hereto and made a part hereof as Exhibit B, to the Submitted Land, and may hereafter decide to subject all or any portion of the Lorton Valley III Property, the Lorton Valley East Property, the Fourth Place Property, the Fifth Place Property, as appropriate, to the provisions of this Declaration, as amended from time to time.

R-15. KSI (hereinafter also referred to as the "Developer") has formed the Lorton Valley Homeowners Association, Inc., a Virginia non-stock corporation (the "Association"). The Declarant, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and Fifth Place intend, and the Association hereby accepts, that the Association shall perform, on its own, or in conjunction with other entities, activities reasonably necessary and proper for the administration, maintenance, preservation, use, enjoyment, and promotion of property contained within the Lorton Valley subdivision in accordance with the terms, conditions, and restrictions contained herein.

R-16. In order to provide for the preservation and enhancement of property values, the maintenance and care of common areas and other amenities, and the orderly development of such real estate in the Lorton Valley subdivision, the Declarant, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and Fifth Place desire to subject the real property owned by the Declarant together with such additions thereto as may be made in the manner provided hereinafter, to the covenants, restrictions, easements, charges and liens hereinafter set forth, all of which are for the benefit of the Lorton Valley subdivision.

R-17. Chevy Chase Bank, F.S.B., a federal savings bank ("Chevy Chase"), has made a loan to SCC in the amount of Fifteen Million Four Hundred Eighty-Five Thousand Two Hundred Fifteen and No/100 Dollars (\$15,485,215.00), evidenced by a promissory note secured in part by a Credit Line Deed of Trust and Security Agreement dated as of August 15, 2001, recorded in Deed Book

12155, at page 1913, as modified pursuant to a Modification to Credit Line Deed of Trust and Security Agreement dated as of June 20, 2002, recorded June 24, 2002 in Deed Book 13052, at page 261, both among the Land Records (together, the "Chevy Chase Deed of Trust"). Chevy Chase joins in this Declaration, by its endorsement below, solely to evidence its consent to subordinate its interest in the lien created by the Chevy Chase Deed of Trust to this Declaration.

R-18. James J. Adkins and Judy C. Adkins (together the "Adkins") have made a loan to Lorton Valley III in the amount of Six Hundred Fifty Thousand and No/100 Dollars (\$650,000.00), evidenced by a promissory note secured in part by a deed of trust dated as of July 16, 2001, recorded in Deed Book 12078, at page 1907, among the Land Records (the "Adkins Deed of Trust"). The Adkins join in this Declaration, by their endorsement below, solely to evidence their consent to subordinate their interest in the lien created by the Adkins Deed of Trust to this Declaration.

R-19. Branch Banking and Trust Company of Virginia ("BB&T") has made a loan to Lorton Valley III in the amount of Six Hundred Twenty-Three Thousand and No/100 Dollars (\$623,000.00), evidenced by a promissory note secured in part by a deed of trust dated as of August 2, 2001, recorded in Deed Book 12130, at page 1075, among the Land Records (the "BB&T Deed of Trust"). BB&T joins in this Declaration, by its endorsement below, solely to evidence its consent to subordinate its interest in the lien created by the BB&T Deed of Trust to this Declaration.

R-20. The Washington Savings Bank, F.S.B., a federal savings bank ("Washington Savings"), has made a loan to Fifth Place in the amount of One Hundred Thirty-Four Thousand and No/100 Dollars (\$134,000.00), evidenced by a promissory note secured in part by a deed of trust dated as of November 9, 2001, recorded in Deed Book 12373, at page 475, among the Land Records (the "Washington Savings Deed of Trust"). Washington Savings joins in this Declaration, by its endorsement below, solely to evidence its consent to subordinate its interest in the lien created by the Washington Savings Deed of Trust to this Declaration.

NOW, THEREFORE, SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and Fifth Place, intending to be legally bound hereby, incorporate the foregoing recitals into this Declaration by this reference as if set forth herein in their entirety, and declare that all of the real property described on Exhibit A hereto, and such additions and deletions thereto, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, as the same may be amended from time to time, which are for the purpose of protecting the value and desirability of and which shall run with the real property submitted by this Declaration and which shall be binding on all parties having any right, title or interest in the property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof. The Association joins in this Declaration for the purpose of accepting the rights, powers, responsibilities and obligations set forth herein.

ARTICLE I

GENERAL PROVISIONS

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

"Act" shall mean 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.

"Additional Land" shall mean the land so designated in Exhibit B, as amended from time to time, which SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place shall submit to this Declaration in phases and to the jurisdiction of the Association pursuant to Section 2.1.

"Approval of Secondary Mortgage Agencies or Mortgagees" shall mean: (i) written approval; (ii) any written waiver of approval rights; (iii) a formal 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 submitted in accordance with the notice requirements of the Bylaws and Section 13.2 herein.

"Articles" shall mean the Articles of Incorporation of the Association filed with the Virginia State Corporation Commission, as the same may be amended from time to time.

"Assessment" shall mean and include all assessments applicable to a Lot to pay Common Expenses and other expenditures by the Association, as provided in Section 5.2 (including, but not limited to, an Initial Assessment, General Assessments, Additional Assessments, Individual Assessments, Limited Common Expense Assessments, Trash and Recycling Assessments).

"Association" shall mean and refer to the Lorton Valley Homeowners Association, Inc., a Virginia non-stock, non-profit corporation, its successors and assigns.

"Board of Directors" or "Board" shall mean the executive and administrative entity established as the governing body of the Association.

"Board of Supervisors" shall mean the Board of Supervisors of the County of Fairfax, Virginia or any successor governing body of the County.

"Builder" shall mean any Person (other than the Declarant) who in the regular course of business purchases or owns a portion of the Submitted Land solely for the purpose of constructing residential improvements for resale or rental.

"Bylaws" shall mean the Bylaws of the Association, as the same may be amended from time to time.

"Common Area(s)" shall mean the areas of the Property that are designated on recorded plats of the Property, in any Supplementary Declaration, in any amendment to this Declaration or in any other instrument executed by Declarant and recorded in the Land Records as a common area or the like or that are now or hereafter owned by the Association and intended by County requirements, or the Declarant, to be devoted to the common use and enjoyment of some or all of the Members, together with all improvements thereon, whether such areas are owned in fee simple or as an easement. Without limiting the generality of the foregoing, the Common Areas may include, at Declarant's option, (i) swimming pools, (ii) bus stops, (iii) bicycle paths, (iv) sidewalks, jogging trails, nature trails or other elements of the pedestrian network, (v) areas designated as open space on the Property, (vi) recreational areas, (vii) private streets and roadways, and (viii) all other areas and facilities that are intended to be devoted to a common use and enjoyment of some or all of the Members. The foregoing list of areas and facilities that may constitute Common Areas is not intended to be exhaustive, nor is Declarant required to dedicate any of such areas and facilities as Common Areas. The Association is responsible for management and maintenance of all Common Areas.

"Common Easement Area" shall mean at any given time, all of the Property available to the Association by easement or similar instrument for the benefit of use of the Owners; provided, however, that land within the Property is not Common Easement Area solely because it is burdened by an easement for utilities, landscaping, storm water management or signage or dedicated as a public street or roadway even though the Association may maintain such areas. A portion of the Common Easement Area which the Association has the right to use and/or maintain such as trails, storm water management ponds or otherwise for the benefit of the Owners may be located within a Lot. For the purposes of maintenance, operation and control, such portion of the Lot shall be treated as Common Easement Area.

"Common Expenses" shall mean all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation and maintenance of reserves pursuant to the provisions of the Project Documents. Except when the context clearly requires otherwise, any reference to Common Expenses includes Limited Common Expenses.

"County" shall mean 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.

"Covenants Committee" or "Committee" shall mean the committee that may be established by the Board of Directors pursuant to Article VI to assure that the Property shall be maintained in a manner consistent with the purposes and intent of this Declaration.

"Declarant" shall mean SCC, and its successors and assigns, as owner of the Property. At such time as all or any of the Ryland Property or the M/I Homes Property is submitted to this Declaration, "Declarant" shall also mean and include Ryland and/or M/I Homes, as appropriate, with SCC and Ryland and/or M/I Homes, as appropriate, as co-declarants, and Ryland and/or M/I Homes, as appropriate, shall have all the rights and privileges reserved unto the Declarant under the provisions of the Project Documents. Following the recordation among the Land Records of an instrument assigning some or all of the rights reserved to the Declarant under the Project Documents, the term "Declarant" shall also mean and include that assignee. Each of the Persons comprising the Declarant

may exercise or assign its rights under the Project Documents only with the written approval of the other Persons comprising the Declarant during the Declarant Control Period. By Limited Special Power of Attorney, attached hereto and made a part hereof as Exhibit C, SCC, Ryland, and M/I Homes have designated KSI as their true and lawful attorney-in-fact to act for and in their behalf with respect to all the rights and privileges reserved unto the Declarant under the provisions of the Project Documents, for all that property included in, or added to, the Submitted Land, all as defined and more particularly set forth in this Declaration. Notwithstanding the designation of KSI as the attorney-in-fact for SCC, Ryland, and M/I Homes, the term "Declarant" shall at no time include KSI unless an instrument assigning to KSI some or all of the rights reserved to the Declarant under the Project Documents is recorded among the Land Records.

"Declarant Control Period" shall mean the period ending on the earliest of: (i) the date on which the Declarant and/or a Builder ceases to own the number of Lots necessary for the Declarant to have more votes than the total votes outstanding in the Class A membership; (ii) 120 days after the date on which seventy-five percent (75%) of the Lots are owned by Owners other than the Declarant or a Builder; (iii) the later to occur of (1) seven years after the date on which this Declaration is recorded, or (2) five years after the day on which the most recent Supplementary Declaration is recorded submitting Additional Land to this Declaration (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 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); or (iv) the date on which Declarant executes and records in the Land Records an amendment to this Declaration terminating the Class B membership (which amendment shall not require the consent of any other Owner).

"Declaration" shall mean this instrument made by the Declarant and recorded among the Land Records, as the same may be amended or supplemented from time to time.

"Design Guidelines" shall mean the Lorton Valley Homeowners Association Design and Maintenance Standards developed by the Covenants Committee pursuant to Article VI and any standards established by Declarant, as amended or supplemented from time to time, for the construction or alteration of buildings and other improvements on the Lots, and which may be revised in accordance with Article VI herein.

"Developer" shall mean and refer to KSI and its successors and assigns. No successor or assignee of the Developer shall have any rights or obligations of the Developer hereunder unless such rights and obligations are specifically set forth in an instrument of succession or assignment designating a party as the Developer hereunder or which pass by operation of law.

"Development Period" shall mean 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 Project Documents. When all the Submitted Land is owned by Owners other than the Declarant (or a lender holding special declarant rights) or a Builder, all the Additional Land is owned by Owners other than SCC,

Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place or a Builder, and all bonds held by a governmental agency with respect to the Property and the Additional Land have been released, then the Development Period shall end.

"Development Plan" shall mean the Conceptual/Final Development Plans for the Property and Additional Land as approved by the County on March 18, 2001 and July 9, 2001, and those related site/subdivision plans approved by the County, as amended from time to time. "Proffers" shall mean the proffers applicable to the Property or the Additional Land as approved by the County and as amended from time to time. Although the Declarant, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and Fifth Place intend to develop the Property and the Additional Land substantially in accordance with the Development Plan and the Proffers, the Declarant reserves the right to modify the Development Plan and the Proffers subject only to the requirements and procedures of the County, provided, however, that any modification that materially affects the rights of Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place in the Additional Land must be approved in writing by Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place, as appropriate, such approval not to be unreasonably withheld.

"Duly Called Meeting" shall mean a meeting of the Members of the Association for which notice has been duly given and at which a quorum is present, all in accordance with the Bylaws.

" Dwelling Unit" shall mean any portion of the Property, as improved, intended for any type of independent ownership for use and occupancy as a residence by one household and shall, unless otherwise specified, include within its meaning (by means of illustration, but not limitation) condominium units, apartment and cooperative units, patio, single family detached or zero lot line homes, as may be used and defined as herein provided or as provided in subsequent Declarations covering all or part of the Property.

"Land Development Activity" shall mean and refer to any building, construction, reconstruction or repair of a Dwelling Unit, roadways, curbing, sidewalks, utility services or any other structure on a Lot or any other portion of the Submitted Land or the Additional Land by the Declarant and/or other persons regularly engaged in the building or construction business (including a Builder) if granted approval in writing by the Declarant.

"Land Records" shall mean the land records located in the Clerk's office of the Circuit Court of Fairfax County, Virginia.

"Limited Common Area" shall mean a portion of the Common Area designated by the Declarant pursuant to Section 8.9 for the exclusive use of one or more but fewer than all of the Lots.

"Limited Common Expenses" shall mean expenses incurred by the Association and benefiting one or more but less than all of the Owners and assessed against the Lots owned by the Owners benefited.

"Lorton Valley" shall mean that certain real property described in Exhibit A and Exhibit B attached hereto and such additions thereto as may hereafter be subjected in whole or in part to this Declaration

by the Declarant, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place pursuant to Article II hereof.

"Lot" shall mean and refer to 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 Common Area or land dedicated for public purposes), together with any improvements now or hereafter appurtenant to that land.

"Majority Vote" means a simple majority (more than fifty percent (50%)) of the votes on an issue entitled to be cast by Owners present in person or by proxy at a duly held meeting of the Owners at which a quorum of such Owners is present. Any vote of a specified percentage of Owners means that percentage with respect to the total number of votes actually cast by Owners entitled to vote on an issue present in person or by proxy at a duly held meeting at which a quorum of such Owners is present. Any vote by a specified class of Owners means a Majority Vote of the Owners in such class present in person or by proxy at a duly held meeting at which a quorum of that class of Owners is present. Any vote by a specified percentage of the Board of Directors (or committee) means that percentage with respect to 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 according to the number of votes allocated to the Lots encumbered by each Mortgagee.

"Member" shall mean every person or entity which holds membership in the Association.

"Mortgage" shall mean a deed of trust or mortgage encumbering a Lot.

"Mortgagee" shall mean the holder of any recorded Mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. "Mortgage," as used herein, shall include deeds of trust. "First Mortgage," as used herein, shall mean a mortgage with priority over other mortgages. As used in this Declaration, the term "Mortgagee" shall mean any mortgagee which has notified the Association of its status in writing pursuant to Section 13.1 and has requested all rights under the Project Documents and shall not be limited to institutional mortgagees, but shall include, but not be limited to banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FREDDIE MAC"), the Department of Veterans Affairs ("VA"), the Federal Housing Administration ("FHA"), the Government National Mortgage Association ("GNMA"), and any other public or private secondary mortgage market agency participating in purchasing, guaranteeing or insuring Mortgages which has notified the Association of such participation in writing, all corporations and any agency or department of the United States Government or of any state or municipal government. Where the approval of a Mortgagee or Secondary Mortgage Market Agency is required, such approval means: (i) written approval; (ii) any written waiver; (iii) a formal letter stating no objection; or (iv) presumptive approval if a Mortgagee does not respond to a notice by certified or registered United States mail, return receipt requested, within thirty days (or such other period as may be required under the POA Act) after the date the request for approval is

transmitted in accordance with the notice requirements of Sections 13.1 and 13.2 of this Declaration and the Bylaws.

"Officer" means any person holding office pursuant to Article VIII of the Bylaws.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, but does not include any Person having an interest in a Lot solely by virtue of a contract or as security for an obligation.

"Person" shall mean a natural person, corporation, joint venture, partnership, limited liability company, association, joint stock company, trust, unincorporated organization, government or agency or political subdivision thereof, or any other legal entity capable of holding title.

"POA Act" shall mean 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.

"Project Documents" shall mean collectively this Declaration, any Supplementary Declaration(s), the Articles, the Bylaws and the Design Guidelines, all as amended from time to time. Any exhibit, schedule, certification or amendment to a Project Document is an integral part of that document.

"Property" shall mean and refer to that certain real property described in Exhibit A attached hereto, and such additions thereto as may hereafter be brought within the jurisdiction of the Association and submitted to this Declaration (including, but not limited to, any Additional Land that may be designated by Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place from time to time in accordance with Section 2.1 herein), together with all improvements and appurtenances thereto now or hereafter existing.

"Recreational Facilities" shall mean and refer to all real property and the improvements thereon within the Common Area to be used for the common recreational use and enjoyment of some or all of the Members.

"Reserved Common Area" shall mean a portion of the Common Area for which the Board of Directors has granted a revocable license for exclusive use by one or more but less than all of the Owners, pursuant to Section 8.9 herein.

"Rules and Regulations" shall mean the rules and regulations governing the use, occupancy, operation and physical appearances of the Property adopted from time to time by the Board of Directors.

"Subassociation" shall mean an owners association, including but not necessarily limited to a homeowners association or condominium unit owners association, created by a declaration or other appropriate instrument recorded among the Land Records which subjects a portion of the Property to covenants, conditions and/or restrictions, additional to those set forth in this Declaration, and grants rights to such association with respect to such portion of the Property. During the Development Period, any such association shall be created only by the Declarant or with its consent.

"Submitted Land" shall mean the land designated as such in Exhibit A and all land that is from time to time submitted to this Declaration and subjected to the jurisdiction of the Association.

"Supplementary Declaration" shall mean each supplement made by Declarant or the Board to this Declaration, as such supplement may be amended or supplemented from time to time, provided, however, that any supplement that materially affects the Additional Land shall require the written approval of SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth, as appropriate, which approval shall not be unreasonably withheld. In addition, "Supplementary Declaration" shall mean each supplement made by SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place pursuant to Section 2.3 herein.

"Upkeep" shall mean care, inspection, maintenance, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement and reconstruction.

"Visible from neighboring property" means with respect to any given object on a Lot, that such object is or would be visible to a person six feet tall, standing on any part of any adjacent Lot or other land at an elevation no greater than the elevation of the base of the object being viewed.

"Virginia Code" shall mean the Code of Virginia (1950), as amended, and in effect as of the date hereof and as amended from time to time thereafter. If any sections of the Virginia Code referred to in this Declaration are hereafter repealed or recodified, each such reference shall be deemed to apply to the section of the Virginia Code that is the successor to the previous section referred to herein, or, if there is no successor section, such reference shall be interpreted as if the section had not been repealed or recodified.

Section 1.2 Construction of Project Documents.

Subsection 1.2.1 Headings and Captions. The headings and captions are inserted only for reference, and in no way define, limit or otherwise affect the scope, meaning or effect of any provision.

Subsection 1.2.2 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.

Subsection 1.2.3 Severability. Each provision of a Project Document is severable from every other provision, and the invalidity 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 Project 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 practicable, the provision shall be enforced.

Subsection 1.2.4 Interpretation. If there is any conflict among the Project Documents, this 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. Particular provisions shall control general provisions, except that a construction consistent with the Act shall in all cases control over any construction inconsistent therewith. The provisions of the Bylaws shall

control over any conflicting provision of any rule, regulation or other resolution adopted pursuant to any of the Project Documents. The Project 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.

Subsection 1.2.5 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.

Subsection 1.2.6 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 I, or in any other definition within this Declaration, the determination made by the Declarant (as evidenced by a recorded Supplementary Declaration) during the Development Period, and by the Board of Directors thereafter, shall be binding and conclusive. Notwithstanding the foregoing, if any ambiguity materially affects the Ryland Property, M/I Homes Property, Lorton Valley III Property, Lorton Valley East Property, Fourth Place Property, and/or Fifth Place Property, then the concurrence of Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place, as appropriate, shall be required.

Section 1.3 The Association.

Subsection 1.3.1 Creation. The Association is a non-stock 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 Project Documents.

Subsection 1.3.2 Membership. Members of the Association shall at all times be, and be limited to, the Declarant (during the period when Declarant owns any Lot) 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. In either case, each Person is entitled to attend all meetings of the Association. Membership in the Association is mandatory and automatic with ownership of a Lot.

Subsection 1.3.3 Classes of Owners. The Association shall have two classes of Owners, as described below. If a Member qualifies for membership in more than one class, such Member shall be considered a Member of each such class and shall be entitled to the votes attributable to his membership in each class.

(a) Class A. Class A Members shall be all Owners except the Declarant or a Builder during the Declarant Control Period. The Class A membership shall not terminate for so long as the Association continues in existence.

(b) Class B. The Class B Member shall be the Declarant. The Class B membership shall terminate on the earliest of the following:

- (i) the date on which the Declarant and/or a Builder ceases to own the number of Lots necessary for Declarant to have more votes than the total votes outstanding in the Class A membership;
- (ii) 120 days after the date on which seventy-five percent (75%) of the Lots are owned by Owners other than the Declarant or a Builder;
- (iii) the later to occur of: (1) seven years after the date on which this Declaration is recorded, or (2) five years after the day on which the last Supplementary Declaration is recorded submitting Additional Land to this Declaration (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); or
- (iv) the date on which Declarant executes and records in the Land Records an amendment to the Declaration terminating the Class B membership (which amendment shall not require the consent of any other Owners, except Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place during such time as all or any of the Ryland Property, M/I Homes Property, Lorton Valley III Property, Lorton Valley East Property, Fourth Place Property, or Fifth Place Property, as appropriate, shall not have been submitted to this Declaration).

(c) Notwithstanding the foregoing, after the Development Period has ended, in the event the Declarant, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place wish to annex any additional properties pursuant to Section 2.1, Class B membership shall be revived with respect to all Lots owned by the Declarant, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place, on the annexed property. Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

- (i) when the total votes outstanding in the Class A memberships in the annexed property equal the total votes outstanding in the Class B membership in such annexed property, or

- (ii) Seven (7) years from the date of recordation of the final Deed of Dedication or Supplemental Declaration for the last portion of such annexed property.

(d) When more than one person holds an interest in any Lot, the vote for that Lot will be exercised by one person or alternative persons as the Owners among themselves determine. If more than one of the multiple Owners are present at a meeting in person or by proxy, the vote allocated to their Lot may be cast only in accordance with the agreement of a majority in interest of the Owners, and if a majority of the Owners cannot agree, the Owners of that Lot will not be entitled to vote. There is majority agreement if any one of the multiple Owners casts the vote allocated to his Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot.

(e) Any Owner of a Lot that is leased may assign his voting right to the tenant, provided that the tenant is appointed to vote on behalf of the Owner by proxy and the proxy is signed and furnished to the Secretary of the Association before any meeting in which the tenant exercises the voting right. The signing of the proxy must be witnessed by a person other than the assignee and the witness must sign their name and address.

Subsection 1.3.4 Voting Rights of Members. The Members of the Association shall be entitled to cast the following votes:

(a) Class A. Each Class A Member shall have one vote for each Lot owned by the Class A Member. Subject to any limitations imposed by the Project Documents, the Class A Members shall be entitled to vote on all matters for which a vote of the Owners and/or Class A Members is required or permitted under the Project Documents or applicable law.

(b) Class B. The Class B Member shall have three votes for each Lot owned by the Class B Member or any Builder. Subject to any limitations imposed by the Project Documents, the Class B Member shall be entitled to vote on all matters for which a vote of the Owners and/or Class A Members is required or permitted under the Project Documents or for which a vote of the Class B Member is required or permitted under the Project Documents. Once the Class B membership terminates, Declarant shall have three (3) Class A votes for each Lot owned by the Declarant or a Builder. The Declarant shall have three (3) votes for each Lot owned by the Declarant or a Builder, whether the Class B Membership is existing or has been terminated.

Subsection 1.3.5 Suspension of Voting Rights. The Board of Directors of the Association may suspend the voting rights of any Class A Member subject to Assessment under this Declaration during the period when any such Assessment shall be delinquent, but upon payment of such Assessment the voting rights of such Member shall automatically be restored.

Subsection 1.3.6 Articles and Bylaws to Govern; Property Association Act. Except to the extent expressly provided in this Declaration, all of the rights, powers and duties of the Association and the Members, including the Members' voting rights, shall be governed by the Articles and the Bylaws. The Articles provide, among other things, that the Declarant, as the Class B Member, shall appoint certain of the members of the Board of Directors of the Association during the Declarant

Control Period. In addition to all of the rights, powers and duties of the Association provided in this Declaration, the Association shall have all of the rights, powers and duties provided in the POA Act.

Subsection 1.3.7 Continuation of Association. The Association shall continue in existence and shall not be dissolved or dispose of any of the Common Areas, by sale or otherwise, unless a successor organization is established with the same duties and responsibilities as the Association under this Declaration and such successor organization acquires all of the Common Areas to carry out such duties and responsibilities. The resubdivision or adjustment of the boundary lines of the Common Area by the Association shall not be deemed a "disposal" within the meaning of this Article.

Subsection 1.3.8 Board Authority to Act. Unless otherwise specifically provided in the Act or the Project Documents, all rights, powers, easements, obligations and duties of the Association may be performed by the Board of Directors on behalf of the Association.

Subsection 1.3.9 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 XIV and XV.

Section 1.4 Initial Disclosures.

Subsection 1.4.1 Lorton Road Frontage; Expansion of Public Road. The area of the Property fronting Lorton Road has been subdivided into an outlot owned by the Association and reserved for right-of-way dedication in fee simple to the Board of Supervisors of Fairfax County, Virginia at no cost upon demand, if requested by Fairfax County, to provide for a half section of a 6-lane divided roadway section for Lorton Road. In addition, the potential exists for the future westward expansion by third parties of the public road to Furnace Road pursuant to the provisions of the approved Fairfax County Comprehensive Plan.

Subsection 1.4.2 Private Roads. With the exception of the public road extending from Lorton Road to the road currently designated as "Fifth Place", the street system within Lorton Valley is private, the maintenance of which is the responsibility of the Association. Ingress/Egress Easements will be recorded over any private roads which provide access to the public road for the benefit of the Property. These easements will be subject to the pro rata maintenance of the private streets.

Subsection 1.4.3 Nearby Landfills; Methane Gas Pipeline; Extensions of Public Road. Major landfill operations are located near the Property: the I-95 landfill complex is located west of Furnace Road approximately ½ mile from the Property, and construction demolition debris landfill facilities are located south of the Property. In addition, a methane gas pipeline exists within the Dixon Street right-of-way.

Subsection 1.4.5 Environmental Quality Corridors. Some Lots abut environmental quality corridors (EQCs). Prohibitions exist for property abutting EQCs which prohibit clearing beyond the property line or using the area as a depository for trash, lawn clippings, or other debris. Potential Owners of Lots abutting EQCs are advised to take these restrictions into consideration before purchasing these Lots.

ARTICLE II

ADDITIONS TO OR RELEASE OF PROPERTY

Section 2.1 Expansion by SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and Fifth Place.

Subsection 2.1.1 Designated Additional Land. SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and Fifth Place hereby reserve an option until the fifteenth anniversary of the date of recordation of this Declaration to expand the Property from time to time 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 SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, or Fifth Place, without the consent of any Owner (except the owner of the Additional Land being submitted) or any Mortgagee (except the holder of a deed of trust on the Additional Land being submitted). The option to expand may be terminated only upon the recordation by SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place, as appropriate, of an instrument relinquishing such option. SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and Fifth Place shall add Additional Land in accordance with the procedures set forth in Section 2.3. There are no limitations on the option to expand except as set forth in this Article.

Subsection 2.1.2 Undesignated Additional Land. The Declarant may unilaterally amend the description of Additional Land set forth in Exhibit B without the approval of any Owner or Mortgagee to expand the land area referred to as Additional Land whether or not such land is owned by the Declarant; provided, however, that such additional land is within a distance of one (1) mile from the boundary line of the Submitted Land or the Additional Land and does not increase the total acreage of the land originally described in Exhibits A and B by greater than ten percent (10%) without the prior written approval of VA if a VA guaranty is in effect on a Mortgage or FHA if FHA insurance is in effect on a Mortgage.

Section 2.2 Expansion by the Association. With the written consent of the fee simple owner (if not the Association) and any Mortgagee or holder of a deed of trust on such land, a sixty-seven percent (67%) vote of the Members or written approval from Members entitled to cast sixty-seven percent (67%) of the total number of votes and the written consent of the Declarant during any period that the Declarant has the right to add Additional Land under Section 2.1, the Association may submit any land within a distance of one (1) mile from the boundary line of the Property to the provisions of this Declaration and the jurisdiction of the Association, in accordance with the procedures set forth in Section 2.3.

Section 2.3 Procedure for Expansion; Additional Covenants. SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place, or the Association, as appropriate, may record one or more Supplementary Declarations submitting the land described therein to this Declaration and to the jurisdiction of the Association. Each Supplementary Declaration shall include a legally sufficient description of the land added and shall designate each portion of such description of the land added. A Supplementary Declaration may contain such additional covenants and restrictions as may be necessary to reflect the different characteristics of the Lot or the land uses as are not inconsistent with the overall scheme of this Declaration. SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place, or the Association may not submit a Lot to a Supplementary Declaration after conveyance of such Lot to an Owner other than SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place, or the Association without the prior written consent of such Owner (and the Mortgagee of such Lot). A Supplementary Declaration shall provide an adequate legal description of the land being submitted to the Declaration, any land being conveyed to the Association as Common Area and any new Lots. 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. 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 2.4 Covenant Restrictions Plat. In addition, the Declarant or Association (acting through its Board of Directors, without the approval of any Owner or Mortgagee), as applicable, may record a plat showing easements, buffers, setbacks and other appropriate items required by the Design Guidelines or contemplated herein and benefiting the Association ("Covenant Restrictions Plat"); provided, however, that the Declarant or the Association, as applicable, must obtain the written consent of the Owner of such land prior to recording such Covenant Restrictions Plat. To the extent necessary to reflect the Design Guidelines applicable to the Lot on the date such Lot was acquired by the Owner of such Lot, the Owner of such Lot shall sign and acknowledge any amendment or other instrument requested by the Declarant or the Association to confirm or otherwise clarify the items shown on the Covenant Restrictions Plat. After the initial Covenant Restrictions Plat is recorded for a Lot, such Covenant Restrictions Plat may be modified or amended by the Declarant or the Association (acting through its Board of Directors, without the approval of any Owner or Mortgagee), as applicable, with the written consent of the Owner of each Lot affected, to reflect modifications to the Design Guidelines or as otherwise agreed by the Declarant or the Association and by the Owner of each Lot affected.

Section 2.5 Withdrawable Land

Subsection 2.5.1 Dedication for Public Use. 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 Common Area or the Property owned by the Declarant or a Builder, if such land 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.

Subsection 2.5.2 Secondary Mortgage Market Agency Approval. Further, if any of the Secondary Mortgage Agencies determine that the Project Documents do not comply with the then current requirements of VA, FHA, FREDDIE MAC or FNMA (or any successor to the foregoing entities), then upon receipt of such notice, the Declarant (or the Association after the termination of the Development Period) and any Builder of unsold Lots ("Remaining Lots"), at such Builder's expense, shall use all reasonable efforts to obtain necessary waivers from such requirements. If the Declarant (or the Association after the termination of the Development Period) and the Builders are unable to obtain such waivers, and solely as a direct result of the noncompliance of the Project Documents, financing that is insured, guaranteed or approved by VA, FHA, FREDDIE MAC and/or FNMA is not available to initial purchasers of Lots from Builders, then within thirty days after notice and a request from a Builder, the Declarant (or the Association after the termination of the Development Period) shall record an amendment to the Project Documents modifying the Project Documents in accordance with the VA, FHA, FREDDIE MAC and/or FNMA requirements, as applicable, and/or declaring such noncomplying provisions inapplicable to such Builder's Lots. If the Declarant (or the Association after the termination of the Development Period) fails to record such amendment within such thirty-day period, then the Builder shall have the right to withdraw such Builder's Remaining Lots from the jurisdiction of the Association, and the Declarant (or the Association after the termination of the Development Period) shall record an amendment to the Project Documents withdrawing such Remaining Lots from the jurisdiction of the Association; provided, however, that (i) such Remaining Lots shall remain subject to the applicable Design Guidelines and (ii) the Builder owning such Remaining Lots shall enter into a recordable joint maintenance agreement with respect to Common Area, constituting a binding covenant upon the Remaining Lots. Such joint maintenance agreement shall provide for the same calculation of the Remaining Lots' financial contributions to the Association as provided in the Project Documents, shall be commercially reasonable and shall be in form and substance satisfactory to the Declarant and the Association. The Declarant (or the Association after the termination of the Development Period) shall have no obligation to incur or accept any liability or expense in order to satisfy VA, FHA, FREDDIE MAC or FNMA requirements. The provisions of this Subsection 2.5.2 shall prevail over any contrary provision of the Project Documents and the Declarant (or the Association after the termination of the Development Period) shall have the unilateral right to amend the Declaration to effectuate the foregoing. The terms of this subsection may not be amended or modified without the written approval of the Declarant or the Association, as applicable, the written approval of each Builder who will be subject to the amendment. Any such amendment shall not be effective until recorded in the Land Records. With respect to approvals or other actions of the Association under this Subsection 2.5.2, the Association shall act through its Board of Directors, without the approval of any Owner or Mortgagee.

Section 2.6 Association Consent Not Required. During the Development Period, the exercise of any right by SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, or Fifth Place under this Article 2 shall not require the consent of the Association.

ARTICLE III
COMMON AREAS

Section 3.1 Conveyance; Title. The Declarant shall convey the Common Area in each portion 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 portion of the Property shall be conveyed to the Association before the conveyance of any Lot subject to a Mortgage insured by FHA or guaranteed by VA in such portion to an Owner other than the Declarant or a Builder. The Association shall accept title to any land or personal property offered to the Association by the Declarant and the Association shall obtain title insurance for any land acquired in its own name. 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 3.2 No Dedication. Nothing contained herein or in the other Project 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 3.3 Obligations of the Association. The Association shall be responsible for the Upkeep of the Common Areas and all improvements thereon (including fixtures, personal property and equipment related thereto), in accordance with the requirements of this Declaration, and shall keep the same in good, clean and attractive condition, order and repair.

Section 3.4 Regulation of Common Areas. Subject to the provisions of the Project Documents, and to the Rules and Regulations passed from time to time by the Board of Directors, every Member shall have a non-exclusive right of enjoyment in and to the Common Areas, including the swimming pool and bath house, which shall be appurtenant to and shall pass with the title to every Lot. The Common Areas shall be used by the Members for only the purpose or purposes for which the Common Areas may have been improved by Declarant or the Association and subject to any applicable County restrictions. Any Common Area which has not been improved for a particular use is intended to remain in its natural condition until so improved, and any use thereof by a Member shall not damage or disturb such natural condition or the enjoyment thereof by other Members.

Section 3.5 Transfer of Responsibility for Upkeep. When the Declarant or a Builder substantially completes improvements on any portion of the Common Area and transfers responsibility for Upkeep for such portion of the Common Area to the Association, a representative of the Association appointed by the Board of Directors shall inspect such portion of the Common Area and shall report its condition to the Board of Directors within thirty (30) days after notice from the Declarant or

Builder that such portion of the Common Area is ready for inspection. If the Association fails to do so within the thirty (30) day period, the Association waives its rights under this Section, however, if there are three or more such prior portions of Common Area that have been left incomplete by the Declarant or a Builder for 180 days after inspection or if the Declarant or a Builder is in arrears for payment of work performed by the Association under this Section, then the Association is released from its obligation to inspect new work within thirty days until the delinquent Declarant or Builder has completed the prior portions or brought its account current (once the prior portions have been completed and the Declarant or Builder's account has been brought current, then the Association must return to the normal thirty day inspection schedule). When the Declarant or Builder transfers the responsibility for Upkeep of any portion of the Common Area to the Association, any improvements located thereon shall be substantially complete, all work (except for such work which cannot be performed due to the weather conditions or the season of the year, which the Declarant or Builder will be obligated to complete when weather conditions permit) required by the site plan shall be either completed or bonded with the County and such portion of the Common Area and improvements on such portion of the Common Area shall be in a condition generally acceptable to the Association. When the Association assumes responsibility for Upkeep for a portion of the Common Area, the Association shall cooperate with the Declarant or Builder to obtain release of the County bonds. If such Common Area and the improvements located thereon are not in such condition, the Association shall notify the Declarant or Builder in writing, specifying the deficiencies, whereupon the Declarant or Builder shall have sixty days to remedy the deficiencies (weather and conditions permitting). After such sixty-day period, the Association may perform on behalf of the Declarant or Builder and the Declarant or Builder, as appropriate, shall promptly reimburse the Association for the reasonable costs incurred.

Section 3.6 Additional Improvements on Common Area. After the initial improvement and conveyance of any Common Area to the Association, the Declarant or a Builder may, but is not obligated to, construct additional improvements on the Common Area for the benefit of the Property, pursuant to the easements provided for herein; provided, however, that such construction is subject to the review and reasonable approval of the Board of Directors.

Section 3.7 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, and pursuant to a recorded subdivision, resubdivision or boundary line adjustment plat, to transfer part of the Common Area at the direction of the Declarant, 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 by the County in the Property at the time of the transfer; (ii) the appropriate governmental authorities approve such Lot line adjustments; (iii) documents showing each such Lot line adjustment are submitted to VA if VA is guarantying a Mortgage on a Lot directly affected by the adjustment or FHA if FHA is insuring a Mortgage on a Lot directly affected by the adjustment; and (iv) the boundary line adjustment is approved by all Owners of Lots for which the boundaries are being adjusted.

Section 3.8 General Limitations on Members' Rights. The Members' rights of enjoyment in the Common Areas shall be subject to the following:

(a) The right of the Association, acting through the Board of Directors, to establish reasonable rules and regulations (the "Rules and Regulations") and to charge reasonable admission and other fees (as determined by the Board of Directors) for the use of the Common Areas by non-members, for special or extraordinary uses, or for Reserved Common Areas for all users;

(b) The right of the Association, acting through the Board of Directors, to suspend the right of a Member to use or benefit from any of the Common Areas for any period during which any Assessment against his or her Lot is delinquent, except that the Board of Directors may not suspend the right of a member to use a road providing direct access to the member's lot even if said road is common area;

(c) The right of the Association, acting through the Board of Directors, to suspend the right of a Member to use or benefit from any of the Common Areas for any period during which any other infraction by the Member of this Declaration, a Supplementary Declaration or the rules promulgated by the Association, pursuant to this Declaration remains uncorrected after the last day of a period established for correction by the Association (such period to be stated in a notice to the Member together with a statement of the infraction complained of and the manner of its correction) and for not more than sixty (60) days after such correction;

(d) Subject to the Bylaws, the right of the Association, acting through the Board of Directors, to mortgage any or all of the Common Areas for the purpose of making improvements, capital facilities or repairs thereto. However, in the event of a default upon any mortgage, the lender's rights or the rights of any person succeeding to the interest of the lender shall be limited to a right, after taking possession of such properties, to charge reasonable admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored;

(e) Subject to the Bylaws, the right of the Declarant, acting through the Board of Directors, to grant permits, licenses and easements across the Common Areas for utilities, roads and other purposes;

(f) Subject to the Bylaws, and except as otherwise provided herein, the right of the Association, acting through the Board of Directors, to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be desired by the Association;

(g) The right of the Association, acting through the Board of Directors, to grant licenses, permits or leases of the Common Areas for uses not inconsistent with any County regulations, provided such leases do not unreasonably interfere with any Owner's use of the Common Areas;

(h) The right of the Association, acting through the Board of Directors, to prevent or limit access to or use of an environmentally sensitive Common Area, to preserve or protect fauna or flora on a Common Area and to insure compliance of Common Area with the environmental and wildlife

programs of the Association or any other law, ordinance, regulation or rule of governmental authorities with jurisdiction over the Common Area;

(i) The right of the Association, acting through the Board of Directors, and consistent with all County requirements, to transfer part of the Common Area for the purpose of adjusting lot lines, provided such adjustment does not reduce total open space areas below zoning requirements; and

(j) All of the other easements, covenants and restrictions provided for in this Declaration and applicable to the Common Areas provided the purpose of such easements, covenants and restrictions is not inconsistent with the use of the Common Areas by Members.

Notwithstanding anything to the contrary herein, the right of access for necessary ingress and egress to a Lot and utility services cannot be suspended by the Board of Directors for violations of this Declaration or nonpayment of assessments.

Section 3.9 Damage or Destruction of General Common Area by Member. In the event any Common Area or improvement thereon is damaged or destroyed by a Member, his tenants, guests, invitees or licensees, the Association may repair such damage at the Member's expense. The Association shall repair such damage in a good and workmanlike manner in conformance with the original plans and specifications of the area or improvement involved, or as the Common Area or improvement may have been theretofore modified or altered by the Association, in the discretion of the Association. The cost of such repairs shall become an Individual Assessment upon the Lot of such Member.

Section 3.10 Rights in Common Areas Reserved by Declarant. Until such time as Declarant conveys a parcel of real estate then designated as Common Area to the Association, Declarant shall have the right as to that parcel, but not the obligation, (i) to construct such improvements thereon as it deems appropriate for the common use and enjoyment of Members, including, without limitation, directional signs, trails, and other Recreational Facilities, subject to County restrictions (these rights shall also be available to the Conservancy to perform such work); (ii) to maintain such Common Area in a neat condition and state of repair, including mowing and removal of underbrush and weeds; (iii) to use the Common Area for other purposes not inconsistent with the provisions of this Declaration, subject to any requirements of the County; and (iv) to grant permanent or temporary rights-of-way and easements for utilities and access easements to any third party or other entity, provided, however, that notwithstanding any provision to the contrary, the Declarant has, in accordance with Subsections 8.1.1 and 8.1.3, created certain blanket utility easements on the Property. Declarant shall have the right, but not the obligation, to retain operational use and control of Common Area that is conveyed to the Association until such time as the County shall release any bonds secured by the Common Area.

The Association may at any time dedicate or transfer all or a part of the Common Areas to any public agency, authority, or entity including, without limitation, the County, or to any nonprofit organization upon such terms and conditions as shall be agreed upon by such agency, authority, entity or organization and the Board of Directors, including without limitation, terms and conditions providing for the use of such Common Areas by the public in general and terms and

conditions pertaining to the maintenance and repair of such Common Areas and the Assessments of Owners and/or residents for the costs of such maintenance and repair. No such dedication or transfer shall be effective, however, unless an instrument agreeing to such dedication or transfer is signed by sixty-seven percent (67%) of the Owners entitled to cast at least sixty-seven percent (67%) of the total number of authorized votes in the Association including a majority of the total number of votes entitled to be cast by Owners other than the Declarant during the Declarant Control Period, and during the Declarant Control Period, by the Class B member. Any such dedication or transfer shall be further subject to applicable laws and regulations governing Virginia non-stock corporations.

Notwithstanding anything to the contrary herein, upon dissolution of the Association, other than incident to a merger or consolidation, 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; provided, however, that if the Common Area is no longer necessary to the use of the Property, 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. Any dissolution, other than a consolidation or merger, or termination of this Declaration, shall be subject to County approval as more particularly specified in Section 14.5 herein.

ARTICLE IV

OPERATION OF THE PROPERTY

Section 4.1 Association Upkeep of Common Area.

Subsection 4.1.1 General. The Association shall be responsible for the management and Upkeep of all of the Common Area and Common Easement Area, including Recreational Facilities. The Association shall also be responsible for the Upkeep of all Limited Common Area and Reserved Common Area, the costs of which shall be assessed against all Lots benefited as a Limited Common Expense Assessment or an Additional Assessment. The duties of the Association for the management and Upkeep of the Common Area shall include, but not be limited to: (a) all landscaping within the Common Area, including, but not limited to, grass cutting, trash collection, landscaping and lawn maintenance; (b) the private streets and roadways, sidewalks, walkways, pathways and driveways, site lighting, trails and parking areas (including clearing snow and asphalt repair and replacement) on the Common Area, Reserved Common Area and Limited Common Area; (c) operation of all Recreational Facilities and Reserved Common Areas; (d) all other improvements located on the Common Area, Limited Common Area and Reserved Common Area; (e) project signage on the Common Area, Common Easement Area or on any other portion of the Property with the consent of the Owner thereof; and (f) utility lines, equipment and appurtenances for providing water, sewage, drainage, gas, electricity, telephone, television reception, internet/telecommunication access and other related facilities serving more than one Lot or Lots other than the one upon which such equipment is located to the extent permitted by these Project Documents. The cost of the management and Upkeep of the Common Area, Limited Common Area and Reserved Common Area shall be charged to the Owners as a Common Expense, Limited Common Expense or by arranged fee, depending on the nature of the service provided (except for any improvements specially assessed

in accordance with Subsection 5.2.5 or as otherwise provided herein). 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. Fairfax County and the Virginia Department of Transportation will not be responsible for the Upkeep of the private streets and roadways. The Association's covenant for the Upkeep of the private streets and roadways may be enforced by Fairfax County and may not be modified without the County's consent. The Association shall not have any responsibility for the Upkeep of any Lot except for those responsibilities and duties specifically enumerated within the Project Documents for Common Easement Areas pursuant to Section 8.1.6, Lots pursuant to Section 4.2 or other areas described in the subdivision documents for the Property or separate easement agreements. Notwithstanding the general provisions for Upkeep of Common Area set forth in this Section, specific Upkeep responsibilities and allocations of Upkeep costs shall be determined by any provisions therefor indicated in either a Supplementary Declaration or plat recorded when subjecting such Common Area or Limited Common Area to the Declaration.

Subsection 4.1.2 Owner Responsibility for Common Area. 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, the cost of such Upkeep shall be assessed against such Owner's Lot pursuant to Subsection 5.2.5. 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.

Subsection 4.1.3 Standards for Upkeep. The Board of Directors shall establish the standard for Upkeep of the Common Area and Common Easement Area in its sole discretion; provided, however, that the standard for Upkeep, at a minimum, shall be sufficient to meet the requirements of applicable law, governmental regulations, and Conservancy requirements.

Subsection 4.1.4 Storm Water Management. The Declarant may construct improvements and facilities for stormwater management control. The Association shall be responsible for the management and Upkeep of all storm water pond management facilities; 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 the Owner's ability where such debris and matter has impeded or threatens to impede the free flow of storm water through drainage structures or across such Owner's Lot. Such Owner's responsibility shall include notification of the Association of: (a) any defects in any fencing, if any, surrounding or within the easement; (b) any debris or other matter which is beyond such Owner's ability to remove; and (c) any excessive erosion within the area of the easement. The Declarant and the Association shall have easements pursuant to Subsections 8.1.1, 8.1.3 and 8.1.8 to enter upon any Lot to the extent necessary for Upkeep of such facilities.

Subsection 4.1.5 Entrance Features, Signs and Rights-of-Ways. 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: (a) entrance features, (b) sidewalks, trails and paths; (c) project, street, traffic and directional signage and accessories, including poles; (d) bus shelters; (e) pedestrian underpasses or overpasses, (f) mail box pavilions; and (g) landscaping and associated lighting and irrigation systems. 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.

Subsection 4.1.6 Other Services. To the extent determined to be reasonably necessary or desirable by the Board of Directors, the Association may provide trash and recycling programs, cable television, phone, security, electric, internet and other telecommunication services, transportation or other similar services to the Owners as a Common Expense, a Limited Common Expense, a separate Trash and Recycling Assessment, or another type of Assessment, as deemed appropriate from time to time. The Association must provide trash and recycling collection service and any other services to the extent required by the Proffers.

Subsection 4.1.7 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 4.2 Upkeep of Lots by the Owners.

Subsection 4.2.1 Individual Upkeep.

(i) Lots. 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 clearing snow and ice, in accordance with local ordinances, except with the easement areas maintained by the Association and except as may be otherwise provided in this Declaration or in a Supplementary Declaration. 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 clear snow and ice from 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 good repair and in a neat and orderly condition, consistent with this Declaration and such Rules and Regulations as the Board of Directors may promulgate, from time to time, then the Board 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 shall have the right, but not the obligation, pursuant to Section 8.3 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 5.2.4. The Owner shall reimburse the Association within thirty days after delivery of a statement for such expenses from the Board.

(ii) Sidewalks. If the public right-of-way adjacent to any Lot is improved by a sidewalk or similar structure, the Owner of such Lot must provide the Upkeep for the sidewalk adjacent to such Owner's Lot (including clearing snow and ice) to the extent not provided by the appropriate governmental authority or the Association. If the Association provides this service, the cost will be a Common Expense or Limited Common Expense, as may be determined by the Board of Directors. The Association shall cure any Owner's default in performing such Upkeep (after notice and opportunity to cure) at the sole expense of the defaulting Owner.

Section 4.3 Manner of Repair and Replacement. All repairs and replacements by Owners or the Association, as the case may be, 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 4.4 Additions, Alterations or Improvements by the Board of Directors.

Subsection 4.4.1 Action of the Board. 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 one hundred five percent (105%) 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 requires a Majority Vote of the Owners, 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 one hundred five percent (105%) 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. Notwithstanding the foregoing, if the Board of Directors determines that such capital additions, alterations or improvements are exclusively or substantially exclusively for the benefit of specific Owners, such Owners shall be assessed therefor in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportion as may be determined by the Board of Directors.

Subsection 4.4.2 Permits. Each Owner shall cooperate with the Association in obtaining any governmental approvals or permits as may be necessary for the Association to alter, improve, reconstruct or repair all or any portion of the Common Area which may be located on such Owner's Lot, either as approved above or as required for Upkeep. If requested by the Board of Directors, each Owner shall name or appoint the Association as agent for such Owner to apply for and secure such approvals or permits with respect to such Common Area in the Association's name.

Subsection 4.4.3 Liens. Within thirty days after the filing thereof, each Owner shall, either by payment of bond or otherwise, cause any mechanic's, materialmen's or other lien affecting any portion of the Common Area located within such Owner's Lot and arising by reason of any work or materials ordered by the Owner or any action taken by the Owner to be discharged of record. To the extent the Association performs work in a Common Easement Area or within a Lot, the Association shall indemnify the Owner of such Lot against all materialmen's or mechanic's liens resulting from such work.

Subsection 4.4.4 Additions, Alterations or Improvements by the Owners. Any addition, alteration or improvement by an Owner shall be subject to Article VI.

Subsection 4.4.5 Restriction on Further Subdivision. No Lot shall be further subdivided or separated into smaller Lots by any Owner during the Development Period except with the approval of the Declarant. The Declarant shall also approve subdivisions that do not increase the number of Lots or dwelling units permitted as the case may be during the Development Period. Any open space parcel shall be conveyed to the Association or otherwise conveyed as approved by the Declarant during the Development Period. The Declarant may approve other subdivisions in its sole discretion. The Board of Directors shall also be informed of any resubdivision. This provision shall not require the approval of the Declarant or the Board of Directors for deeds of correction, deeds to resolve boundary line disputes and similar corrective instruments. No portion of any such Lot, nor any easement or other interest therein, except easements for stormwater drainage and management, street dedications and other easements or dedications to any public authority (specifically excluding public utilities), shall be conveyed or transferred by an Owner without the approval of the Declarant, during the Development Period, or the Board of Directors, thereafter.

Section 4.5 Parking and Private Street Access; Transportation Services.

Subsection 4.5.1 Right to Use Parking Areas. 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. In this Section, "Owners" means the Owners and such Owners' tenants and such Owners (or tenants') households, guests, agents or invitees. Such use shall be subject to Subsection 4.5.2 and such reasonable Rules and Regulations regulating the same as the Board of Directors may adopt from time to time. 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, 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.

Subsection 4.5.2 Limitations. All parking spaces located in the Common Area (except for those portions designated as Limited Common Area) shall be used by the Owners for self-service parking purposes on a "first come, first served" basis, except as the Board of Directors may otherwise determine or as may be otherwise stated with respect to Additional Land in a Supplementary Declaration adding such Additional Land. The Board has the right to restrict the number of parking spaces located on the Common Area used by one Owner. If the Board of Directors assigns Common Area parking spaces, anyone assigned a handicap accessible parking may be reassigned a different parking space to accommodate the needs of a handicapped occupant.

Section 4.6 Disclaimer of Liability.

Subsection 4.6.1 Bailee. The Board of Directors, the Association, any Member, any Owner and the Declarant shall not be considered a bailee of any personal property stored or placed on the Common Area, Limited Common Area or Reserved Common Area (including property located in vehicles parked on such Common Areas), 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.

Subsection 4.6.2 Operational. The Association shall not be liable for any failure of water supply, utility service, including telephone, cable, internet, security or other telecommunication systems or other services to be obtained by the Association or paid for as a Common Expense, or for injury or property damage caused by the elements or by any Owner, or any other Person, 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. The Association shall not be liable to any Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any portion of the Property. 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 or 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, a Member or an Owner.

Section 4.7 Services to Owners.

Subsection 4.7.1 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 Declarant or the Lot of the Owner as an Individual Assessment.

Subsection 4.7.2 Private Utility. Declarant (or an affiliate, including, without limitation, a joint venture that includes Declarant) or its designee shall have the right, but not the obligation, to install and provide private utility systems (including, but not limited to, telephone, cable, telecommunications, electricity, gas, internet, security or other services) and to provide such services or make such services available through the private utility systems to any and/or all Lots within the

Property at the discretion of Declarant. Neither the Association nor any Owner shall have any interest therein unless provided by Declarant in its sole discretion. Any or all of such services may be provided either indirectly, through the Association and paid for as a Common Expense, or directly by Declarant, an affiliated entity or a third party designee and paid for by the recipient of the services, or both directly and indirectly for different services. The private utility systems and infrastructure shall be the property of Declarant (or an affiliated entity or any third party designee that installs such system) unless transferred or sold by Declarant (or such affiliated entity or third party designee), whereupon any proceeds of such transfer or sale shall belong to Declarant (or such affiliated entity or third party designee). Declarant shall have the right, but not the obligation, to convey, transfer, sell or assign all or any portion of the private utility 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 private utility system located on such Owner's Lot). Declarant's rights with respect to the private utility system installed by Declarant (or affiliate or designee) and the services provided through such private utility system are exclusive, and no other Person may provide such services to the Property or through the private utility system installed by Declarant (or affiliate or designee) without the prior written consent of Declarant, which consent may be withheld in Declarant's sole discretion. If a private utility system is installed in the Property by Declarant (or its affiliate or designee) to serve the Owners, then, during the term such Community System is in place, the Association shall make available reasonable space within the Association's community center for the equipment necessary for Declarant (or its affiliate or designee) to provide such private utility services.

ARTICLE V

COMMON EXPENSES AND ASSESSMENTS

Section 5.1 Determination of Common Expenses and Budget.

Subsection 5.1.1 Fiscal Year. The fiscal year of the Association shall be as determined from time to time by the Board of Directors in accordance with the Project Documents.

Subsection 5.1.2 Preparation and Approval of Budget.

(i) 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 Project Documents, Upkeep of the Lots, and the cost of other expenses that may be declared to be Common Expenses by the Project Documents or by a resolution of the Board of Directors, including without limitation services provided to the Owners, Lots or Common Area.

(ii) The budget shall 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 thirty 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 which sets forth the amount of the Common Expenses and shall provide a copy of such budget to each Owner. Such budget shall constitute the basis for determining the General Assessment and any Limited Common Expense Assessments against each Lot. A Majority Vote of the Owners is required to approve any capital expenditure(s) for a single project during a fiscal year, other than for repair or replacement, which exceeds twenty percent (20%) of the budget for Common Expenses for that fiscal year.

(iii) The budget shall reflect the separate assessment of Limited Common Expenses, including, without limitation, certain expenses (and reserves) relating to or benefiting one or more but less than all of the Lots, whether categorized by location, type of expense or type of Lot benefited;

(iv) The budget shall reflect the Recreational Facilities expenses which shall include the cost of management, Upkeep and insurance for the Recreational Facilities, including such amounts as the Board of Directors may determine to be necessary to create reserves for repair and replacement of the Recreational Facilities in accordance with the Project Documents.

(v) The budget shall reflect the amounts due for trash and recycling expenses incurred by the Association for collecting or obtaining the collection of trash and recycling from those Owners who do not receive public trash and recycling service. These expenses shall be collected from those Owners receiving the trash and recycling service as a separate Trash and Recycling Assessment. The Trash and Recycling Assessment shall reflect the actual cost of the trash and recycling expenses incurred by the Association.

Subsection 5.1.3 Payments and Due Dates. Any and all Assessments and other charges due from an Owner shall be a lien against such 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 quarterly 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.

Subsection 5.1.4 Initial Budget; Initial Assessment.

(i) 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.

(ii) The first installment of the General 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: (a) the date the Lot is conveyed to an Owner other than the Declarant or a Builder, or (b)

initial occupancy of a Dwelling Unit on the Lot. 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.

(iii) Each initial purchaser of a Lot after the Declarant or a Builder shall pay to the Association at settlement an "Initial Assessment" equal to Two Hundred Fifty Dollars (\$250.00) to provide necessary working capital for the Association. The amount of the Initial Assessment may be increased by up to five percent (5%) each fiscal year in the sole discretion of the Declarant. Such funds may be used for prepaid items, initial equipment, supplies, organizational and legal costs, facility improvements and up-grades 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 for the basic development and facilities required by the Proffers for Lorton Valley.

Subsection 5.1.5 Effect of Failure to Prepare or Adopt Budget. For each fiscal year of the Association, the Board of Directors shall establish the General Assessment against each Lot to pay for Common Expenses and address all of the other fiscal responsibilities of the Association. 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 all General 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.

Subsection 5.1.6 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 up to sixty percent (60%) of revenues to be received by the Association during the current fiscal year, including, but not limited to, General and Additional Assessments, in order to secure the repayment of any sums borrowed by the Association from time to time. A two-thirds vote of the total number of Owners shall be required to assign and pledge more than sixty percent (60%) of such revenues.

Section 5.2 Assessments.

Subsection 5.2.1 Purpose of Assessment; Payment. Subject to the provisions of this Section 5.2 and Section 5.3, the total amount of the estimated funds required for: (a) the management and Upkeep of the Property; (b) services to the Lots and Owners; and (c) to meet obligations of the Association established pursuant to this Declaration, or other shared Upkeep agreements, shall be assessed annually against Owners through General Assessments, Limited Common Expense Assessments, Additional Assessments, Individual Assessments and Trash and Recycling Assessments.

Subsection 5.2.2 General Assessment. Pursuant to Subsection 5.2.1, the Board of Directors shall annually establish a general assessment rate for each type of housing according to the budget ("General Assessment"). The Board of Directors may increase the amount of the General Assessment each fiscal year by the greater of (a) a factor of not more than ten percent (10%) of the General

Assessment assessed for the current fiscal year, compounded annually, plus the amount that any ad valorem real estate taxes or any other taxes assessed by any government entity or agency thereof and any insurance premiums payable by the Association have increased over the previous year, or (b) the percentage increase, if any, in the Consumer Price Index, or equivalent, published by the United States Department of Labor for the Metropolitan Washington Area over the twelve (12) month period ending five (5) months prior to the end of the current fiscal year of the Association. Notwithstanding the foregoing, the annual increase in the General Assessment shall not exceed twenty percent (20%) of the General Assessment assessed for the current fiscal year. The General Assessment shall be payable at such times and place decided by the Board of Directors from time to time.

Subsection 5.2.3 Limited Common Expense Assessment. Limited common expenses shall be assessed only against the Lots benefited in proportion to their relative Limited Common Expense liability inter se or based on usage, as appropriate as determined by the Board of Directors ("Limited Common Expense Assessment"). The Limited Common Expense Assessment shall be due and payable at such times and place as specified by the Board of Directors.

Subsection 5.2.4 Additional Assessment. The Board of Directors may, from time to time, by a vote of two-thirds of the total number of Directors, levy additional assessments on Lots already subject to assessment pursuant to Subsection 5.2.1, if additional amounts are necessary to satisfy the purposes stated in Subsection 5.2.1 ("Additional Assessment"). The cumulative amount of any such Additional Assessments shall not exceed twenty-five percent (25%) of the budgeted General Assessment for the year in which the most recent Additional Assessment is approved by the Board, except by a vote of two-thirds of the total number of Owners. The Board of Directors shall give notice of any Additional Assessments to the Owners specifying the amount and reasons therefor, and any such Additional 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 Additional Assessment shall be a lien until paid in full as set forth in Section 12.2.

Subsection 5.2.5 Individual Assessment. The Board of Directors shall have the power to assess an Owner's Lot individually ("Individual Assessment") for: (a) the amount of any costs incurred by the Association in performing Upkeep that the Owner failed to perform as required by the Project Documents; (b) the amount of any charges imposed on that Owner pursuant to Subsection 12.1.8; (c) any costs incurred by the Association because of any violation or negligence for which that Owner is responsible under Section 9.4; (d) contractual charges levied pursuant to Subsection 5.2.6; and (e) any other charges permitted to be charged hereunder to an individual Lot Owner. Each such Individual Assessment shall be due ten days after notice thereof is given to the Owner unless the notice specifies a later date.

Subsection 5.2.6 Optional Expenses. Upon request, the Association may provide certain services to Owners (including the Declarant) on a contractual basis; provided, however, that the charge for such services shall be assessed against the Declarant or such Owner's Lot in accordance with the terms of the contract.

Subsection 5.2.7 Trash and Recycling Assessment. The Association may levy a trash and recycling assessment against any Owner receiving trash and/or recycling services through the Association ("Trash and Recycling Assessment"). The Trash and Recycling Assessment shall be due within thirty (30) days of receipt of notice of amount, unless otherwise specified in the notice, and shall be payable in full.

Subsection 5.2.8 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. The accounts of which are insured by an agency of the United States of America or, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, the United States of America. Unless otherwise provided above, 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:

(i) 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.

(ii) If regular annual Upkeep extends the useful life of components so that reserves are excessive, the reserves shall be adjusted by reallocation of 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.

(iii) 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 levy an Additional Assessment against the Lots unless the Declarant is then obligated to pay such amounts pursuant to Subsection 5.3.1 (Declarant can also provide services in kind to fund any deficit).

Subsection 5.2.9 Surplus and Deficit.

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

(ii) Unless the budget for the succeeding fiscal year is adjusted to amortize an actual deficit during such fiscal year, any net shortage in actual expenses (including reserves) shall be assessed promptly against the Owners as an Additional Assessment unless the Declarant is then

obligated to pay such amounts pursuant to Subsection 5.3.1 (Declarant can also provide services in kind to fund any deficit).

Subsection 5.2.10 Lots Added During the Fiscal Year; Improvements Completed During Fiscal Year.

(i) Lots. Notwithstanding any other provision of this Article, whenever any Additional Land is added, the Assessments against each Lot being added (other than unoccupied Lots which are owned by the Declarant or a Builder) shall be calculated in the same manner and be due in the same number of installments as the Assessments for the remainder of the fiscal year against Lots already a part of the Property. In addition, full Initial Assessments shall be paid to the Association by the Owner of such added Lots at the time the Lots are added (unless the added Lots are still unoccupied and owned by the Declarant or a Builder, in which case the Initial Assessments shall be due to the Association at the time the Lots are first sold to Owners other than the Declarant or a Builder). Further, the Owners of the Lots being added shall pay a prorated portion of any amount payable for the period between the later of (a) that date the Lots were conveyed to an Owner other than the Declarant or a Builder (or the date the Declarant obtained a building permit for such Lot) and (b) the date such Lots were added to the Property and the due date of the next installment. Such proration of the Assessments due for any Lot added shall be based upon the total Assessments 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.

Subsection 5.2.11 Minimum Service Levels. Without a Majority Vote of the Owners, the Board of Directors shall not in any one fiscal year reduce the total General Assessment for Common Expenses for the fiscal year by more than twenty percent (20%).

Section 5.3 **One Time Assessment for Declarant and Builders**. SCC, Ryland, and M/I Homes have each paid at closing a single one-time assessment of Two Hundred Seventy-Five Dollars (\$275.00) per Lot owned by SCC, Ryland, and M/I Homes, respectively. After such time as the Lorton Valley III Property, the Lorton Valley East Property, the Fourth Place Property, and/or the Fifth Place Property is submitted to this Declaration and subdivided into Lots, Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place and/or Builder, as appropriate, shall pay a single one-time assessment of Two Hundred Seventy-Five Dollars (\$275.00) per Lot for each Lot owned by Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place and/or Builder, as appropriate. Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place and/or Builder shall not be required to pay such single one-time assessment with respect to any particular Lot until three (3) business days after the deed and plat of subdivision creating such Lot have been recorded among the Land Records, and Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place and/or Builder, as appropriate, has received written notice that such subdivision deed and plat have been recorded or at such later time in the sole discretion of Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place and/or Builder, as appropriate. As long as Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place and/or Builder, as appropriate, does not occupy the dwelling constructed on the Lot, then Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place and/or Builder, as appropriate, shall not have to pay any further assessments on such Lots for two years, except as provided in Section 5.3.1 below.

Subsection 5.3.1 Developer's Deficit Funding Obligation. The Declarant and Builders must provide all necessary Upkeep for unoccupied Lots owned by the Declarant or Builders, respectively. In addition, during the Declarant Control Period, the Developer must fund all actual operating deficits (after actual expenses are calculated for the year), provided (i) the relevant budget has been authorized and approved by the Developer acting in its capacity as the Declarant's attorney-in-fact pursuant to the Limited Special Power of Attorney attached to this Declaration as Exhibit C, and (ii) said Limited Special Power of Attorney has not been revoked or terminated. The Developer's deficit funding obligation hereunder may be satisfied with in-kind payments of services or materials. The Developer's obligation under this Section does not include any expenses that the Association is unable to meet because of non-payment of any Owner's Assessments or because of actual unusual or extraordinary expenses not included in the budget. The net deficit (based on actual not budgeted figures) to be paid by the Developer pursuant to this Subsection 5.3.1 shall be cumulative over the period the Declarant owns Lots exempt from full assessment, regardless of the timing of payments or cash flow of the Association. The Developer shall have the right to collect a pro-rata share of the deficit-funding obligation from all of the Builders that have Lots that are exempt from paying the full Assessments. The obligations of the Builders, under this Section, shall be a lien against the portion of the Property owned by such Builders.

Subsection 5.3.2 Exemptions. The Common Area and any properties dedicated to a public authority or otherwise exempt from taxation by a public authority shall be exempt from assessment by the Association and the lien created hereby. Lots that have never been occupied and are owned by the Declarant or a Builder shall be exempt from Assessments for two years after the creation of the Lots and the submission of the Lots to this Declaration, except for the one-time assessment as provided in Section 5.3. Notwithstanding the foregoing sentence, if an unimproved Lot is owned by the Declarant or a Builder more than two years after said Lot was created and submitted to this Declaration, the Declarant or Builder, as appropriate, shall be subject to Assessments equal to Twenty-Five Percent (25%) of the Assessments charged for occupied Lots. A Lot shall be subject to the full Assessments only after the earlier of: (a) conveyance to an Owner other than the Declarant or a Builder or (b) initial occupancy of a Dwelling Unit on the Lot. The exemption from paying Assessments shall not apply to Lots used for model home purposes, but Assessments for such Lots shall not be due until after the certificate of occupancy or equivalent has been issued for such model homes.

Section 5.4 Liability for Common Expenses

Subsection 5.4.1 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 fees 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 Assessments 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 Assessments 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 (a) the amount shown on the Statement of Common Expenses or (b) if no Statement of Common Expenses (defined in Section 5.6 below) is obtained, the amount shown on the assessment or judgment lien against the Lot filed in the Land Records; or (c) if no Statement of Common Expenses is obtained and no assessment or judgment lien has been filed, the amount owed not to exceed six monthly installments (or whatever the periodic payment closest to six months is) of the General Assessment for Common Expenses, and any Limited Common Expenses due for such Lot, 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 5.6.

Subsection 5.4.2 Mortgagee Liability. Each Mortgagee who comes into possession of a Lot by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid Assessments or charges against such Lot which accrue prior to the time such Mortgagee 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 Mortgagee, the excess shall first be paid to the Association and applied to the satisfaction of the Association's lien.

Section 5.5 Collection of Assessments. Any Assessments, 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 for each Lot per month delinquent, 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 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 any interest the Association's other enforcement powers pursuant to Article XII.

Section 5.6 Statement of Common Expenses. The Board of Directors or managing agent shall provide any Member, 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 Informational Brochure. 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 VI

RESIDENTIAL DESIGN GUIDELINES AND REVIEW PROCESS

Section 6.1 Development and Use of the Property. No building, fence, wall or other structure or improvement shall be commenced, erected, or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made (including change in color) until the plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Covenants Committee. The terms and conditions of the Lorton Valley Homeowners Association Design and Maintenance Standards (the "Design Guidelines"), as may be modified from time to time as provided herein, are incorporated herein by reference. During the Development Period, the Declarant may amend the Design Guidelines. After the Development Period the Design Guidelines may be amended by a Majority Vote of the Board of Directors and such amendments shall be effective from the date of the Board of Director's vote.

Section 6.2 Composition of the Covenants Committee. The Board of Directors shall establish a Covenants Committee, comprised of three (3) or more members appointed by the Board of Directors. Members shall serve from one (1) to three (3) years as determined by the Board of Directors, in order to assure that the Property shall always be maintained in a manner: (a) providing visual harmony and soundness of repair; (b) avoiding activities deleterious to the aesthetic or property values of the Property; and (c) promoting the general welfare and safety of the Owners, such Owners, tenants and such Owners' (or tenants') household, guests, employees, agents and invitees. Except for members who have been designated by the Declarant, the Board of Directors may remove members of the Covenants Committee with or without cause. Appointments to fill vacancies in unexpired terms shall be made in the same manner as the original appointment. If a vacancy shall occur, the remaining members of the Covenants Committee may continue to act until the vacancy has been filled. If the Board of Directors shall fail to appoint a Covenants Committee, then the Board of Directors shall perform the duties of the Covenants Committee. Notwithstanding the foregoing, the Declarant reserves the right to appoint any or all of the Covenants Committee members during the Development Period.

Section 6.3 Covenants Committee Officers. At the first meeting of the Covenants Committee after being elected, the Covenants Committee shall elect from among themselves a Chairman, a Vice Chairman and a Secretary who shall perform the usual duties of their respective offices.

Section 6.4 Design Guidelines. The Board of Directors has approved the current Design Guidelines, which Design Guidelines may be amended from time to time as provided in Section 6.1 above, and which Design Guidelines are incorporated herein by this reference and shall be enforceable as though set forth herein in their entirety; provided, however, that no amendments or additions thereto, or exceptions or waivers therefrom, are permitted during the Development Period without the written approval of the Declarant. All uses on the Property shall comply with the Proffers and the procedures set forth in the Design Guidelines. No exterior alteration or addition may be made without prior written application to and approval of the Covenants Committee as appropriate, except

as noted in the Design Guidelines. The Covenants Committee shall propose changes or additions to the Design Guidelines for approval by the Board of Directors as provided in Section 6.1 above.

Section 6.5 Approval of Plans. A Majority Vote of the Covenants Committee is required to take any action. Any member of the Covenants Committee may request the assistance and/or participation of a paid professional architect or design consultant. The Covenants Committee shall keep a written record of all its actions. The Covenants Committee shall review the plans for compliance with the Design Guidelines but may exercise its sole discretion as to whether certain plans are in compliance with the Design Guidelines in approving or disapproving any feature of the proposed improvements. Nothing contained in this Declaration shall require the Covenants Committee to approve the plans for improvements on a Lot on the grounds that the layout, design and other aspects of such improvements are the same or substantially the same as the layout, design and other aspects of improvements approved by the Covenants Committee for another Lot. If the Covenants Committee does not approve or disapprove, or approve subject to conditions, any properly filed and complete set of plans within forty-five (45) days after it receives the same in compliance with this Article and any fees to which it is entitled under this Declaration, or within such longer period as it may specify in writing to an Owner before the end of such 45-day period, such plans shall be submitted to the Board of Directors for approval. If the Board of Directors shall fail to act within thirty (30) days after submission, such plans shall be deemed approved so long as they are in full compliance with the requirements of the Design Guidelines and the other Project Documents. Any approval or disapproval of plans by the Covenants Committee shall be in writing. Neither the Board of Directors nor the 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 or is otherwise not in the best interests of the Association 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 6.6 No Structures to be Constructed, Etc., Without Approval. No improvement shall be constructed, erected, installed or maintained on any Lot, nor shall any improvement be altered, enlarged, demolished or removed in a manner that alters the exterior appearance (including paint color) of the improvement or of the Lot on which it is situated, unless the plans therefor have been approved by the Covenants Committee or unless the Design Guidelines expressly authorizes the same without requiring specific approval. After the plans therefor have been approved, all improvements shall be constructed, erected, installed, maintained, altered, enlarged, demolished or removed strictly in accordance with the approved plans. Upon commencing the construction, erection, installation, alteration, enlargement, demolition or removal of an improvement, all of the work related thereto shall be carried on with reasonable diligence and dispatch and in accordance with the plans approved by the Covenants Committee. If construction of an improvement is commenced without the prior approval of the Committee, then the Covenants Committee or the Board of Directors may issue a cease and desist order to compel the immediate stoppage of such action. The Covenants Committee and the Board of Directors shall have no authority to regulate construction by the Declarant or approved by the Declarant.

Section 6.7 Limitation of Liability. The approval by the Covenants Committee of any plans, and any requirement by the Covenants Committee that the plans be modified, shall not constitute a warranty or representation by the Covenants Committee of the adequacy, technical sufficiency or

safety of the improvements described in such plans, as the same may be modified, and the Covenants Committee shall have no liability whatsoever for the failure of the plans or the improvements to comply with applicable building, codes, laws and ordinances or to comply with sound engineering, architectural or construction practices. In addition, in no event shall the Covenants Committee have any liability whatsoever to an Owner, a contractor or any other party for any costs or damages (consequential or otherwise) that may be incurred or suffered on account of the Covenants Committee's approval, disapproval or conditional approval of any plans.

Section 6.8 Other Responsibilities of the Covenants Committee; Fees. In addition to the responsibilities and authority provided in this Article, the Covenants Committee shall have such other rights and authority as may be provided elsewhere in the Project Documents. 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 as well as 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 Owner shall have the option to withdraw the application.

Section 6.9 Expenses of the Covenants Committee. Except for those expenses covered by fees charged pursuant to Section 6.8, the Association shall pay all ordinary and necessary expenses of the Covenants Committee; provided, however, no member of the Covenants Committee shall be paid any salary or receive any other form of compensation at the expense of the Association during the Development Period except upon authorization by the Board and upon approval by (i) sixty-seven percent (67%) of the votes cast by the Class A Members who are voting in person or by proxy at a meeting duly called for such purpose at which a quorum is present, and (ii) the Class B Member voting in person or by proxy at such meeting.

Section 6.10 Interpretations. Subject to the review and prior approval of the Board of Directors, the Covenants Committee shall from time to time provide interpretations of those portions of the Project Documents having to do with architectural and design review and enforcement pursuant to the intents, provisions and qualifications thereof when requested to do so by an Owner or a member of the Board of Directors. The Committee may publish and record such interpretations in order to establish precedents for application of the Project Documents or the Design Guidelines or other matters relative to architectural control and protection of the aesthetic or property values of the Property.

Section 6.11 Appeal. Any aggrieved party (as deemed by the Board of Directors to have standing as an aggrieved party) has ten (10) days to appeal a decision of the Covenants Committee to the Board of Directors. The Board of Directors, at their next scheduled meeting occurring more than ten (10) days after the appeal, may approve, amend, modify or reverse, in whole or in part, any such action, ruling or decision.

Section 6.12 Declarant Exempt. Notwithstanding any provision of this Declaration to the contrary, the provisions of this Article VI shall not be applicable to the Declarant or any Builder or any part of the Property owned by the Declarant.

Section 6.13 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 this Article and in the manner provided for in the Rules and Regulations and Design Guidelines 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 other Builders approved by the Declarant during the Development Period.

Section 6.14 Determination of Violations. The Covenants Committee, with the approval of the Board of Directors, shall establish a policy for the consideration of violations of the Project Documents, Rules and Regulations, Design Guidelines and other provisions which the Covenants Committee is empowered to enforce. Such policy shall provide whether the Covenants Committee will proactively seek out certain violations or reactively respond to complaints filed by the owners and occupants. The Covenants Committee and/or the Board of Directors shall direct any outside management company that is managing the day-to-day business of the Association as to the specific extent of management's enforcement duties (in accordance with the management agreement entered into between the management company and the Board of Directors).

Section 6.15 Conduct of Business. The Covenants Committee shall not exercise its powers and authority to interfere with the reasonable conduct of business on the Property or the development of the Property in accordance with the Development Plan. Reasonable signs, modifications, alterations and changes of use which are consistent with the Design Guidelines and needed for the proper conduct of business shall be permitted.

Section 6.16 Subcommittees. The Board of Directors may, from time to time, establish subcommittees of the Covenants Committee to exercise a portion of the rights, powers and duties of the Covenants Committee.

ARTICLE VII

GENERAL USE RESTRICTIONS

Section 7.1 Compliance with County Ordinances. The Property shall not be used for any purpose other than as permitted in Fairfax County Zoning Ordinances or the laws, rules, or regulations of any governmental authority in force and effect on the date of recording of this Declaration as the same may be hereafter from time to time amended. This restriction shall not apply to any use for which a special exception under Fairfax County Zoning Ordinances or other governing regulations, as the same may be hereafter from time to time amended, is finally granted provided such use is approved in writing by the Covenants Committee. The right, however, to further limit or restrict the use of a particular Lot is reserved under the provisions hereof.

Section 7.2 Quiet Enjoyment. No noxious or offensive trade, services or activities shall be conducted on or upon any portion of the Property nor shall anything be done thereon which may be or become a continuing annoyance or hazard or nuisance to the Owners or Residents of the Property.

No use of any Lot or part thereof or any Structure thereon shall be made, nor shall any materials or products be manufactured, processed or stored thereon or therein, contrary to Federal, State or Local laws or regulations, or which shall cause an undue fire hazard to adjoining Lots. This provision shall not be construed to prohibit the conduct of such professional services in residential areas as are approved by the Covenants Committee.

Section 7.3 Appearance and Maintenance. All Lots and the improvements thereon shall at all times be maintained in a good, clean and attractive condition, order and state of repair consistent with a high quality and upscale development. Accordingly, each Owner or resident shall at all times keep his or her premises, buildings, improvements and appurtenances in a safe, clean, neat and sanitary condition. Appropriate maintenance shall include, but not be limited to, the seeding, watering and mowing of all lawns, the reasonable pruning of all trees and shrubbery and the painting (or other appropriate external care) of all dwellings and other improvements all in a manner and with such frequency as is consistent with a first class residential project. The Owner or resident shall comply with all laws, ordinances and regulations pertaining to health, safety and pollution. The rights or obligations of Owners pursuant to this Article may be enlarged or further restricted according to the terms of the Design Guidelines promulgated by the Board of Directors, which Design Guidelines may be amended from time to time.

Section 7.4 Enforcement of Maintenance. The Covenants Committee, or its agent, during normal business hours, shall have the right (after 10 days' notice, by regular or certified mail, or posted on the front door with a witness, to the Owner or resident of any Lot involved) to do any and all maintenance work reasonably necessary in the written opinion of the Covenants Committee, to keep such Lot, whether unimproved, improved or vacant, in neat and good order, such cost and expense to be paid to the Association by said Owner or resident upon demand and collected in accordance with the provisions of this Declaration. The Covenants Committee, or its agent, shall further have the right (upon like notice and conditions) to trim or prune, at the expense of the Owner or resident, any hedge, tree or any other planting that, in the written opinion of the Covenants Committee, by reasons of its location on the Lot, or the height to or the manner in which it is permitted to grow, is detrimental to the adjoining Lots contrary to the rules and regulations of the Covenants Committee or is unattractive in appearance. The lien provided under this Section shall not be valid against a *bona fide* purchaser (or *bona fide* mortgagee) of the Lot in question unless a suit to enforce such lien shall have been filed in the court of record and notice thereof shall have been filed in the appropriate records of Fairfax County, Virginia prior to the recordation among the records of Fairfax County, Virginia of the deed (or mortgage or deed of trust) conveying the Lot in question to such purchaser (or subjecting the same to such mortgage or deed of trust). The Covenants Committee, or its agent, shall have the right to enter upon any Lot at all reasonable times for the above-stated purposes, and for the purpose of ascertaining whether such Lot or the construction, erection, placement, remodeling or alteration of any structure thereon is in compliance with the provisions of this Declaration, without the Covenants Committee or any such officer, employee or agent being deemed to have committed a trespass or wrongful act solely by reason of such action or actions.

Section 7.5 Dumping on Common Areas and Environmental Quality Corridors; Air and Water Pollution. No Member shall dump or otherwise dispose of or place trash, garbage, yard waste, debris or any unsightly or offensive materials on the Common Areas or any environmental quality corridor,

nor shall any Member permit any member of his family or any of his guests, tenants, licensees or agents to do so.

No use of any Lot will be permitted which emits pollutants (including, without limitation, smoke, steam, noxious smells and noise) into the atmosphere, or discharges liquid or solid wastes or other harmful matter onto any waterway, in excess of environmental standards applicable thereto by the Board of Directors which standards shall be at a minimum to meet the requirements of Federal and State law and any regulations thereunder applicable to the Property.

Section 7.6 Completion of Building/Dwelling/Improvement. Each building, dwelling or improvement to be constructed on a Lot shall be 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 Design Guidelines, the resolutions and Rules and Regulations of the Board of Directors and the other provisions of this Declaration.

Section 7.7 Construction Trailers, Etc. No construction trailer or other temporary shelter shall be placed on or near a Lot before or during construction of the improvements thereon, without the prior permission of the Declarant, during the Development Period, and the Board of Directors thereafter. Any such construction trailer or temporary shelter shall be promptly removed after completion of construction, and no mobile home or temporary shelter shall thereafter be placed or maintained on the Lot.

Section 7.8 Construction Activities. Any Owner, contractor or Builder undertaking development or construction activities on the Property shall take all steps reasonably necessary to prevent damage to adjacent Lots or Common Areas and shall restore any land or improvement disturbed by such development or construction activities to the condition existing prior to the undertaking of such work. The Owner, contractor or Builder shall be responsible for the cleanliness of all construction vehicles working on the Property during the site's development and construction. If any soil or debris is deposited on any other portion of the Property because of such development or construction, particularly on any private or public roads, such Owner, contractor or Builder, at its sole cost and expense, shall promptly remove the same; otherwise, the Declarant or the Association may perform such cleaning and charge the cost thereof to either the Owner, contractor or Builder (at the Association's discretion). Each Owner hereby indemnifies and holds the Declarant, the managing agent, the Members and their respective successors, assigns and transferees, and the Association, harmless and shall defend the Declarant, the managing agent, the Members and their respective successors, assigns and transferees, and the Association, as applicable, from and against any and all lawsuits, liability, cost, damage, expense, claims and judgments incurred or suffered by reason of or in any way related to any development and/or construction activities that violate or breach any provision of the Project Documents or any applicable Design Guidelines, including any attorney's fees incurred by the Declarant, the managing agent, the Members and their respective successors, assigns and transferees and/or the Association. Any amount that an Owner, contractor or Builder is obligated to pay under this paragraph that is not reimbursed to the Declarant, the managing agent, the Members or the Association, as applicable, within ten days after the date of the demand shall accrue interest at the rate then charged by the Internal Revenue Service (or a successor agency) on delinquent taxes on the principal amount unpaid from the date due until paid.

Section 7.9 Boats, Trailers, Commercial Vehicles, Etc. No boat, trailer, bus, camper, motor home, recreational vehicle, utility trailer, commercial vehicle (including, but not limited to, moving vans, trucks, tractors, vans, wreckers, tow trucks, taxi cabs and hearses, but not including commercial vehicles connected to construction on the Property) (other than cars and pickup trucks and similar vehicles which are used for personal as well as commercial purposes), wrecked or "junked" cars (including, but not limited to, vehicles without proper and current inspection and registration identification), or oversized vehicles shall be parked or maintained on any street or Common Area or on any Lot except as otherwise may be expressly permitted by the Association. If the Association permits any such vehicle on a Lot, it shall be kept within a garage or an enclosed or screened area such that the vehicle shall not be visible from any street, the Common Area, or any other Lot. Vehicle repairs are not permitted, except in accordance with 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 vehicles authorized by the Board of Directors for Upkeep of the Common Area or otherwise authorized or permitted by the Board of Directors.

Section 7.10 Animals. No livestock, poultry or other animals shall be kept or bred on any Lot, and in no event shall any stable, hatch, barn, coop or other housing or shelter for animals or for the storage of materials be placed or maintained upon any Lot, except as approved in writing by the Covenants Committee. Notwithstanding anything to the contrary herein contained, except to the extent prohibited or restricted by the Owner of any Lot for such Lot, dogs, cats and other household pets may be kept on the Property provided that such household pets are subject to Fairfax County regulations and the Rules and Regulations established by the Board of Directors and further provided that said pets are not raised or bred for any commercial purposes. The Association hereby grants authority to Fairfax County to enforce County leash and pet regulations.

Section 7.11 Antennas. To the extent permitted by federal regulation, freestanding satellite dishes, and freestanding exterior television, "ham radio" or other antennas are prohibited. Standard TV antennas and other over-the-air reception devices (including satellite dishes) of one meter (39 inches) in diameter or less shall be permitted; provided, however, that no exterior antenna, satellite dish or similar exterior improvement shall be installed upon the Property without first providing written notice to the Covenants Committee. Installation of standard TV antennas and over-the-air reception devices shall comply with any and all of the Design Guidelines for antennas, or other applicable rules and guidelines adopted by the Covenants Committee or the Board of Directors concerning location and general screening requirements and reasonable color blending requirements in order to minimize visual disturbance; provided, however, that such rules or regulations do not unreasonably increase the cost of installing, maintaining, or using such devices, or otherwise unreasonably delay an Owner's right to receive over-the-air signals. The placement of each satellite dish antenna will be reviewed on a case-by-case basis by the Covenants Committee for general conformance with the Design Standards and other applicable rules and guidelines adopted by the Covenants Committee or the Board of Directors concerning location and general screening requirements and reasonable color blending requirements for antennas. Notwithstanding the foregoing, the Declarant or the Board of Directors may install and maintain antennas, satellite dishes and similar equipment on the Common Area to serve the Property.

Section 7.12 Air and Water Pollution. No use of any Lot will be permitted which emits pollutants into the atmosphere, or discharges liquid or solid wastes or other harmful matter into any waterway in excess of environmental standards applicable thereto to be established by the Covenants Committee, and approved by the Board of Directors which standards shall at a minimum meet the requirements of Federal and State law and any regulations thereunder applicable to the Property. No waste or any substance or materials of any kind shall be discharged into any private or public sewer serving the Property, or any part thereof, in violation of any regulations of Fairfax County or any private or public body having jurisdiction. No person shall dump garbage, trash or other refuse into any waterway on the Property.

Section 7.13 Clothes Lines. No clothes lines or other clothes drying apparatus shall be installed or placed outside of any building on a Lot, nor shall any clothes or other wash be placed or allowed to remain within public view.

Section 7.14 Fences. Except for any fence installed by the Declarant, a Builder or the Association, no fence shall be installed on a Lot except in accordance with the guidelines established by the Covenants Committee and with the prior written approval of the Covenants Committee. No chain link fence shall be permitted on the Property; provided, however, that the Declarant or its designees or a Builder may erect a chain link fence for the temporary storage of building materials for the protection of building sites or its designees or the Declarant or a Builder 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, safety or protection purposes.

Section 7.15 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.

Section 7.16 Garages. No garage on a Lot shall be converted to living space or altered or used for purposes which would prevent the use of the garage for the parking of the intended number of vehicles which it was constructed. This covenant may be enforced by Fairfax County or the Covenants Committee and may not be modified without the County's consent.

Section 7.17 Signs and Flags.

Subsection 7.17.1 No signs, banners or other displays shall be erected or maintained on any Lot, on the exterior of any building or other improvement on a Lot or within any public right of way or Common Area, except for one sign advertising the Lot for sale or rent, or as approved by 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. This Subsection shall not apply to any Lot owned by the Declarant or a Builder or to any entrance sign(s) or entrance features to the Property installed by the Declarant or a Builder.

Subsection 7.17.2 No temporary signs (including paper or cardboard signs), which are prohibited by Article 12 of the Fairfax County Zoning Ordinance, and no signs, which are prohibited by Chapter 7 of Title 33.1 or Chapter 8 of Title 46.2 of the Code of Virginia, shall be placed on or

off site during the marketing of homes on the Property. Declarant shall not post or cause others to post temporary signs to market homes on the Property.

Section 7.18 Trees. Except in accordance with the Design Guidelines, no sound trees shall be removed from any Lot without the prior written approval of the Covenants Committee unless necessary to construct improvements based on plans previously approved by the Covenants Committee (such plans shall have identified the trees that are to be removed). No live trees with a diameter in excess of six inches or more in diameter at a point one foot above ground level, nor flowering trees in excess of 2 inches similarly measured, nor live vegetation on slopes of more than twenty percent (20%) gradient or marked "no cut" on conservation areas on approved plans may be cut without the prior approval of the Covenants Committee. Further, no live trees planted by the Declarant or a Builder to comply with applicable ordinances or other governmental requirements shall be cut without the prior written approval of the Covenants Committee. The Covenants Committee shall have the right to require an Owner to replace any trees removed by such Owner in contravention with this Section, or if such Owner fails to replace such removed trees within thirty (30) days of its violation notice, the Covenants Committee can replace the trees and assess the Owner's Lot for all reasonable costs and expenses to restore the trees.

Section 7.19 Excavation. The topography of a Lot shall not be altered by removal, excavation, fill or any other means without the prior approval of the Covenants Committee or the Declarant.

Section 7.20 Underground Utility Lines. All permanent utility lines, wires and pipes located on any Lot shall be buried underground to the extent reasonably feasible.

Section 7.21 Trash Receptacles and Collection. Trash shall be collected and stored in trash receptacles only and not solely in plastic bags. Trash and garbage receptacles shall not be permitted to remain in public view except on days of trash collection, except those receptacles designed for trash accumulation located in the Common Area. No accumulation or storage of litter, new or used building materials, or trash of any kind shall be permitted on any Lot.

Section 7.22 Fixtures. No fixtures or additions, such as awnings, decks, fixed basketball goals, mailboxes or newspaper tubes shall be affixed or added to the exterior of any building, or constructed or placed on a Lot without the prior approval of the Covenants Committee or the Declarant during the Development Period.

Section 7.23 Swimming Pools. Swimming pools and hot tubs, either permanent or temporary, (except for small children's wading pools) shall not be installed by anyone other than the Declarant or a Builder on any Lot without the prior approval of the Covenants Committee.

Section 7.24 Alterations in Common Areas, Etc. Without the prior approval of the Board of Directors, no vegetation, landscaping, structure, or other improvement in a Common Area or a street right of way adjacent to a Lot shall be removed, constructed, enlarged, demolished or altered unless the same was specifically included in the plans for the Owner's Lot approved by the Covenants Committee.

Section 7.25 Use of Lots for Sales, Etc. The exterior of Lots, whether otherwise devoted to residential or nonresidential uses; sidewalks on which Lots front, public rights of way and Common Areas may not be used for the display of items offered for sale to the public, for serving or selling food or beverage items or for any other commercial purpose unless specifically approved in advance by the Board of Directors or by a party delegated by the Board of Directors for such purpose.

Section 7.26 Home Offices. No Lot shall ever be used for any business, commercial, manufacturing, mercantile, storage, vending or other non-residential purpose; provided, however, that an Owner may maintain an office in the dwelling constructed on such Owner's Lot if (i) such office generates no significant number of visits (as determined by the Board of Directors) by clients, customers or other persons related to the business; (ii) 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; (iii) there is no exterior signage or any signage visible from the exterior; and (iv) such Owner has obtained all zoning and development related approvals for such use as may be required by Fairfax County. As a condition to such use, the Board may require the Owner to pay any increase in the rate of insurance or other costs for the Association that may result from such use. Notwithstanding the foregoing, nothing within this Section 7.26 shall be construed to interfere with or restrict any Easement to Facilitate Sales granted in Subsection 8.1.2.

Section 7.27 Towing. Vehicles found to be in violation of any regulations prescribed herein or established by the Association shall be subject to towing by the Association. Such towing shall be at the sole cost and expense of the vehicle owner.

Section 7.28 Lease of Parcel. No Owner of a Lot shall lease to another any such Lot or part thereof unless such lease shall be in writing and shall expressly provide that the terms of such lease shall be subject in all respects to the provisions of this Declaration and the Articles of Incorporation, Bylaws, and Rules and Regulations of the Association, and that any failure by the lessee to comply with the terms of such documents shall be a default under such lease. No Lot shall be rented or leased except as a whole or for any period less than six (6) months. A copy of the lease shall be delivered in hand or mailed, first class postage prepaid, to the Association. This Section does not apply to a Lot while the Owner thereof is a former Mortgagee of that Lot, provided that Mortgagee is an institutional lender.

Section 7.29 Illegal Activities, Hazards, and Waste. Nothing shall be done or kept on any portion of the Property in violation of any law or which would increase the rates of insurance or result in the cancellation or voiding of any insurance for any Member.

Section 7.30 Proffer and Zoning Changes. No Person other than the Declarant shall make any request or application to any governmental or quasi-governmental authority having jurisdiction over the Property or an Owner's Lot, or over both, to change or alter the zoning, the Development Plan or the Proffers, or to seek any other governmental or quasi-governmental approvals for the Property or any Additional Land, including any changes that reasonably could affect the zoning, densities or Development Plan for all or any portion of the Property, except with the consent of the Declarant or, after the Development Period, of the Board of Directors, to be granted or withheld in their respective sole discretion. The Declarant reserves the right to seek to rezone or amend the zoning or Proffers applicable to any portion of the Property or the Additional Land during the Development Period,

without the approval of any Owner, except the Owner of the land described in the application and directly affected by the amendment. To the extent the approval and consent of any other Owner is required under State or local law to apply for or obtain any rezoning, site plan/site plan amendment or proffer condition amendment or to make any subdivision submission, then each Owner appoints the Board of Directors of the Association as its attorney-in-fact to sign such application on behalf of the Owner or in the alternative, upon request each Owner agrees to sign the application or other documents required for such action; provided, however, that such joinder shall be without liability or cost to such Owner unless such liability or cost is expressly accepted by such Owner; and provided, further, that this covenant does not apply to any amendment which would materially, adversely affect an Owner's ability to use such Owner's Lot for its intended purposes or significantly increases such Owner's development costs.

Section 7.31 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.

Section 7.32 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.

Section 7.33 Lighting. No exterior lighting shall be directed outside the boundaries of a Lot, except as approved by the Covenants Committee.

Section 7.34 Use of Lorton Valley Name. No Person shall use the Lorton Valley name or logo in any advertising of or for Lots or the Property in print, radio, television or any other media without prior written approval by the Declarant, or after the Development Period, the Board of Directors, at their sole discretion. The Declarant also reserves the right to prohibit and to enjoin any advertising whatsoever which the Declarant determines contains any false or misleading facts, information or representations with respect to the Declarant, the Property or any part thereof. Upon the expiration of the Development Period, these rights and responsibilities shall automatically vest in the Association.

Section 7.35 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 Project Documents, the Design Guidelines documents. Any Rules and Regulations adopted or amended after conveyance of a Lot to an Owner other than the Declarant or a Builder may only be amended (except for corrections or minor wording changes) by a two-thirds vote of the total number of Directors, following a hearing for which due notice has been provided to all Owners. The Property shall be occupied and used in compliance with the Rules and Regulations and the Design Guidelines. Copies of the Rules and Regulations shall be furnished by the Board of Directors to each Owner and to each occupant requesting the same. 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, the Common Area or the Common Easement Area. Also, the Board of Directors may issue temporary or permanent exceptions or variances to any prohibitions expressed

or implied by this Article or in the Design Guidelines, for good cause shown, in accordance with the procedures set forth in Section 6.4.

Section 7.36 Declarant Exempt. Notwithstanding any other provision of the Project Documents, neither the restrictions in this Article nor the Rules and Regulations of the Association shall apply during the Development Period to any otherwise lawful acts or omissions of the Declarant or of any Builder approved by the Declarant. This exception for Builders shall be subject to strict compliance by the Builders to the development and construction rules established by the Declarant in the Design Guidelines and any other new construction regulations imposed by the Declarant from time to time for safety and to maintain the overall appearance of the Property.

Section 7.37 Conflicting Provisions. To the extent the general use restrictions in this Article VII conflict with the Rules and Regulations, Design Guidelines or any other general provision herein, the Covenants Committee and/or Board of Directors, as applicable, shall enforce the stricter formulation.

Section 7.38 Miscellaneous. Without prior approval of the Covenants Committee:

(a) no water pipe, gas pipe, sewer pipe, or drainage pipe, or industrial process pipe, except hoses and movable piping used for irrigation purposes, shall be installed or maintained on any Lot above the surface of the ground;

(b) no previously approved structure shall be used for any purpose other than that for which it was originally designed;

(c) except for a condominium subdivision, if applicable, no Lot shall be split, divided, or subdivided for sale, resale, gift, transfer or otherwise, unless by a deed of correction in accordance with the applicable Fairfax County requirements;

(d) no facility, including, but not limited to, poles, wires and conduits for the transmission of electricity, telephone messages and the like shall be placed and maintained above the surface of the ground on any Lot, and no external or outside antennas or satellite dishes of any kind no matter how disguised shall be maintained;

(e) no Lot or portion thereof shall be used for any mining, boring, quarrying, drilling, removal, or any other exploitation of subsurface natural resources, which would tend to conflict with the surface development in accordance with Federal, State, or Local laws or regulations.

The preceding provisions of this Section 7.38 shall not apply to Land Development Activity. Without limiting the generality of the foregoing exclusion, the Declarant and any Builders shall have the right to carry on the following activities in connection with Land Development Activities and construction and sale of Dwelling Units:

(a) to construct, install, operate and/or maintain on the Property one or more construction or management control offices in Dwelling Units, field office trailers or other temporary facilities; and

(b) to construct, install, operate and/or maintain one or more model homes (or Dwelling Units) and sales offices on the Property. Such models and offices may be owned or leased by the Declarant or by any person designated by the Declarant. Land Development Activity and sales activity shall in all events be subject to the Fairfax County Zoning Ordinance, and all other applicable laws, rules and regulations of governmental authorities.

ARTICLE VIII

EASEMENTS

Section 8.1 Development Easements.

Subsection 8.1.1 General Easement. The Declarant reserves to itself, its successors and assigns and its designees a non-exclusive (except as provided below) blanket easement over and through the Property, except for dedicated rights of way, for all purposes reasonably related to the development and completion of the 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 regrade 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, retaining walls, landscaping, street lights, signage, roads, trails 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.

Subsection 8.1.2 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, 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 Board of Directors if the Owner does not consent at the time the sign is erected; and (iii) relocate (in a permissible location) 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. These rights shall continue until all Lots have been conveyed to Owners other than the Declarant or a Builder.

Subsection 8.1.3 Utility Easements. The Declarant hereby creates, and there is hereby reserved to the Declarant, its successors and assigns and its designees, a blanket easement upon, across, over, and under all of the Property, except for dedicated rights-of-way, and Additional Land and to create perpetual easements, rights and privileges of ingress and egress to install, maintain, repair, replace and remove poles, wires, cables, conduits, pipes, mains, wells, pumping stations, siltation basins, tanks, meters and other facilities, systems and equipment for the conveyance and use of electricity, telephone service, sanitary and storm sewer, water, gas, cable television, drainage and other public or private conveniences, telecommunication systems or utilities, upon, in or over those portions of the Property and Additional Land including Common Areas as the Declarant may consider to be reasonably necessary (the "Utility Easements") for the development of the Property and Additional Land. The Utility Easements shall include the right of access to such facilities and the right to cut trees, bushes or shrubbery and such other rights as Declarant or its designees may reasonably require. The utility lines installed pursuant to the Utility Easements must be installed below ground unless approved by Declarant and except as otherwise provided in this Declaration or in any Supplementary Declaration; provided, however, that no utility line shall run beneath a dwelling other than the utility lines serving such dwelling. Declarant shall have the right to convey Utility Easements to other Owners, to governmental authorities or utility companies, to the Association and to any other party or parties. This reservation of Utility Easements is subject to easements granted in any deeds of subdivision.

Subsection 8.1.4 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, any land conveyed to a Builder prior to subdivision into individual lots or over and through any Lot within ten feet of any boundary line for the installation and Upkeep of the equipment for providing to any portion of the Property, Additional Land or any other adjacent land, any utilities, including, without limitation, water, sewer, drainage, gas, electricity, telephone, television, telecommunications or other similar services, whether public or private, or for any other purpose necessary or desirable for the orderly development of the Property or the Additional Land or for the benefit of any other adjacent land.

Subsection 8.1.5 Dedications and Easements required by Governmental Authority. The Declarant hereby reserves to itself, its successors and its 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.

Subsection 8.1.6 Landscaping Easement Across Lots; Trails; Common Easement Areas. The Declarant hereby reserves to itself and its successors and assigns, a landscaping and maintenance easement and the right to grant and reserve landscaping and maintenance easements over and through the Common Area, any land conveyed to a Builder prior to subdivision into individual lots or over and through any Lot: (i) within fifty feet of any public street or private right-of-way; (ii) within fifteen feet of any public street or private right-of-way on any adjacent Lot; (iii) around the lake frontage of all lakes and storm water management ponds, for a depth of twenty feet back from

the high water mark, and (iv) specifically designated as "Buffer Zones" or similar areas on a recorded plat or on any amendment describing land added to the Property. These easements shall be for the purpose of construction, installation, irrigation and Upkeep of landscaping features, including without limitation plants, trees, walls and earth berms and other earth contouring and shall include access as necessary to perform such tasks. Such easement area shall also be available for entrance features, project signage, fencing, trails and associated lighting and irrigation systems. The Owner of a Lot burdened by the easement shall not construct any improvements within the easement without the permission of the Declarant, during the Declarant Control Period, or the Association thereafter. The Association shall provide for the Upkeep of these Common Easement Areas and the cost of such Upkeep shall be a Common Expense. The Declarant may install trails within the Common Easement Areas without the permission or approval of the Owner of such Lot, or in any other location over and through the Lot with the permission of the Owner of such Lot. The Declarant hereby reserves to itself and its successors and assigns, the right to grant easements across trails and grants to the Association and each Owner an easement for access across such trails. The trails shall be available for the use of all Owners in good standing and shall be Common Easement Area. Trails may be of varying widths and of such materials as are approved by the Declarant during the Development Period or the Board of Directors thereafter.

Subsection 8.1.7 Drainage and Erosion Control. Declarant reserves a perpetual easement, right and privilege to enter upon any Lot or Common Area, and the Association is granted a perpetual easement, right and privilege to enter upon any Lot, either before or after a structure has been constructed thereon or during such construction, for the purpose of taking such drainage and erosion control measures as Declarant or the Association deems necessary to prevent or correct waterflow and soil erosion or siltation; provided, however, that Declarant or the Association shall not exercise such right unless it has given the Owner of the Lot or the Association (as to the Common Area) at least ten (10) days prior notice thereof and the Owner or the Association, as the case may be, has failed to take appropriate action to correct or prevent the erosion or siltation problem (the notice provision shall not be required in the case of emergency situations). The cost incurred by the Association in undertaking such drainage and erosion control measures on any Lot shall, if reasonably attributable to a Lot Owner, become a Individual Assessment upon the Lot and shall constitute a lien against the Lot and shall be collectible in the manner provided herein for the payment of Assessments. This Section shall not apply to Lots owned by Declarant.

Subsection 8.1.8 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 shown on a plat recorded among the Land Records. The Declarant shall also have the right to allow adjacent properties to tie their storm water management facilities into the storm water management facilities within the Property that are maintained by the Declarant or the Association; provided, however, that the owners of such adjacent land shall bear a portion of the expense of Upkeep for the storm water management facilities for the Property in such amount as may be deemed appropriate by the Declarant, during the Development Period, and the Board of Directors thereafter.

Subsection 8.1.9 Access to Adjacent Roof. The Declarant hereby reserves an easement to itself, its successors and assigns and its designees, and also grants an easement to the Association,

the adjacent Owner and their agents, employees or designees for access to the roof area of improvements built or to be built upon the Lots which share a common wall with the improvements on the adjacent Lot or Common Area for the purpose of inspection and Upkeep of such roof areas. Each easement shall permit any Person exercising its rights under this paragraph access at reasonable hours for such purposes. This easement is for the purpose of mutual protection of adjacent Owners from damage or possible damage to an improvement resulting from roof leakage from or into an adjacent improvement.

Subsection 8.1.10 Specific Easements. The Declarant hereby reserves to itself and its designees, easements over and through all or any portions of the Property (excluding any areas occupied by a home, a structure or any other similar improvements) for the following purposes:

(a) Planting, replanting, maintaining, protecting, enhancing and otherwise controlling (including all landscaping) the Common Area. The Declarant or the Association, as appropriate, shall be solely responsible for selecting and maintaining all landscaping in the Common Area.

(b) Locating, relocating, constructing, maintaining, protecting, enhancing and otherwise controlling all walkways or pathways located within the Property.

(c) Locating, relocating, constructing, maintaining, protecting and otherwise controlling all electrical, oil, gas, solar, television, telephone, microwave, cable, telecommunication lines, sanitary and storm sewer, storm water management and public water facilities (including conduits, lines, wires, transformers, manholes, pedestals, inlets and other appurtenances), but only where such facilities serve Lots other than the Lot on which the specific facilities in question are located and only to the extent permitted herein (all such improvements must meet all other requirements of the Project Documents).

(d) Locating, relocating, constructing, maintaining, protecting and otherwise controlling all project signage located on the Common Area or any other portion of the Property and controlling signage installed by Owners for other purposes. The Association shall have the right to exercise control over all signage pursuant to explicit guidelines contained in the Rules and Regulations, the Design Guidelines and this Declaration, which guidelines shall balance the interests of the Owners and the Property as a whole with the aesthetic atmosphere of the entire Property.

(e) Controlling and regulating the use and enjoyment of all open spaces and facilities located in the Common Area.

The Declarant or the Association, as appropriate, or their agents and designees, shall have the mutual right and responsibility to perform the tasks and functions listed in Subsections (a) through (e) above to the exclusion of all others, including all Owners.

Subsection 8.1.11 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. If a designee requests recordation of a separate document evidencing such Person's easement rights that are consistent with this Declaration, then the Declarant or the Association, as applicable, may sign and record such an easement instrument, without the consent, approval or joinder of any Owner or Mortgagee.

Subsection 8.1.12 Duration and Assignment of Development Rights. The Declarant may assign its rights, in part or in whole, under this Section 8.1 to, or share such rights with, one or more other Persons, exclusively, simultaneously or consecutively. The Declarant shall notify the Association of any such assignment or designation by the Declarant. The rights and easements reserved by or granted to the Declarant pursuant to this Section 8.1 shall continue until the end of the Development Period, unless specifically stated otherwise (in particular, and without limitation, the perpetual private utility and telecommunications system easement rights reserved in Section 8.1.1 above).

Section 8.2 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 Subsections 8.1.1(iv), 8.1.2(ii), 8.1.3, 8.1.4, 8.1.5, 8.1.6, 8.1.7, 8.1.8, 8.1.10. 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. However, the Association shall not exercise any easement rights to the detriment of Declarant's rights reserved hereunder. If the Declarant or Owner requests the Association to exercise its powers under this Section, the Association's cooperation shall not be unreasonably withheld, conditioned or delayed.

Section 8.3 Easement for Upkeep.

Subsection 8.3.1 Association Access. 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 any areas occupied by a home, a structure or any other similar improvement) to the Association, the managing agent and any other Persons authorized by the Board of Directors in 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 Project Documents. The agents, Contractors, Officers and Directors of the Association may also enter any portion of the Property (excluding any dwelling) in order to utilize or provide for the Upkeep of the areas subject to easements granted in this Article to the Association. 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 Project Documents for which such Owner is responsible, and the costs incurred by the Association shall be assessed against such Owner's Lot in accordance with Subsection 5.2.5.

Subsection 8.3.2 Declarant Access. Until the expiration of any applicable warranty period and the release of all of Declarant's development bonds, the Declarant hereby reserves to itself and its successors and assigns a right of access over and through any portion of the Property not within

an improvement to perform warranty-related work within the Common Area or the Lots. The Declarant may assign its rights under this Subsection to, or share such rights with, one or more other Persons, exclusively, simultaneously or consecutively.

Section 8.4 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).

(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. Further, notwithstanding the easement rights established by Sections 8.1 and 8.2, neither the Declarant nor the Association shall exercise any such rights within the interior of a dwelling on a Lot without the prior written consent of the Owner, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) If an easement is relocated, the cost of such relocation shall be paid by the party 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 its original condition to the extent practicable by the Declarant or the Association, as appropriate, or at the option of the Declarant or the Association, the party responsible for such damage. In either case, the cost of such repair and restoration shall be paid for by the party responsible for the damage.

(e) Nothing within this Article shall authorize the installation or maintenance of any equipment or facility, public or private, on any portion of the Property unless prior approval has been obtained from the Declarant during the Development Period, which approval may be withheld in the Declarant's sole discretion.

Section 8.5 Crossover Easement. If the Owner (including the Declarant or any Builder) of any Lot must, in order to make responsible repairs or improvements to a building on his Lot, enter or cross any area owned or to be owned by the Association, or a Lot of another Owner (including, without limitation, those Lots with "zero lot lines", if any), such Owner shall have an easement to do so, provided that said Owner shall use the most direct, feasible route in entering and crossing over such an area and shall restore the surface so entered or crossed to its original condition, at the expense of said Owner, and further provided that such easement shall not exist on the land of any other Lot Owner if the purpose for the entrance or crossing is one requiring approval of the Board of Directors, unless such approval has been given.

Section 8.6 Easement and Right of Law Enforcement Officials, Etc. An easement and right of entry through and upon the Property is hereby granted to law enforcement officers, rescue squad personnel, fire fighting, and other emergency personnel of the County, and to vehicles operated by

said personnel while in the pursuit of their duties. Said emergency personnel shall also have the right of enforcement of cleared emergency vehicle access on the roadways and driveways on the Property.

Section 8.7 Encroachment Easement. Each Lot within the Property is hereby declared to have an easement, not exceeding two feet in width, over all adjoining Lots for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, roof overhangs, gutters, architectural or other appendages, draining or rain water from roofs, or any other similar cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment, settlement or shifting; provided, however, that in no event shall a valid easement for encroachment occur due to the willful misconduct of said Owner or Owners. In the event a structure or any Lot is partially or totally destroyed and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

Section 8.8 Easement for Use of Common Area.

Subsection 8.8.1 Use and Enjoyment. The Declarant hereby reserves to itself during the Development Period and, on behalf of itself and its successors and assigns, grants to each Owner and each Person lawfully occupying a Lot a non-exclusive right and easement of use and enjoyment in common with others of the Common Area (other than any Limited Common Area or Reserved Common Area, if any). Such right and easement of use and enjoyment shall be appurtenant to each Lot, whether or not mentioned in the deed thereto. Every Owner and each Person lawfully occupying a Lot is also granted a non-exclusive easement over all streets, walks and paths on the Common Area for the purpose of vehicular and/or pedestrian access, ingress and egress, as appropriate, to any portion of the Property to which such Person has the right to go, subject to any Rules and Regulations promulgated by the Association. Any purported conveyance or other transfer of such rights and easements apart from the Lot to which such rights and easements are appurtenant is void.

Subsection 8.8.2 Recreational Facilities. Each Owner in good standing is hereby granted a non-exclusive right of use and enjoyment in common with others of any Recreational Facilities which may be constructed on the Common Area (and not designated as Limited Common Area or Reserved Common Area, if any) and a right of access over and through the Common Area (other than any Limited Common Area or Reserved Common Area, if any) to such Recreational Facilities. The Board of Directors shall provide memberships to the Declarant to the Recreational Facilities on the same basis as Class A Owners upon the request of the Declarant. The rights and easements granted hereby shall be subject to all rights and powers of the Association (in addition to any easements granted or reserved in this Declaration or pursuant to other Project Documents), when exercised in accordance with the applicable provisions of the Project Documents. The Board of Directors shall promulgate Rules and Regulations regarding the use of and access to the Recreational Facilities. The Board of Directors may permit non-Owners to purchase limited memberships for the use of the Recreational Facilities for a fee on a daily or an annual basis at the discretion of the Board as long as such non-Owner limited memberships do not unreasonably limit or infringe on the access of the Owners to the Recreational Facilities.

Subsection 8.8.3 Limitations. The rights and easements of enjoyment created in this Section 8.8 shall be subject (in addition to any easements granted or reserved in this Declaration or pursuant to the other Project Documents) to all rights and powers of the Declarant and the Association when exercised in accordance with the other applicable provisions of the Project 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 and to mortgage the Common Area subject to the limitations provided herein. In the event of a default upon any Mortgage of the Common Area by the Association, the lender's rights hereunder shall be limited to a right, after taking possession of such Common Area, to charge reasonable admission and other fees and, if necessary, to open enjoyment of such Common Area to a wider public, until such debt is satisfied, whereupon possession of the Common Area shall be restored to the Association and the rights of the Owners shall be fully restored.

Subsection 8.8.4 Delegation. Subject to the Rules and Regulations and such other restrictions as may be adopted by the Board of Directors, any Person having the right to use and enjoy the Common Area may delegate such rights to such Person's household, guests, tenants and invitees and to such other Persons as may be permitted by the Association.

Subsection 8.8.5 Additional Land.

(a) Use of Amenities, Parking and Recreational Facilities. During the Development Period, the Declarant hereby reserves to itself and its successors and assigns the right to grant to each Person lawfully occupying any portion of the Additional Land a non-exclusive right and easement of use and enjoyment in common with others of the amenities, parking areas and Recreational Facilities (if any) constituting a portion of the Common Area and shared utilities and a right of access over and through the Common Area (other than any Limited Common Area or Reserved Common Area) to such facilities. The rights and easements granted by the Declarant pursuant to this subsection shall be subject to all rights and powers of the Association, when exercised in accordance with the applicable provisions of the Project Documents (in addition to any easements granted or reserved in this Declaration or pursuant to other Project Documents). The Persons to whom this easement is granted shall pay to the Association an annual assessment levied exclusively for a share of the costs of management and Upkeep of the amenities, parking areas or shared utilities and for services and facilities related thereto equal to the amount that would be payable if the Additional Land were subject to the Declaration.

(b) Access Across Common Area. The Declarant also reserves to itself and on behalf of itself and its successors and assigns during the Development Period, the right to grant to each Person lawfully occupying a portion of the Additional Land a non-exclusive easement over all streets, walks and paths on the Common Area, as may be necessary for vehicular and/or pedestrian ingress and egress across such Common Area from a public right-of-way to any portion of the Additional Land that would not otherwise have access to a public right-of-way; provided, however, that the Persons benefiting from such easement bear a portion of the expense of Upkeep for the access roads in such amounts as may be determined by the Declarant.

Section 8.9 Reserved Common Area and Limited Common Area.

Subsection 8.9.1 Reserved Common Area. The Board of Directors shall have the power in discretion from time to time to grant revocable licenses in the Common Area 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. Recreational Facilities may also be designated as Reserved Common Area for limited or unlimited periods of time.

Subsection 8.9.2 Limited Common Area. The Declarant shall have the right, for as long as the Declarant has the right to add Additional Land under Section 2.1, to restrict portions of the Common Area in the nature of an easement for the exclusive use of the Owners of one or more specific Lots or classes of Lots by designating such portions of the Common Area as Limited Common Area. The Declarant may either: (a) 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 a plat attached as an exhibit to a Supplementary Declaration or on the applicable Deed and Plat of Subdivision creating such Lots and such Limited Common Area, (b) 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 make the assignment, depicting the Limited Common Area being assigned and the Lots to which it is appurtenant or (c) describe the Limited Common Area and the specific Lots benefited in a Supplementary Declaration. The Declarant shall not, however, designate Common Area as Limited Common Area or Common Area that may be assigned as Limited Common Area once such Common Area has been conveyed to the Association. The Declarant hereby reserves the exclusive right to assign all or any portion of the Common Area as Limited Common Area to be used as parking spaces, being in the nature of an irrevocable easement for the exclusive use of the Owners of the Lots to which such spaces are appurtenant. The Declarant may assign the Limited Common Area by recording an amendment to this Declaration or by assigning such Limited Common Area in the deed and plat of subdivision creating such Lots and Limited Common Area.

Section 8.10 Priority and Enforcement of Easements. No Person who owns Property subject to this Declaration may subordinate the easements herein created to any subsequent encumbrance. The easements and rights granted by this Declaration may be used but shall not be enforceable by Persons to whom such easements and rights may be delegated by Owners, including without limitation the household, guests, tenants, agents or invitees of any Owner. This Section does not affect, however, the rights of Mortgagees 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. The easements created by or pursuant to this Article shall be in addition to such other easements as may be created by recordation of appropriate instruments among the Land Records.

Section 8.11 Automatic Termination of Reserved Rights. Notwithstanding any provision contained to the contrary in this Article VIII, "Easements", any and all easements or any portions of

such easements reserved by the Declarant in, on or through the Property shall immediately and automatically be terminated and of no further force and effect as to such portions of the Property that are dedicated to Fairfax County, Virginia, the Virginia Department of Transportation ("VDOT") or to any other entity or agency for public purposes. Such termination shall occur simultaneously on the date and at such time the Deed of Dedication is recorded among the land records of Fairfax County, Virginia.

ARTICLE IX

PARTY WALLS

Section 9.1 General Rule of Law to Apply. Each wall which is constructed as part of the original construction on the Property and any part of which is placed on the dividing line between separate Lots, shall constitute a party wall, and with respect to such wall, each of the adjoining Owners shall assume the burdens and be subject to an easement for that portion of a party wall on his Lot, and be entitled to the benefits of these restrictive covenants and, and to the extent not inconsistent herewith, the common law of Virginia as modified by statute from time to time regarding party walls and of liability for property damage due to negligence or willful acts or omissions, shall apply thereto. 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 9.2 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 9.3 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:

(a) 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.

(b) 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 the Board of Directors in accordance with Section 9.7.

(c) 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.

(d) 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 Subsection 5.2.5.

Section 9.4 Damage Caused by One Owner. If any such party wall is damaged or destroyed through the negligent or willful act or omission of one adjoining Owner or any of his agents or guests or members of his family (whether or not such act is negligent or otherwise culpable) so as to deprive the other adjoining Owner of the full use and enjoyment of such wall, then the first of such Owners shall forthwith proceed to rebuild and repair the same to as good condition as formerly, without cost to the adjoining Owner.

Section 9.5 Other Changes. In addition to meeting the other requirements of this Declaration, and any building code or similar regulations or ordinances, any Owner proposing to modify, make additions to or rebuild his residence in any manner which requires the extension or other alteration of any party wall shall first obtain the written consent of the adjoining Owner.

Section 9.6 Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such successors in title.

Section 9.7 Dispute. In the event of a dispute between Owners with respect to the repair or rebuilding of a party wall or with respect to the sharing of the cost thereof, then, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board of Directors, who shall decide the dispute, and the decision of the Board of Directors shall be final and conclusive upon the parties.

Section 9.8 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 or a Builder (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 9.9 Townhouse Maintenance Easement. If an Owner (including the Builder or Declarant) of any Lot must, in order to perform Upkeep on 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, provided that the Owner making use of such easement shall use the most direct, feasible route in entering and crossing over such an area and shall restore the surface so entered or crossed to its original condition, at the expense of the Owner making use of such easement, and further provided that such easement shall not exist on the land of any other Owner if

he purpose for the entrance or crossing is one requiring approval of the Board of Directors, unless such approval has been given.

ARTICLE X

INSURANCE

Section 10.1 Insurance. The Board of Directors of the Association shall obtain and maintain, to the extent reasonably available, at least the following:

- (a) A comprehensive policy of public liability insurance with a "Severability of Interest Endorsement" or its equivalent in such amounts and in such forms as may be considered appropriate by the Board of Directors; and
- (b) Blanket property insurance covering "risks of direct physical loss" for all insurable improvements on the Common Areas to the extent that the Association has assumed responsibility in the event of a casualty, regardless of ownership. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement cost of the insured improvements under current building ordinances and codes; and
- (c) Worker's compensation insurance to the extent necessary to comply with any applicable law; and
- (d) Protection for the Officers and Directors of the Association for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any such Officer or Director shall have been made a party by reason of his or her services as such; and
- (e) Such other policies of insurance including, insurance for other risks of a similar or dissimilar nature and fidelity coverage as required by the Bylaws, if any, or as are or shall hereafter be considered appropriate by the Board of Directors.

Section 10.2 Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions:

- (a) All policies shall be written or reinsured with a company or companies licensed to do business in the Commonwealth of Virginia.
- (b) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors, or its authorized representative.
- (c) In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased by the Owners of the Lots or their mortgagees, as herein permitted, and any "no other insurance" or similar clause

in any policy obtained by the Association pursuant to the requirements of this Article shall exclude such policies from consideration.

(d) All policies shall provide that such policies may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to any and all insureds named thereon, including any Mortgagee of any Lot who requests such notice in writing.

(e) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Declarant, the Developer (as the Declarant's attorney in fact pursuant to the Limited Special Power of Attorney attached hereto and incorporated herein as Exhibit C), the Association, the Board of Directors, the Members of the Association and their respective agents, employees or tenants, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

(f) The deductible or retained limit (if any) on any insurance policy purchased by the Board of Directors shall be a Common Expense; provided, however, that the Association may, pursuant to Subsection 5.2.5, 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.

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

Section 10.3 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, (including without limitation any floor coverings, fixtures and appliances), together with all air conditioning and heating equipment and other service machinery contained therein and covering the interests of the Association, in an amount equal to one hundred percent (100%) 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 determined 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, member or occupant or their agents when such act or neglect is not within the control of the insured or the Owners or the members collectively, nor by any failure of the insured, any members or the Owners collectively, to comply with any warranty or condition with regard to any portion of the Property over which the insured, the members 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 members' and 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 members' or 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 members or Owners or Mortgagees, unless otherwise required by law;

(4) such deductibles as to loss, but not co-insurance 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) Certificates of physical damage insurance signed by an agent of the insurer, all renewals thereof, and any sub-policies or certificates and endorsements issued thereunder, together with proof of payment of premiums, shall be delivered by the insurer to any Mortgagee requesting the same, at least ten days prior to expiration of the then current policy.

(d) All Mortgagees requesting same 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 twenty percent (20%) of the annual budget for Common Expenses. 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 10.4 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, Members and the employees of the Association against any liability to the public or to any Member, 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: (1) 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

sured; (2) hired and non-owned vehicle coverage; (3) host liquor liability coverage with respect to events sponsored by the Association; (4) deletion of the normal products exclusion with respect to events sponsored by the Association; and (5) a "severability of interest" endorsement which shall preclude the insurer from denying liability coverage to a Member or an Owner because of negligent acts of the Association or of another Member or Owner. The Board of Directors shall review such policies 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 of not less than two million dollars.

Section 10.5 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, agents 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-third 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; (ii) as may be required with respect to the Additional Land by any amendment to this Declaration adding such Additional Land; or (iii) as may be requested from time to time by a Majority Vote of the Owners.

Section 10.6 Insurance on Lots.

Subsection 10.6.1 Optional Insurance. Each Member or Owner shall have the right to obtain insurance for such Member's or Owner's benefit, at such Member's or Owner's expense, covering the improvements located on such Owner's Lot or the Lot owned or maintained by such Member and such Member's or Owner's personal liability. No Member or 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; (ii) cause any insurance coverage maintained by the Board to be brought into contribution with insurance coverage obtained by a Member or an Owner; or (iii) in violation of any condominium instruments or declaration of covenants encumbering such Owner's Lot. No Member or Owner shall obtain separate insurance policies on the Common Area.

Subsection 10.6.2 Required Coverage.

(1) Due to the shared walls between the improvements located on some of the Lots, each Owner of a Lot containing an attached structure shall obtain general liability insurance in a minimum amount of one million dollars and a "special form" policy of fire insurance with extended coverage in an amount equal to one hundred percent (100%) 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. Due to the shared walls between the improvements located on the Lots and the improvements located on the Common Areas, the insurance required to be obtained by each Owner pursuant to this section shall include coverage for damage to the adjacent Common Area which occurs as a result of a casualty originating within the Lot. The Association shall be named as an additional named insured as its interests may appear. 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 Subsection 5.24. The Declarant, the Association and the Board of Directors shall not be held liable for the failure of any Owner to purchase insurance.

(2) Members and Owners may be required to obtain certain insurance coverage with respect to Additional Land in the Supplementary Declaration adding such Additional Land.

Section 10.7 Owner Indemnification and Insurance

(a) Each Owner of a Lot shall indemnify, defend and hold the Association and its Members, employees and agents, harmless from and against all suits, causes of action, losses, costs, damages, fines, expenses, contracts, attorneys, fees, prosecutions, judgments, liabilities and claims of any nature arising out of or caused by any acts, omissions or negligence of the Owner or their respective employees, agents and contractors in connection with the construction and Upkeep of the portion of the trails located on the Owner's Lot. The foregoing indemnification shall include any suits, causes of action, losses, costs, damages, fines, expenses, contracts, attorneys, fees, prosecutions, judgments, liabilities and claims of any nature arising out of any claim, against the Association involving the trails or any action of the Association, if the Association undertakes to maintain the trails on the Owner's behalf as provided for herein. Each Owner shall purchase at its own expense, bodily injury and property damage insurance naming the Association as an additional named insured, in a form and content and with an insurance company reasonably acceptable to the Association as required by the Board of Directors in an amount not less than One Million Dollars per single occurrence.

(b) Each Owner shall also be required to provide the Board of Directors with certificates of the insurance coverage required hereunder signed by an agent of the insurer and all renewals thereof on an annual basis, unless otherwise determined by the Board of Directors. Each Owner shall also notify the Board of Directors of any material modifications, lapses or termination of such policies.

ARTICLE XI

CASUALTY DAMAGE, CONDEMNATION, RECONSTRUCTION OR REPAIR

Section 11.1 Use of Insurance Proceeds.

Subsection 11.1.1 Common Area. In the event of damage or destruction to the Common Area by fire or other casualty, the same shall be promptly repaired, replaced or reconstructed in substantial conformity with the original plans and specifications for the Common Area with the proceeds of insurance available for that purpose, if any. The Association shall not use the proceeds of casualty insurance received as a result of damage or destruction of the Common Area for any other use other than reconstruction, without the prior written consent and approval of the holders of all first Mortgagees of record on the Lots.

Subsection 11.1.2 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 Board of Directors permits a longer time period, such work must be: (i) in the case of a detached structure, commenced within six months after the casualty and substantially completed within eighteen months after the casualty or (ii) in the case of an attached structure, 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 Proceeds Insufficient. In the event that the proceeds of insurance are not sufficient to repair damage or destruction of the Common Area caused by fire or other casualty not insured against, then and in either of those events, upon resolution of the Board of Directors, the repair, replacement and reconstruction of the damage shall be accomplished promptly by the Association at its Common Expense or Limited Common Expense, as the case may be.

Section 11.3 Condemnation. If any part of the Common Area shall be taken by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice of such taking or conveyance prior to disbursement of any condemnation award or proceeds from such conveyance. Such award or proceeds shall be payable to the Association to be disbursed as follows:

(a) If the taking or conveyance involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements

the remaining land included in the Common Area to the extent available, unless within 60 days after such taking, Declarant, so long as Declarant or a Builder owns any property subject to this declaration, and Members representing at least seventy-five percent (75%) of the total vote of the Association, other than the Declarant, shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of this Article XI regarding funds for restoring improvements shall apply.

(b) If the taking or conveyance does not involve any improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

ARTICLE XII

COMPLIANCE AND DEFAULT

Section 12.1 Compliance; Relief; Vicarious Liability. Each Owner shall be governed by, and shall comply with, all of the terms of the Project Documents and the Rules and Regulations as those respective documents may be amended from time to time. A default by an Owner shall entitle the Association, acting through its Board of Directors or through the managing agent, to the following as described in Subsections 12.1.1 through 12.1.8 hereunder.

Subsection 12.1.1 Additional Liability. Each Owner shall be liable to the Association or to any affected Member or 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 Project Documents or the Rules and Regulations by any Owner, may be assessed against such Owner's Lot.

Subsection 12.1.2 Costs and Attorney's Fees. In any proceedings arising out of any alleged default by an Owner or any suit brought by an Owner against the Association or any Director or Officer, 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.

Subsection 12.1.3 No Waiver of Rights. The failure of the Association, the Board of Directors or of a Member or an Owner (or to extent such enforcement has been provided to a management agent) to enforce any right, provision, covenant or condition which may be granted by the Project Documents or the Rules and Regulations shall not constitute a waiver of the right of the Association, the Board or any Member or 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 Member or Owner (or provided to a management agent) pursuant to any term, provision, covenant or condition of the Project 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 Project Documents, the Act, or at law or in equity.

Subsection 12.1.4 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 at 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 5.5 be considered interest subject to the limitations of this Subsection.

Subsection 12.1.5 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 Project Documents shall give the Board of Directors (or the management agent, to the extent given the right to do so) the right, in addition to any other rights set forth in the Project Documents or the Rules and Regulations: (1) to enter the portion of the Property (excluding any dwelling) on which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Member or Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions of the Project Documents or the Rules and Regulations, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; (2) to use self-help to remove or cure any violation of the Project Documents or the Rules and Regulations on the Property (including without limitation the towing of vehicles); or (3) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; provided, however, that (a) reasonable notice must be provided before entering the Lot in question and (b) before any construction may be altered or demolished (except in emergencies) judicial proceedings shall be instituted.

Subsection 12.1.6 Legal Proceedings. Failure to comply with any of the terms of the Project 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 Project 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 or Member and shall not constitute an election of remedies.

Subsection 12.1.7 Suspension of Rights; Other Remedies. The Board of Directors shall have the power to suspend an Owner's or Member's voting rights pursuant to the Project Documents. The Board of Directors shall also have the power to suspend the right of an Owner, Member or occupant, and the right of such Person's household, guests, tenants, agents and invitees, to use the Recreational Facilities (if any), to obtain cable television, internet, security services and other telecommunication services (if such services, or the payment for such services, are in any way managed or maintained by the Association, and the suspension of such services do not endanger the health, safety or property of the Owner or occupant), and to use other Common Areas for a reasonable period not to exceed

sixty days for any violation of any provision of any of the Project 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, internet service, security, etc.) or similar utilities and services to the Lots.

The Board 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 and an opportunity for a hearing to the extent not prohibited by the POA Act or any other laws.

Subsection 12.1.8 Charges. The Board of Directors shall have the power to impose charges (pursuant to the Project Documents) in the case of an Owner found by the Board to be responsible for a violation of the Project Documents or the Rules and Regulations (personally or under the provisions of the Project 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 (a) below. Charges may not exceed Fifty Dollars (\$50.00) for each violation or Ten Dollars (\$10.00) per day for each violation of a continuing nature, for Owners of Lots, or such greater amounts as may be permitted by the POA Act. No charge may be imposed for failure to pay an Assessment except as otherwise provided in this Declaration. Charges shall be Individual Assessments and shall be collectible as such and, if against an Owner, shall also constitute a lien against such Owner's Lot in accordance with Section 12.2. Imposition of a charge does not preclude the liability of an Owner for reimbursement to the Association of costs incurred by the Association due to such violation or the prosecution thereof. The Board of Directors may determine to take certain other actions, including, without limitation, towing vehicles or performing Upkeep on a Lot pursuant to the Project Documents without providing a hearing.

(a) **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 written notice thereof. A decision adverse to the respondent shall require a majority 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 12.1.7. 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 pursuant to Subsection 12.1.7 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.

(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 (in the sole discretion of the Board) 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.

Subsection 12.1.9 Privacy and Quiet Enjoyment. Neither the Board of Directors nor the Association shall interfere with the lifestyle or conduct of, or invade the privacy of, any Member, Owner or occupant within a dwelling unless necessary to protect the rights of other Members, Owners or occupants or to protect adjacent Property from damage.

Subsection 12.1.10 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 address of the Lot and mailing address, if applicable, 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

Subsection 12.2.1 Lien. In addition to the lien established by the POA Act, the total Assessments of each Owner, including, but not limited to, the General Assessment for Common Expenses, Limited Common Expenses, any Additional Assessments, any Individual Assessments, any Trash and Recycling Assessments, or any other sum duly levied (including without limitation charges, interest, late charges, contractual charges, etc.), made pursuant to the Project Documents, are hereby declared to be a lien levied against any Lot owned by an 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 General Assessments and Limited Common Expense 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.

Subsection 12.2.2 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.

Subsection 12.2.3 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 55-516 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.

Subsection 12.2.4 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 Project 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 a foreclosure or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the holder of a 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 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.

Section 12.4 Supplemental Enforcement of the Lien. In addition to the proceedings at law or in equity for the enforcement of the lien established by the Project Documents, all of the Owners may be required by the Declarant or the Board of Directors to execute bonds conditioned upon the faithful performance and payment of the installments of the lien established thereby and may likewise be required to secure the payment of such future obligations by recording a declaration of trust in the Land Records granting unto one or more trustees appropriate powers to the end that, upon default in the performance of such bond such declaration of trust may be foreclosed by such trustees acting at the direction of the Board of Directors. If any such bonds have been executed and such declaration of trust is recorded, then any subsequent purchaser of a Lot shall take title subject thereto and shall assume the obligations provided for therein.

ARTICLE XIII

MORTGAGEES

Section 13.1 Notice to Board of Directors; Notice to Mortgagees. 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 Mortgage. No holder of a Mortgage shall be entitled to any Mortgagee rights under the Project Documents unless such Mortgagee has notified the Board of its address as required by this section and has requested all rights under the Project Documents. The Association shall timely notify each Mortgagee that has requested notification of (i) any condemnation or casualty loss affecting a material portion of a Common Area; (ii) any default in the payment of an Assessment or other charge owed or any other default under the Project Documents by the Owner of the Lot encumbered by the Mortgage, which has not been cured for thirty (30) days; (iii) a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; (iv) all material amendments to the Project Documents and any extraordinary actions of the Association as set forth in Section 14.4 hereof; (v) any proposed action for which the consent of a specified percentage of Mortgagees is required under the Project Documents or the rules and regulations of the FREDDIE MAC, FNMA, the Federal Housing Administration, the Veterans Administration, the Farmers Home Administration or under applicable law; and (vi) at least thirty (30) days notice of any proposal to terminate this Declaration or dissolve the Association before any action is taken. Any failure to give any such notice shall not affect the validity or priority of any First Mortgage on any Lot and the protection extended in this Declaration to the holder of any such Mortgage shall not be altered, modified or diminished by reason of such failure.

No suit or other proceeding may be brought to foreclose the lien for any Assessment levied pursuant to this Declaration except after ten (10) days written notice to the holder of the First

Mortgage on the Lot which is the subject matter of such suit or proceeding. If the Association employs a management agent and then subsequently undertakes "self-management," it shall promptly give written notice of such occurrence to all of the holders of First Mortgages of record on the Lots.

Any holder of a First Mortgage on any Lot may pay any taxes, utility charges, insurance premiums or other charge levied against the Common Area which are in default and which may or have become a charge or lien against any of the Common Area and any such holder may pay any overdue premiums on any hazard insurance policy or secure new hazard insurance coverage on the lapse of any policy, with respect to the Common Area. Any holder of a First Mortgage who advances any such payment on behalf of the Association shall be due immediate reimbursement of the amount so advanced from the Association.

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 Project Documents, Rules and Regulations and books and records of the Association and to require the submission of existing annual financial records and other budgetary information on the same terms as the Owners.

Section 13.2 Mortgagee Notification and Presumptive Approval. Notwithstanding the foregoing, all notices and rights of Mortgagees shall pertain only to those Mortgagees who are listed with the Association. Each Owner may notify the Association of his Mortgagee's name and addresses. 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. No Mortgagee shall be entitled to any Mortgagee rights under the Project Documents unless such Mortgagee has notified the Board of its address as required by this Section and has requested all rights under the Project Documents. If any notice is given or consent requested pursuant to this Section and Section 13.1 above and the Mortgagee does not respond within thirty (30) days of such notice, then such Mortgagee shall be deemed to have approved or waived such notice or consent.

Section 13.3 Casualty Losses. In the event of substantial damage or destruction to any of the Common Areas or facilities, the Board of Directors of the Association shall give prompt written notice of such damage or destruction to the holders of all First Mortgages of record on the Lots. No provision of this Declaration or the Articles of Incorporation or the Bylaws of the Association shall entitle any Member to any priority over the holder of any First Mortgage of record on his Lot with respect to the distribution to such Member of any insurance proceeds paid or payable on account of any damage or destruction of any of the Common Area.

Section 13.4 Condemnation or Eminent Domain. In the event any part of the Common Area is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors, subject to Section 13.2, shall give prompt written notice of any such proceeding or proposed acquisition to the holders of all First Mortgages of record on the Lots. No provision of this Declaration or the Articles of Incorporation or the Bylaws of the Association shall entitle any Member to any priority over the

holder of any First Mortgage of record on his Lot with respect to the distribution to such Member of the proceeds of any condemnation or settlement relating to a taking of any of the Common Area.

Section 13.5 FHA/VA Approvals. Provided that there are then Class B memberships of the Association outstanding, neither the Members, the Board of Directors, nor the Association shall, by act or omission, take any of the following actions without the prior written consent or approval of the Federal Housing Administration or the Veterans Administration, should any Lot be encumbered by a deed of trust guaranteed by the FHA or VA, as the circumstances require:

- (a) make any annexation or additions of additional Property other than that described on Exhibit B;
- (b) abandon, partition, dedicate, subdivide, encumber, sell or transfer any of the Common Area directly or indirectly owned by the Association; provided, however, that the granting of rights-of-way, easements and the like for public utilities or for other purposes consistent with the use of the Common Area by the members of the Association shall not be considered a transfer within the meaning of this Section;
- (c) abandon or terminate this Declaration;
- (d) modify or amend any material provisions described in Article XIV of this Declaration, the laws or the Articles of Incorporation of the Association; or
- (e) merge or consolidate the Association with any other entity, or sell, lease, exchange or otherwise transfer all or substantially all of the assets of the Association in any other entity.

ARTICLE XIV

AMENDMENT, EXTRAORDINARY ACTIONS, TERMINATION

Section 14.1 Amendment by Declarant. During the Declarant Control Period and subject to Section 14.5, the Declarant may unilaterally, without the approval or joinder of the Association, or any Owner or Mortgagee, amend any provision of this Declaration or any Supplementary Declaration from time to time to: (i) make non-material, clarifying or corrective changes that do not materially and adversely affect any Owner's rights or obligations hereunder, including but not limited to any corrections in the description of the Property or Additional Land or to correct or cure any errors, ambiguities, inconsistencies or conflicts in or among this Declaration, any applicable County ordinances, the Articles of Incorporation or the Bylaws; (ii) satisfy the requirements of any proffers or other governmental approvals or of any government, governmental agency, secondary mortgage market agency, or Mortgagee, including, but not limited to, the POA Act or other applicable laws now or hereafter enacted, as the same may be amended from time to time; (iii) terminate the Class B membership; (iv) reflect the relocation of boundary lines between the Common Area and any Lots or among any Lots; provided, however, that such relocation is reflected in an approved resubdivision or boundary line adjustment of all or any part of the Property, and that such relocation does not materially and adversely affect any Owner other than the Declarant unless such Owner approves of such relocation; or (v) withdraw Submitted Land in accordance with Section 2.5.

If the Declarant amends this Declaration without the consent of any other Owners as permitted in this Section, the Declarant shall execute and record in the Land Records an instrument setting forth the amendment and shall certify therein that the amendment was authorized as provided above. The foregoing certification in the amendments or restatements may be relied upon by third parties for the correctness of the facts stated therein.

Section 14.2 Amendment by the Association.

Subsection 14.2.1 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 (but not any Supplementary Declarations, see Subsection 14.2.3) only with approval of not less than sixty-seven percent (67%) of the Owners at a duly called meeting or with the written approval of Owners entitled to cast at least sixty-seven percent (67%) of the total number of votes outstanding. During the Declarant Control Period, any such amendment vote shall require approval by both sixty-seven percent (67%) of the total number of votes and sixty-seven percent (67%) of all the Owners voting in favor of such amendment.

Subsection 14.2.2 Certification. An amendment by the Association shall be (i) 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; (ii) during Declarant Control Period, executed by the Declarant and (iii) recorded in the Land Records. Any challenge to an amendment must be made within one year after recordation.

Subsection 14.2.3 Supplementary Declarations. Amendment of a Supplementary Declaration is governed by the provisions for amendment contained therein and the requirements of Section 14.4. A Supplementary Declaration may not be amended to reduce any maximum annual Limited Common Expense Assessment set forth therein. A Supplementary Declaration may not include provisions inconsistent with this Declaration except as specifically set forth herein. Although this Declaration and a Supplementary Declaration should be construed to give effect to both, in the case of conflicting provisions, this 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 (15) 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 this Declaration shall diminish or impair the rights to SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, or Fifth Place during the Declarant Control Period without the prior written consent of SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, or Fifth Place, as appropriate. No amendment to this Declaration shall diminish or impair the express rights of the Mortgagees under this Declaration without the prior written approval of at least sixty-seven percent (67%) of the first Mortgagees. No amendment may modify this Article or the rights of any Person hereunder without obtaining the approvals required by Subsections 14.4.3 and 14.4.4. Except as specifically provided in this Declaration, no provision of this Declaration shall be construed to grant to any Owner or to any other Person any priority over any rights of Mortgagees.

Notwithstanding anything contained in this Declaration to the contrary, (i) no amendment may be made to this Declaration without the consent of SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, and/or Fifth Place, as appropriate, after the Declarant Control Period if such amendment would eliminate or materially and adversely affect any of SCC's, Ryland's, M/I Homes', Lorton Valley III's, Lorton Valley East's, Fourth Place's, and/or Fifth Place's rights, interests or privileges expressly reserved or granted under this Declaration (except to the extent that such rights by their express terms have expired upon the termination of the Declarant Control Period) or that would result in treating SCC, Ryland, M/I Homes, Lorton Valley III, Lorton Valley East, Fourth Place, Fifth Place, and/or the Lots still owned by the Declarant differently from other Owners or other Owners Lots, and (ii) Section 14.5 and any other provision of this Declaration that expressly grants a right of approval or consent to the Board of Supervisors of the County, may not be amended without the prior approval of the Board of Supervisors.

Section 14.4 Extraordinary Actions and Material Amendments. The provisions of this Section shall not be construed to reduce the votes that must be obtained from Owners where a greater vote is required by the Virginia Code or other provisions of the Project Documents nor shall it be construed to lessen the unilateral rights given to the Declarant to amend this Declaration or a Supplementary Declaration without the approval or joinder of the Association or any Owner or Mortgagee. 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 the Supplementary Declaration.

Subsection 14.4.1 Material Amendments. Material amendments to the Project Documents include 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 Common Area;
- (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 provisions which are for the express benefit of Mortgagees.

Subsection 14.4.2 Extraordinary Actions. Extraordinary actions of the Association include:

- (1) merging or consolidating the Association (other than with another non-profit entity formed for purposes similar to the Association);
- (2) determining not to require professional management after the Declarant Control Period if professional management has been required by the Project Documents, a Majority Vote of the Owners or a Majority Vote (or approval) of the Mortgagees;
- (3) expanding the Association or amending Exhibit A to include land not previously described which either: (i) increases the overall land area of the Property described in Exhibit A by greater than ten percent (10%) in area or increases the number of planned dwellings by greater than ten percent (10%); or (ii) is not adjacent to or across a public right-of-way or private street from the Property;
- (4) abandoning partitioning, encumbering, mortgaging, conveying, selling or otherwise transferring or relocating the boundaries of the Common Area except for:
 - (i) granting easements which are not inconsistent with or 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 pursuant to Subsection 2.5.1 hereof;
 - (iii) making conveyances or resubdivisions as part of a boundaryline adjustment or otherwise;
 - (iv) leasing limited portions of the Common Area in a manner that does not unreasonably interfere with the Owners' use of the Common Area;
 - (v) conveyances to an non-profit entity formed for similar purposes pursuant to a consolidation or merger;

- (5) using insurance proceeds for purposes other than repair and reconstruction of the insured improvements.
- (6) making capital improvements (other than for maintenance of existing Common Area improvements) during any period of twelve (12) consecutive months costing in excess of twenty percent (20%), in the aggregate, of the total annual operating budget of the Association.

Subsection 14.4.3 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 (67%) 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 Builders during the Declarant Control Period, or (ii) by at least sixty-seven percent (67%) of the votes of all Owners, present, in person or by proxy, including a majority of the votes of Owners other than the Declarant or Builders during the Declarant Control Period, entitled to be cast at a meeting for approval of material amendments or extraordinary actions provided that: (A) at least twenty-five (25) 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.

Subsection 14.4.4 Additional Material Amendments and Extraordinary Actions. The following amendments and actions must be approved by Owners entitled to cast at least sixty-seven percent (67%) of the total number of authorized votes in the Association, including a majority of the total number of votes entitled to be cast by Owners other than the Declarant or Builders during the Declarant Control Period, and the Declarant during the Declarant Control Period:

- (1) termination of this Declaration;
- (2) subject to Subsection 1.3.7, 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; and
- (3) conveyance of all Common Area, except to a non-profit entity formed for similar purposes pursuant to a consolidation or a merger.

Subsection 14.4.5 Mortgagee Approvals. Any material amendment or extraordinary action listed in Subsections 14.4.1, 14.4.2 and 14.4.5 except item 14.4.2(5) above, must also be approved by at least fifty-one percent (51%) 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 other period of time 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".

Subsection 14.4.6 Non-material Amendments. Any amendment to the Project Documents shall not be considered material if made only for the purposes of correcting technical errors or for clarification. Any amendment to the Project Documents adding provisions to or interpreting the application of provisions of this Declaration, contained in a Supplementary Declaration and applied to a specific portion of the Property, shall not be considered a material amendment.

Subsection 14.4.7 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 2.5; and (ii) during the Declarant Control Period, the Association may not take any action described in Subsections 14.4.1, 14.4.2 or 14.4.5; 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 Project Documents if such documents have been previously approved by such agency. This provision may be enforced only by FHA or VA.

(a) Contracts Made by the Association During the Declarant Control Period. All Association contracts made during the Declarant Control Period which extend beyond the Declarant Control Period must meet at least one of the following criteria: (i) be for a term limited to two years or less; (ii) be terminable by the Association upon ninety (90) days written notice; (iii) be commercially reasonable and made with an entity not affiliated with the Declarant; or (iv) be approved by the 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. Therefore, notwithstanding any other provision of this Declaration, no Supplementary Declaration or amendment, including an amendment withdrawing land as provided in Section 2.5 or otherwise, shall modify or delete any such provision of this Declaration required by such subdivision approval, conditions and Proffers nor shall any Supplementary Declaration or Amendment 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. In addition, the Association shall not be dissolved, except pursuant to a consolidation or merger with an entity formed for similar purposes, or the Declaration terminated without the prior written approval of the County and as further provided in Section 15.3.

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 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 XV

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 for a period of twenty (20) years, and then shall be automatically extended for successive periods of twenty (20) years in perpetuity, except as amended as provided above or unless terminated as hereinafter provided. Subject to Section 14.5 and Subsection 14.4.2, the Association may terminate this Declaration only by: (i) a vote of the Owners entitled to cast at least sixty-seven percent (67%) of the total number of votes; (ii) with the written approval of Owners entitled to cast at least sixty-seven percent (67%) of the total number of votes; or (iii) with the written approval of Owners of three-fourths of the Lots. The termination shall not be effective until 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.

Section 15.2 Prerequisites. Written notice of the proposed termination shall be sent to every Owner and Mortgagee at least sixty days before any action is taken. The Declaration may not be terminated during the Declarant Control 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 Project Documents. To the extent necessary, the termination agreement shall provide for the transfer or assignment of 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 which 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 Transfer Upon Dissolution.

(a) Upon the dissolution of the Association other than incident to a merger or consolidation, the assets of the Association shall be granted, conveyed and assigned to another non-profit corporation, association, trust or other organization or government agency devoted to purposes similar to those for which the Association was created; provided, however, that any common open space may be disposed of, by sale or otherwise, only to an organization conceived and organized to own and maintain said common open space, unless the Association first offers to dedicate the same to the County or other appropriate governmental agency.

(b) If, following full compliance with Section 15.3(a), the Common Area is no longer necessary to the use of the Property, 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 Subsection 14.4.2.

ARTICLE XVI

GENERAL PROVISIONS

Section 16.1 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.

Section 16.2 Notices. All notices, demands, requests and other communications required or permitted hereunder shall be in writing and shall either be delivered in person or sent by U.S. first class mail, postage prepaid. Notices to the Declarant shall be sent to KSI Services, Inc., a Virginia corporation, or to such other address as the Declarant shall specify by executing and recording in the Land Records an amendment to this Declaration, which amendment shall not require the approval of any other parties as provided in Section 14.1. Notices to the Association or to the Members (other than the Declarant) may be sent to the address which the Bylaws provide shall be used for them. All such notices, demands, requests and other communications shall be deemed to have been given upon the earlier of (i) delivery at the appropriate address specified above, whether in person, by express delivery service or by mail; or (ii) three business days after the postmark date of mailing. Rejection or other refusal to accept shall not invalidate the effectiveness of any notice, demand, request or other communication. Notwithstanding the foregoing, any notice of the filing of a memorandum of assessment lien shall be sent in the manner required by Section 55-516C of the Virginia Code.

Section 16.3 Approvals and Consents. All approvals and consents required or permitted by this Declaration (other than approvals or consents given by Members of the Association in a vote taken at a Duly Called Meeting) shall be in writing, shall be signed by the party from whom the consent or approval is sought and, unless otherwise provided herein, may be withheld by such party in its sole discretion.

Section 16.4 Assignment of Declarant's Rights. Any and all rights, powers, easements and reservations of Declarant set forth herein may be assigned by the Declarant in whole or in part, at any time or from time to time, to the Association, to the Developer, to a Builder, to an Owner, to the managing agent or to any other party in Declarant's sole discretion. Each such assignment shall be evidenced by an instrument signed by both the assignor and assignee and recorded in the Land Records. A partial transfer of a Declarant's right does not prevent the Declarant from also continuing to exercise Declarant rights with respect to any such land unless so stated in the assignment document. Subsequent assignments or transfers of the Declarant's right by the assignee are void unless approved in writing by the Declarant in its sole discretion, or unless otherwise stated in the assignment instrument.

Section 16.5 No Obligations. Nothing contained in the Project Documents shall impose upon the Declarant or its successors or assigns any obligation or any nature to build, 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 solve the Declarant, its successors or assigns from any obligation imposed by the duly adopted ordinances of Fairfax County, including without limitation the Proffers for the residential portion of Lorton Valley and other conditions of subdivision approval.

Section 16.6 Successors and Assigns. The provisions hereof shall be binding upon and shall inure to the benefit and/or burden of the Declarant, the Association, the Members and their respective heirs, legal representatives, successors and assigns.

Section 16.7 Counterparts. This document may be executed in counterparts, which, taken together, shall constitute one and the same instrument.

{THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK}

IN WITNESS WHEREOF, the following have executed this Declaration on the date shown above.

SCC LORTON SOUTH, LLC,
a Delaware limited liability company

By: SCC-Canyon, LLC,
a Delaware limited liability company, its member

By: *Dan Hayes*
Name: DANIEL C. HAYES
Title: EVP

State of California)
County of Los Angeles)

On December 2, 2002, before me, the undersigned, a Notary Public in and for said State, personally appeared DANIEL C. HAYES, 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)



THE RYLAND GROUP, INC.,
a Maryland Corporation

By: [Signature]
Name: Scott C. Gallivan
Title: President, Washington Division

State/Commonwealth of VIRGINIA)
City/County of FARFAX)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County aforesaid, do hereby certify that SCOT GALLIVAN President, Washington Division of The Ryland Group, Inc., a Maryland corporation, whose name is signed to the foregoing writing bearing date on the 3 day of December, 2002, personally appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 3 day of December, 2002.

[Signature] (SEAL)
Notary Public

My commission expires: 8/31/04

M/I SCHOTTENSTEIN HOMES, INC.,
an Ohio corporation, d/b/a M/I Homes

By: [Signature]
Name: Thomas P. Dunn
Title: President VA / MD ops

State/Commonwealth of Virginia)
City/County of Loudoun)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County
aforesaid, do hereby certify that THOMAS P. DUNN, President
of M/I Schottenstein Homes, Inc., an Ohio corporation d/b/a M/I Homes, whose name is
signed to the foregoing writing bearing date on the 10 day of December 2002, personally
appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 10 day of December, 2002.

[Signature] (SEAL)
Notary Public

My commission expires: 1/31/2005.

KSI SERVICES, INC.,
a Virginia corporation

By: [Signature]
Name: Richard W. Klausler
Title: President

State/Commonwealth of Virginia)
City/County of Fairfax)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County aforesaid, do hereby certify that Richard W. Klausler, President of KSI Services, Inc., a Virginia corporation, whose name is signed to the foregoing writing bearing date on the 27th day of NOV., 2002, personally appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 27th day of NOV., 2002

[Signature]
Notary Public

commission expires: 9/30/04



LORTON VALLEY III, L.C.
a Virginia limited liability company

By: KSI SERVICES INC., a Virginia corporation, its
sole member

By: [Signature]
Name: Richard W. Wausler
Title: President

State/Commonwealth of Virginia)
City/County of Fairfax)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County
aforesaid, do hereby certify that Richard W. Wausler, President of KSI Services, Inc., a Virginia
corporation, sole member of Lorton Valley III, L.C., a Virginia limited liability corporation, whose
name is signed to the foregoing writing bearing date on the 27th day of NOV., 2002,
personally appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 27th day of NOV., 2002

[Signature]
Notary Public

My commission expires: 9/30/04



LORTON VALLEY EAST, L.C.
a Virginia limited liability company

By: KSI SERVICES INC., a Virginia corporation, its
sole member

By: [Signature]
Name: Richard W. Hander
Title: President

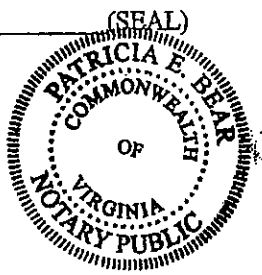
State/Commonwealth of Virginia)
City/County of Stafford)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County
aforesaid, do hereby certify that Richard W. Hander, President of KSI Services, Inc., a Virginia
corporation, sole member of Lorton Valley East, L.C., a Virginia limited liability corporation, whose
name is signed to the foregoing writing bearing date on the 27th day of NOV, 2002,
personally appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 27th day of Nov., 2002

[Signature]
Notary Public

My commission expires: 9/30/04



FOURTH PLACE, L.C.
a Virginia limited liability company

By: KSI SERVICES INC., a Virginia corporation, its
sole member

By: [Signature]
Name: Richard W. Hausler
Title: President

State/Commonwealth of Virginia)
City/County of Laird)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County aforesaid, do hereby certify that Richard W. Hausler, President of KSI Services, Inc., a Virginia corporation, sole member of Fourth Place, L.C., a Virginia limited liability corporation, whose name is signed to the foregoing writing bearing date on the 27th day of NOV., 2002, personally appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 27th day of NOV., 2002

[Signature]
Notary Public

My commission expires: 9/30/04



FIFTH PLACE, L.C.
a Virginia limited liability company

By: KSI SERVICES INC., a Virginia corporation, its
sole member

By: [Signature]
Name: Richard W. Klausler
Title: President

State/Commonwealth of Virginia)
City/County of Shirley)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County
foresaid, do hereby certify that Richard W. Klausler, President of KSI Services, Inc., a Virginia
corporation, sole member of Fifth Place, L.C., a Virginia limited liability corporation, whose name
is signed to the foregoing writing bearing date on the 27th day of NOV., 2002, personally
appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 27th day of NOV., 2002.

[Signature] (SEAL)
Notary Public

My commission expires: 9/30/04



IN WITNESS WHEREOF, Chevy Chase Bank, F.S.B. hereby joins in and executes this Declaration to evidence its consent to subordinate its interest in the lien created by the Chevy Chase Deed of Trust to the obligations, terms and conditions of this Declaration.

CHEVY CHASE:

CHEVY CHASE BANK, F.S.B.,
BENEFICIARY

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

State/Commonwealth of Maryland)
City/County of Montgomery)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County aforesaid, do hereby certify that _____ of Chevy Chase Bank, F.S.B., BENEFICIARY, whose name is signed to the foregoing writing bearing date on the ___ day of _____, 200___, personally appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 9 day of December, 2002

[Signature] (SEAL)
Notary Public

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

IN WITNESS WHEREOF, James J. Adkins and Judy C. Adkins hereby join in and execute this Declaration to evidence their consent to subordinate their interest in the lien created by the Adkins Deed of Trust to the obligations, terms and conditions of this Declaration.

James J. Adkins
James J. Adkins
Judy C. Adkins
Judy C. Adkins

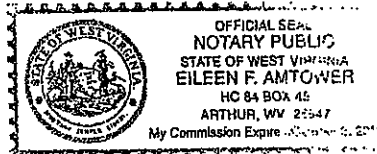
State/Commonwealth of West Virginia)
City/County of Grant)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County aforesaid, do hereby certify that James J. Adkins, BENEFICIARY, whose name is signed to the foregoing writing bearing date on the 26 day of December, 2002, personally appeared before me and acknowledged the same to be his act and deed.

GIVEN, under my hand and seal this 26 day of December, 2002.

Eileen F. Amtower (SEAL)
Notary Public

My commission expires: October 3, 2011



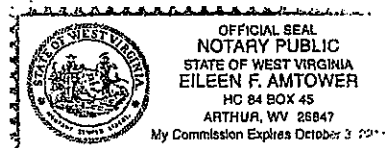
State/Commonwealth of West Virginia)
City/County of Grant)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County aforesaid, do hereby certify that Judy C. Adkins, BENEFICIARY, whose name is signed to the foregoing writing bearing date on the 26 day of December, 2002, personally appeared before me and acknowledged the same to be her act and deed.

GIVEN, under my hand and seal this 26 day of December, 2002.

Eileen F. Amtower (SEAL)
Notary Public

My commission expires: October 3, 2011



BK 13853 1791

James J. [unclear]

IN WITNESS WHEREOF, Branch Banking and Trust Company of Virginia hereby joins in and executes this Declaration to evidence its consent to subordinate its interest in the lien created by the BB&T Deed of Trust to the obligations, terms and conditions of this Declaration.

BRANCH BANKING AND TRUST COMPANY OF VIRGINIA, BENEFICIARY

By: [Signature]
Name: Vance G. Mason III
Title: Vice President

State/Commonwealth of Virginia)
City/County of Prince William)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County aforesaid, do hereby certify that Vance G. Mason III, Vice President of Branch Banking and Trust Company of Virginia, BENEFICIARY, whose name is signed to the foregoing writing bearing date on the 31st day of Dec, 2002, personally appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 31st day of Dec, 2002.

[Signature] (SEAL)
Notary Public

My commission expires: 6/5/03

IN WITNESS WHEREOF, The Washington Savings Bank, F.S.B. hereby joins in and executes this Declaration to evidence its consent to subordinate its interest in the lien created by the Washington Savings Deed of Trust to the obligations, terms and conditions of this Declaration.

WASHINGTON SAVINGS:

THE WASHINGTON SAVINGS BANK, F.S.B.,
BENEFICIARY

By: J. Whittaker
Name: J. Whittaker
Title: Sr Vice President

State/Commonwealth of Maryland
City/County of Prince Georges

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County aforesaid, do hereby certify that J. Whittaker, Sr Vice President of The Washington Savings Bank, F.S.B., BENEFICIARY, whose name is signed to the foregoing writing bearing date on the 13 day of December, 2007 personally appeared before me and acknowledged the same to be his/her act and deed.

GIVEN, under my hand and seal this 13 day of December, 2007

Not A. Danks (SEAL)
Notary Public

My commission expires: 12/10/06

LORTON VALLEY HOMEOWNERS
ASSOCIATION, INC.,
a Virginia non-stock corporation

By: Thomas B. McKay
Name: Thomas B. McKay
Title: President

State/Commonwealth of Virginia)
City/County of Fairfax)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County aforesaid, do hereby certify that Thomas McKay of Lorton Valley Homeowners Association, Inc., a Virginia non-stock corporation, whose name is signed to the foregoing writing bearing date on the 6th day of December, 2002, personally appeared before me and acknowledged the same to be his act and deed.

GIVEN, under my hand and seal this 6th day of December, 2002.

Lori R. Tolson (SEAL)
Notary Public

My commission expires: 5/31/04

Commissioned as Lori Ammari
My commission expires 5/31/04

EXHIBIT A

SUBMITTED LAND

All that certain land situate in Fairfax County, and more particularly described as follows:

SCC Submitted PropertyParcel 13A

BEGINNING AT A POINT LYING ON THE EASTERLY 50 FOOT RIGHT-OF-WAY LINE OF THIRD PLACE (STATE ROUTE # 1107) AS RECORDED IN DEED BOOK 966, AT PAGE 128. SAID POINT, ALSO BEING THE SOUTHWESTERMOST CORNER TO GUNSTON COMMONS L.P. AS RECORDED IN DEED BOOK 10173 AT PAGE 1078. THENCE DEPARTING SAID THIRD PLACE AND RUNNING WITH SAID GUNSTON COMMONS, THE FOLLOWING TWO (2) COURSES AND DISTANCES:

N 80° 06' 14" E 660.44 FEET TO AN IRON PIPE SET ON THE EASTERN BANK OF GILES RUN. THENCE RUNNING WITH GILES RUN IN A DOWNSTREAM DIRECTION

S 48° 26' 45" E 45.15 FEET TO AN IRON PIPE SET, SAID IRON PIPE BEING THE NORTHWESTERMOST CORNER TO GEORGE L. AND MARIA L. SELIG AS RECORDED IN DEED BOOK 1899, AT PAGE 170. THENCE DEPARTING SAID GUNSTON COMMONS L.P. AND RUNNING WITH SAID GEORGE L. AND MARIA L. SELIG AND SAID GILES RUN THE FOLLOWING FOUR COURSES AND DISTANCES:

S 34° 06' 01" W 162.94 FEET TO A POINT, THENCE

S 26° 24' 29" E 196.85 FEET TO A POINT, THENCE

S 26° 15' 30" W 87.39 FEET TO A POINT, THENCE

S 19° 48' 00" E 52.97 FEET TO A POINT, SAID POINT BEING ON THE NORTHERLY LINE OF A 30 FOOT OUTLET ROAD, AS RECORDED IN DEED BOOK 707, AT PAGE 0192 AND CORRECTED IN DEED BOOK 1010, AT PAGE 0246 AMONG SAID LAND RECORDS, (COMMONLY REFERRED TO AS DIXON STREET, BUT NOT A MATTER OF RECORD), THENCE DEPARTING THE NORTHERLY LINE OF SAID OUTLET ROAD AND RUNNING WITH THE LINE OF JAMES J. AND JUDY C. ADKINS AS RECORDED IN DEED BOOK 6424, AT PAGE 0542 AMONG SAID LAND RECORDS AND SAID GILES RUN

S 04° 23' 28" W 24.09 FEET TO A POINT, SAID POINT BEING THE NORTHEASTERMOST CORNER TO LORTON VALLEY EAST L.C. AS RECORDED IN DEED BOOK 11479 AT PAGE 1633. THENCE DEPARTING SAID JAMES J. AND JUDY C. ADKINS AND RUNNING WITH SAID LORTON VALLEY EAST L.C. S 68° 01' 31" W 607.49 FEET TO A POINT LYING ON THE AFORESAID EASTERLY 50 FOOT RIGHT-OF-WAY LINE OF THIRD PLACE (STATE ROUTE # 1107). THENCE DEPARTING SAID LORTON VALLEY EAST L.C. AND RUNNING WITH SAID THIRD PLACE

N 08° 23' 29" W 618.23 FEET TO THE POINT OF BEGINNING AND CONTAINING 339,333 SQUARE FEET OR 7.79002 ACRES OF LAND MORE OR LESS.

Parcel 13B

BEGINNING AT A POINT LYING ON THE SOUTHERLY 50 FOOT RIGHT-OF-WAY LINE OF DIXON STREET, AS RECORDED IN DEED BOOK 966 AT PAGE 128. SAID POINT ALSO BEING THE NORTHWESTERNMOST CORNER TO LORTON VALLEY EAST L.C. AS RECORDED IN DEED BOOK 11479 AT PAGE 1633. THENCE DEPARTING SAID DIXON STREET AND RUNNING WITH SAID LORTON VALLEY EAST L.C.

S 14°33'17" W. 476.85 FEET TO AN IRON PIPE FOUND; THENCE

S 76°56'15" E 30.10 FEET TO AN IRON PIPE FOUND MARKING THE NORTHWESTERNMOST CORNER TO T. WILLIAM DOWDY AND SHIRLEY M. HUNTER, TRUSTEES AS RECORDED IN DEED BOOK 9146 AT PAGE 1808. THENCE DEPARTING LORTON VALLEY EAST L.C. AND RUNNING WITH SAID T. WILLIAM DOWDY AND SHIRLEY M. HUNTER, TRUSTEES THE FOLLOWING TWO (2) COURSES AND DISTANCES:

E 03°22'18" W. 248.67 FEET TO AN IRON PIPE FOUND MARKING THE NORTHWESTERNMOST CORNER TO LORTON VALLEY III, L.C. AS RECORDED IN DEED BOOK 12078 AT PAGE 1901. THENCE DEPARTING SAID T. WILLIAM DOWDY AND SHIRLEY M. HUNTER, TRUSTEES AND RUNNING WITH SAID LORTON VALLEY III, L.C. THE FOLLOWING TWO (2) COURSES AND DISTANCES:

S 03°25'11" W. 20.07 FEET TO A PINCHED PIPE FOUND; THENCE

N 86°36'34" E 630.08 FEET TO AN IRON PIPE SET BEING IN LINE OF SAID JAMES J. AND JUDY C. ADKINS. THENCE DEPARTING THE LINE OF T. WILLIAM DOWDY AND SHIRLEY M. HUNTER, TRUSTEES AND RUNNING WITH SAID GILES RUN AND WITH THE LINE OF SAID JAMES J. AND JUDY C. ADKINS THE FOLLOWING NINE (9) COURSES AND DISTANCES:

N 86° 37' 34" E 67.51 FEET TO AN IRON PIPE SET THENCE;

S 13° 47' 05" E 26.29 FEET TO AN IRON PIPE SET THENCE;

N 51° 59' 28" E 45.09 FEET TO AN IRON PIPE SET THENCE;

S 28° 58' 34" E 156.22 FEET TO AN IRON PIPE SET THENCE;

S 71° 58' 46" W. 96.88 FEET TO AN IRON PIPE SET THENCE;

S 34° 54' 23" E 247.66 FEET TO AN IRON PIPE SET THENCE;

S 10° 31' 07" W. 98.43 FEET TO A POINT THENCE;

S 45° 26' 26" W 170.58 FEET TO A POINT THENCE;

S 02° 18' 49" E 30.57 FEET TO AN IRON PIPE SET. SAID IRON PIPE LYING ON THE WEST BANK OF SAID GILES RUN AND IN THE LINE OF FURNACE ASSOCIATES AS RECORDED IN DEED BOOK 4777, AT PAGE 0164. THENCE DEPARTING SAID GILES RUN AND THE LINE OF SAID JAMES J. AND JUDY C. ADKINS AND CONTINUING WITH THE LINE OF SAID FURNACE ASSOCIATES.

S 86° 50' 10" W 1816.66 FEET (PASSING OVER AN IRON SET AT 50') TO AN IRON PIPE SET. SAID IRON PIPE BEING IN THE LINE OF THE GENERAL SERVICES ADMINISTRATION AS PER LORTON TECHNICAL CORRECTION ACT OF 1988, ENACTED AUGUST 5, 1997, AMENDED PUBLIC LAW 105-33, SECTION 11201(g), THENCE DEPARTING THE LINE OF SAID FURNACE ASSOCIATES AND CONTINUING WITH THE LINE OF SAID GENERAL SERVICES ADMINISTRATION.

N 03° 09' 24" W 1161.16 FEET TO A CONCRETE MONUMENT FOUND, SAID MONUMENT BEING IN THE LINE OF LOT 33, SHIRLEY ACRES, SECTION 1 AS RECORDED IN DEED BOOK 966, AT PAGE 0128. THENCE DEPARTING THE LINE OF SAID GENERAL SERVICES ADMINISTRATION AND CONTINUING WITH THE LINE OF SAID LOT 33, SHIRLEY ACRES AND THE SOUTHERLY RIGHT-OF-WAY LINE OF THE AFOREMENTIONED DIXON STREET.

N 86°52'01" E 358.00 FEET TO AN IRON PIPE SET. THENCE DEPARTING SAID DIXON STREET AND RUNNING THROUGH GEORGE M. NEALL II, TRUSTEE, AS RECORDED IN DEED BOOK 7517 AT PAGE 1406, THE FOLLOWING TWENTY-FIVE (25) COURSES AND DISTANCES:

S 03°07'59" E . 233.01 FEET TO AN IRON PIPE SET; THENCE
 S 86°52'01" W . 57.00 FEET TO AN IRON PIPE SET; THENCE
 S 03°07'59" E . 52.00 FEET TO AN IRON PIPE SET; THENCE
 42.41 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE
 HAVING A RADIUS OF 27.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND A CHORD
 WHICH BEARS S 41°52'01" W . 38.18 FEET TO AN IRON PIPE SET; THENCE
 S 03°07'59" E . 146.00 FEET TO AN IRON PIPE SET; THENCE
 42.41 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE
 HAVING A RADIUS OF 27.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND A CHORD
 WHICH BEARS S 48°07'59" E . 38.18 FEET TO AN IRON PIPE SET; THENCE
 S 03°07'59" E . 52.00 FEET TO AN IRON PIPE SET; THENCE
 N 86°52'01" E . 53.00 FEET TO AN IRON PIPE SET; THENCE
 S 03°07'59" E . 465.52 FEET TO AN IRON PIPE SET; THENCE
 N 86°52'01" E . 73.00 FEET TO AN IRON PIPE SET; THENCE
 42.41 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE
 HAVING A RADIUS OF 27.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND A CHORD
 WHICH BEARS N 41°52'01" E . 38.18 FEET TO AN IRON PIPE SET; THENCE
 N 86°52'01" E . 52.00 FEET TO AN IRON PIPE SET; THENCE
 42.41 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE
 HAVING A RADIUS OF 27.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND A CHORD
 WHICH BEARS S 48°07'59" E . 38.18 FEET TO AN IRON PIPE SET; THENCE
 N 86°52'01" E . 146.00 FEET TO AN IRON PIPE SET; THENCE
 42.41 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE
 HAVING A RADIUS OF 27.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND A CHORD
 WHICH BEARS N 41°52'01" E . 38.18 FEET TO AN IRON PIPE SET; THENCE
 N 03°07'59" W . 411.52 FEET TO AN IRON PIPE SET; THENCE
 42.41 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE
 HAVING A RADIUS OF 27.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND A CHORD
 WHICH BEARS N 48°07'59" W . 38.18 FEET TO AN IRON PIPE SET; THENCE
 N 03°07'59" W . 52.00 FEET TO AN IRON PIPE SET; THENCE
 N 86°52'01" E . 252.00 FEET TO AN IRON PIPE SET; THENCE
 42.41 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE
 HAVING A RADIUS OF 27.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND A CHORD
 WHICH BEARS N 41°52'01" E . 38.18 FEET TO AN IRON PIPE SET; THENCE
 N 03°07'59" W . 146.00 FEET TO AN IRON PIPE SET; THENCE
 42.41 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE
 HAVING A RADIUS OF 27.00 FEET, A CENTRAL ANGLE OF 90°00'00" AND A CHORD
 WHICH BEARS N 48°07'59" W . 38.18 FEET TO AN IRON PIPE SET; THENCE
 N 03°07'59" W . 52.00 FEET TO AN IRON PIPE SET; THENCE
 S 86°52'01" W . 73.00 FEET TO AN IRON PIPE SET; THENCE
 N 03°07'59" W . 273.61 FEET TO AN IRON PIPE SET, SAID IRON PIPE
 LYING ON THE AFORESAID SOUTHERLY 50 FOOT RIGHT-OF-WAY LINE OF DIXON
 STREET, THENCE RUNNING WITH SAID DIXON STREET
 N 68°00'31" E . 436.25 FEET TO THE POINT OF BEGINNING AND
 CONTAINING 1,371,697 SQUARE FEET OR 31.48983 ACRES OF LAND, MORE OR
 LESS.

SUBJECT; HOWEVER, TO ALL EASEMENTS, RIGHTS-OF-WAY AND
 RESTRICTIONS OF RECORD.

Parcel 14

BEGINNING AT AN IRON PIPE SET BEING THE POINT OF INTERSECTION OF THE SOUTHERLY 50 FOOT RIGHT-OF-WAY LINE OF DIXON STREET, ROUTE #1109, AS RECORDED IN DEED BOOK 966 AT PAGE 128 AND THE EASTERLY 50 FOOT RIGHT-OF-WAY LINE OF THIRD PLACE, ROUTE #1107, AS RECORDED IN DEED BOOK 966 AT PAGE 128. THENCE RUNNING WITH SAID THIRD PLACE

N 08°23'29" W 31.06 FEET TO A POINT BEING THE SOUTHWESTERNMOST CORNER TO GEORGE M. NEALL II, TRUSTEE, AS RECORDED IN DEED BOOK 7517 AT PAGE 1406. THENCE DEPARTING SAID THIRD PLACE AND RUNNING WITH SAID GEORGE M. NEALL II, TRUSTEE

N 68°01'31" E 607.45 FEET TO A POINT, SAID POINT BEING IN THE WESTERLY LINE OF LORTON VALLEY III, L.C., AS RECORDED IN DEED BOOK 12078 AT PAGE 1901. THENCE DEPARTING SAID GEORGE M. NEALL II, TRUSTEE AND RUNNING WITH SAID LORTON VALLEY III, L.C. THE FOLLOWING THIRTEEN

(13) COURSES AND DISTANCES:

S 00° 58' 10" W 92.04 FEET TO A POINT; THENCE
 S 15° 12' 49" E 173.65 FEET TO A POINT; THENCE
 S 76° 56' 23" W 91.02 FEET TO AN IRON PIPE SET; THENCE
 S 27° 57' 44" E 193.61 FEET TO A POINT; THENCE
 S 05° 18' 02" E 92.66 FEET TO AN IRON PIPE SET; THENCE
 S 09° 49' 11" W 77.62 FEET TO A POINT; THENCE
 S 40° 36' 55" E 79.65 FEET TO A POINT; THENCE
 S 27° 44' 02" W 43.48 FEET TO A POINT; THENCE
 N 72° 43' 12" W 109.89 FEET TO AN IRON PIPE SET THENCE
 S 39° 29' 47" W 63.95 FEET TO A POINT; THENCE
 S 22° 22' 07" E 64.71 FEET TO A POINT; THENCE
 S 49° 42' 44" W 71.56 FEET TO A POINT; THENCE
 S 20° 31' 00" E 44.94 FEET TO AN IRON PIPE SET, SAID IRON PIPE BEING THE NORTHEASTERNMOST CORNER TO T. WILLIAM DOWDY AND SHIRLEY M. HUNTER, TRUSTEES AS RECORDED IN DEED BOOK 9146, AT PAGE 1808. THENCE DEPARTING SAID LORTON VALLEY III, L.C. AND RUNNING WITH SAID T. WILLIAM DOWDY AND SHIRLEY M. HUNTER, TRUSTEES

N 76°46'48" W 618.44 FEET TO AN IRON PIPE FOUND, SAID IRON PIPE LYING IN AN EASTERLY LINE TO THE AFOREMENTIONED GEORGE M. NEALL II, TRUSTEE. THENCE DEPARTING SAID T. WILLIAM DOWDY AND SHIRLEY M. HUNTER, TRUSTEES AND RUNNING WITH SAID GEORGE M. NEALL II, TRUSTEE THE FOLLOWING TWO (2) COURSES AND DISTANCES:

N 76°56'19" W 30.10 FEET TO AN IRON PIPE FOUND; THENCE
 N 14°33'17" E 476.85 FEET TO A POINT LYING ON THE AFOREMENTIONED SOUTHERLY 50 FOOT RIGHT-OF-WAY LINE OF DIXON STREET. THENCE DEPARTING SAID GEORGE M. NEALL II, TRUSTEE AND RUNNING WITH SAID DIXON STREET

N 68°00'31" E 42.60 FEET TO THE POINT OF BEGINNING AND CONTAINING 458,804 SQUARE FEET OR 10.53268 ACRES OF LAND, MORE OR LESS.

SUBJECT, HOWEVER TO ALL EASEMENTS, RIGHTS-OF-WAY AND RESTRICTIONS OF RECORD.

Parcel 16

BEGINNING AT A POINT ON THE EASTERLY SIDE OF A THIRTY (30) FOOT OUTLET ROAD, DEED BOOK 868 AT PAGE 2, AT A CORNER COMMON TO THE PROPERTY OF DOWDY, ET AL, DEED BOOK 9146 AT PAGE 1808 THENCE LEAVING SAID OUTLET ROAD AND RUNNING WITH DOWDY

N 86°36'17" E 638.85 FEET TO A POINT AT A CORNER COMMON TO ADKINS, TM #113-2-((1))-0001, DEED BOOK 6424 AT PAGE 542; THENCE LEAVING DOWDY AND RUNNING WITH ADKINS

S 25°44'17" W 22.90 FEET TO A POINT ON THE NORTHERLY LINE OF KATZ, DEED BOOK 7198 AT PAGE 1068; THENCE LEAVING ADKINS AND RUNNING WITH KATZ THE FOLLOWING TWO (2) COURSES AND DISTANCES:

S 86°36'42" W 630.08 FEET TO A POINT ON THE EASTERLY LINE OF THE AFORESAID OUTLET ROAD; THENCE

N 03°25'11" E 20.07 FEET TO THE POINT OF BEGINNING, CONTAINING 12,665 SQUARE FEET OR 0.29076 ACRES OF LAND, MORE OR LESS.

EXHIBIT B

ADDITIONAL LAND

All that certain land situate in Fairfax County, and more particularly described as follows:

Lorton Valley III Property

Parcel A, containing 0.22957 acres, and Parcel B, containing 25.67068 acres, property of Lorton Valley III, L.C., per Deed of Subdivision recorded in Deed Book 13119, at Page 1181, among the land records of Fairfax County, Virginia.

Lorton Valley East Property

Lots 24 and 31, Section 1, Shirley Acres Subdivision, as the same are duly dedicated, platted and recorded in Deed Book 966, at Page 128, among the land records of Fairfax County, Virginia.

Fourth Place Property

Lot 47, Section 2, Shirley Acres Subdivision, as the same is duly dedicated, platted and recorded in Deed Book 1042, at Page 185, among the land records of Fairfax County, Virginia; LESS AND EXCEPT 153 square feet dedicated for public street purposes as recorded in Deed Book 10144, at Page 826, among the land records of Fairfax County, Virginia.

Lot 48, Section 2, Shirley Acres Subdivision, as the same is duly dedicated, platted and recorded in Deed Book 1042, at Page 185, among the land records of Fairfax County, Virginia; LESS AND EXCEPT 176 square feet dedicated for public street purposes as recorded in Deed Book 10144, at Page 838, among the land records of Fairfax County, Virginia.

Fifth Place Property

Lot 27, Section 1, Shirley Acres Subdivision, as the same is duly dedicated, platted and recorded in Deed Book 966, at Page 128, among the land records of Fairfax County, Virginia.

SCC Additional Property

Commencing at a point lying on the southerly 50 Foot Right-of-Way line of Dixon Street, Route #1109, as recorded in Deed Book 966 at Page 128. Said point being the northeastern most corner to SCC Lorton South, LLC as recorded in Deed Book 12155 at Page 1876, said point also being the northwestern most corner to SCC Lorton South, LLC as recorded in Deed Book 12155 at Page 1887. Thence departing said Dixon Street and running with said SCC Lorton South, LLC the following two (2) courses and distances:

S 14 degrees 33'17" E 476.85 Feet to an iron pipe found; thence S 76 degrees 56'19" E 30.10 Feet to an iron pipe found being the true point of beginning. Thence continuing with SCC Lorton South, LLC (Deed Book 12155 at Page 1887)

S 76 degrees 46'48" E 618.44 Feet to an iron pipe set be on a westerly line to Lorton Valley III, L.C. as recorded in Deed Book 12078 at Page 1901. Thence departing said SCC Lorton South, LLC and running with said Lorton Valley III, L.C. the following two (2) courses and distances:

S 21 degrees 31'15" E 58.36 Feet to a point; thence S 01 degrees 22'51" W 14.69 Feet to a point being the northeastern most corner to another parcel of SCC Lorton South, LLC as recorded in Deed Book 12155 at Page 1892. Thence departing said Lorton Valley III, L.C. and running with said SCC Lorton South, LLC S 86 degrees 36'17" W 638.85 Feet to an iron pipe found lying on an easterly line of SCC Lorton South, LLC (Deed Book 12155 at Page 1876). Thence departing said SCC Lorton South, LLC (Deed Book 12155 at Page 1892) and running with said SCC Lorton South, LLC (Deed Book 12155 at Page 1876) N 03 degrees 22'18" E 248.67 Feet to the point of beginning and containing 98,321 square feet or 2.25714 acres of land, more or less.

Ryland Property

BEGINNING at an iron pipe set lying on the southerly 50 foot right-of-way line of Dixon Street, as recorded in Deed Book 966 at Page 128. Said iron pipe being N 86° 52' 01" E 138.00 feet from the intersection of said southerly 50 foot right-of-way line of Dixon Street and the westerly 50 foot right-of-way line of Fifth Place (Route #1108). Thence running with said Dixon Street the following two (2) courses and distances:

N 86° 52' 01" E 381.15 feet to an iron pipe set; thence

N 68° 00' 31" E 125.60 feet to an iron pipe set; thence departing said Dixon Street and running through George M. Neall II, Trustee as recorded in Deed Book 7517, at Page 1406 the following twenty-five (25) courses and distances:

S 03° 07' 59" E 273.61 feet to an iron pipe set; thence

N 86° 52' 01" E 73.00 feet to an iron pipe set; thence

S 03° 07' 59" E 52.00 feet to an iron pipe set; thence

42.41 feet along the arc of a curve to the right, said curve having a radius of 27.00 feet, a central angle of 90° 00' 00" and a chord which bears S 48° 07' 59" E 38.18 feet to an iron pipe set; thence

S 03° 07' 59" E 146.00 feet to an iron pipe set; thence

42.41 feet along the arc of a curve to the right, said curve having a radius of 27.00 feet, a central angle of 90° 00' 00" and a chord which bears S 41° 52' 01" W 38.18 feet to an iron pipe set; thence

S 86° 52' 01" W 252.00 feet to an iron pipe set; thence

S 03° 07' 59" E 52.00 feet to an iron pipe set; thence

42.41 feet along the arc of a curve to the right, said curve having a radius of 27.00 feet, a central angle of 90° 00' 00" and a chord which bears S 48° 07' 59" E 38.18 feet to an iron pipe set; thence

S 03° 07' 59" E 411.52 feet to an iron pipe set; thence

42.41 feet along the arc of a curve to the right, said curve having a radius of 27.00 feet, a central angle of 90° 00' 00" and a chord which bears S 41° 52' 01" W 38.18 feet to an iron pipe set; thence

S 86° 52' 01" W 146.00 feet to an iron pipe set; thence

42.41 feet along the arc of a curve to the right, said curve having a radius of 27.00 feet, a central angle of 90° 00' 00" and a chord which bears N 48° 07' 59" W 38.18 feet to an iron pipe set; thence

S 86° 52' 01" W 52.00 feet to an iron pipe set; thence

42.41 feet along the arc of a curve to the right, said curve having a radius of 27.00 feet, a central angle of 90° 00' 00" and a chord which bears S 41° 52' 01" W 38.18 feet to an iron pipe set; thence

S 86° 52' 01" W 73.00 feet to an iron pipe set; thence

N 03° 07' 59" W 465.52 feet to an iron pipe set; thence

S 86° 52' 01" W 53.00 feet to an iron pipe set; thence

N 03° 07' 59" W 52.00 feet to an iron pipe set; thence

42.41 feet along the arc of a curve to the right, said curve having a radius of 27.00 feet, a central angle of $90^{\circ} 00' 00''$ and a chord which bears $N 48^{\circ} 07' 59'' W$ 38.18 feet to an iron pipe set; thence

$N 03^{\circ} 07' 59'' W$ 146.00 feet to an iron pipe set; thence

42.41 feet along the arc of a curve to the right, said curve having a radius of 27.00 feet, a central angle of $90^{\circ} 00' 00''$ and a chord which bears $N 41^{\circ} 52' 01'' E$ 38.18 feet to an iron pipe set; thence

$N 03^{\circ} 07' 59'' W$ 52.00 feet to an iron pipe set; thence

$N 86^{\circ} 52' 01'' E$ 57.00 feet to an iron pipe set; thence

$N 03^{\circ} 07' 59'' W$ 233.01 feet to the point of beginning and containing 469,342 square feet or 10.77460 acres of land, more or less.

AND BEING the same property conveyed to Lorton Valley, L. C., a Virginia limited liability company, in Deed Book 12155, at Page 1882, and corrected in Deed Book 12234, at Page 1768.

MA Homes Property

BEGINNING at a point on the south line of LORTON ROAD, width varying, said point being the northwesterly corner of LOT 5, EARL H. CURTIS & WIFE SUBDIVISION;

THENCE departing the southerly line of LORTON ROAD and running with the westerly line of THE EARL H. CURTIS & WIFE SUBDIVISION, the following five courses and distances: S10°50'15"W 148.26 feet to a point; S03°41'15"W 72.34 feet to a point; S18°13'35"W 130.78 feet to a point; S73°49'05"W 32.30 feet to a point; S01°35'15"W 118.19 feet to a point; continuing with the westerly line of EARL H. CURTIS & WIFE SUBDIVISION, COOK and AMERICAN LEGION POST 162, INC. ; S30°14'45"E 131.22 feet to a point; S31°35'15"W 176.55 feet to a point; S17°24'45"E 166.52 feet to a point; S31°09'56"E 172.53 feet to a point; a corner to LOT 1, GREEN RIDGE SUBDIVISION, SECTION ONE;

THENCE departing the westerly line of AMERICAN LEGION POST 162, INC. and running with westerly line of GREEN RIDGE SUBDIVISION, SECTION ONE the following seven courses and distances: S58°46'04"W 140.12 feet to a point; S47°52'34"W 382.80 feet to a point; S04°18'36"E 198.27 feet to a point on the northerly right-of-way line of COOPER DRIVE, (50 feet wide), 43.48 feet along the arc of a curve to the left with a radius of 90.00 feet, whose chord and chord bearing are 43.06 feet and S71°50'54"W; S58°00'24"W 110.59 feet to a point; S31°59'36"E 50.00 feet to a point on the southerly right-of-way line of COOPER DRIVE; thence leaving COOPER DRIVE and running S00°38'24"W 293.70 feet to a point in the north line of SHIRLEY ACRES SUBDIVISION, SECTION ONE;

THENCE running with the north line of SHIRLEY ACRES SUBDIVISION, SECTION ONE, the following course and distance: S80°06'26"W 491.14 to a stone found; a corner to UNITED STATES OF AMERICA, D.C. DEPARTMENT OF CORRECTIONS;

THENCE running with the north and easterly line of UNITED STATES OF AMERICA, D.C. DEPARTMENT OF CORRECTIONS, the following two courses and distances: N61°11'25"W 1243.63 feet to a monument found; N30°25'35"E 682.91 feet to a point, a corner TO HUGHES;

THENCE departing the easterly line of UNITED STATES OF AMERICA, D.C. DEPARTMENT OF CORRECTIONS and running with the line of HUGHES the following six courses and distances:

Six courses and distances

S39°49'05"E 269.65 feet to a point;
 N76°43'45"E 267.81 feet to a point;
 N14°16'15"W 139.09 feet to a point;
 104.00 feet along the arc of a curve to the right with bearing and 103.27 feet and N02°31'15"W;
 N09°13'45"E 516.71 feet to a point;
 N12°41'05"W 218.32 feet to a point on the aforementioned south line of LORTON ROAD;

THENCE running with the south line of LORTON ROAD the following three courses and distances:

S81°11'55"E 53.73 feet to a point;
 S88°51'55"E 497.98 feet to a point;
 S80°16'55"E 631.03 feet to a point of BEGINNING, CONTAINING 58.4772 ACRES OF LAND.

EXHIBIT C

LIMITED SPECIAL POWER OF ATTORNEY

This Limited Special Power of Attorney is made this _____ day of _____, 2002, by _____ of SCC-Canyon, LLC, a Delaware limited liability company, member of SCC LORTON SOUTH, LLC, a Delaware limited liability company ("SCC"), which owns the property described in that certain Declaration of Covenants, Conditions and Restrictions for Lorton Valley (the "Declaration") as the SCC Submitted Property and the SCC Additional Property (together the "SCC Property"); _____ of The Ryland Group, Inc., a Maryland corporation ("Ryland"), which owns the property described in the Declaration as the Ryland Property; and _____ of M/I Schottenstein Homes, Inc., an Ohio corporation d/b/a M/I Homes ("M/I Homes"), which owns the property described in the Declaration as the M/I Homes Property. The foregoing individuals, as the legal agents for SCC, Ryland, and M/I Homes (collectively, the "Owners"), have made, constituted and appointed, and do hereby make, constitute and appoint, KSI Services, Inc., a Virginia corporation, as their true and lawful attorney-in-fact (hereinafter "KSI") which is hereby authorized for the Owners and in the name of the Owners:

- a. _____ to act for and in the Owners' behalf with respect to all the rights and privileges reserved unto the Declarant under the provisions of the Project Documents, for all that property included in, or added to, the Submitted Land, all as defined and more particularly set forth in the Declaration;
- b. _____ to act for and in the Owners' behalf with respect to all matters related to subdividing, rezoning or obtaining special exception or site plan approval from Fairfax County, Virginia for the SCC Property, the Ryland Property, and/or the M/I Homes Property;
- c. _____ to execute and perform any other act or thing which is necessary, or in the opinion of KSI, ought to be done in connection with the development of Lorton Valley as set forth in the Conceptual/Final Development Plans for the Property and Additional Land as approved by Fairfax County, Virginia on March 18, 2001 and July 9, 2001.

This Limited Special Power of Attorney shall terminate upon the termination of the Development Period, as defined in the Declaration, unless sooner terminated on behalf of the Owners or KSI.

We hereby confirm all lawful acts done by KSI pursuant to this Limited Special Power of Attorney. An affidavit executed by KSI, setting forth that it has not, or had not, at the time of doing any act pursuant to this Limited Special Power of Attorney, received actual knowledge or actual notice of the revocation or termination of this Limited Special Power of Attorney or notice of any facts indicating the same, shall, in the absence of fraud participated in by the person or persons acting in reliance upon this Limited Special Power of Attorney, be conclusive proof of

the nonrevocation of nontermination of this Limited Special Power of Attorney at such time, except as specifically set forth below. We further declare that as against the Owners or persons claiming under the Owners, everything which KSI shall do pursuant to this Limited Special Power of Attorney shall be valid and binding in favor of any person or entity claiming the benefit who has not received actual notice of the dissolution or termination of one or more of the Owners and who has not received actual written notice that this Limited Special Power of Attorney has been revoked.

This Limited Special Power of Attorney may be executed in counterparts, which, taken together, shall constitute one and the same instrument.

WITNESS the following signatures this ____ day of _____, 2002.

SCC LORTON SOUTH, LLC,
a Delaware limited liability company

By: SCC-Canyon, LLC,
a Delaware limited liability company, its member

By: _____
Name: _____
Title: _____

State of California)
County of _____)

On _____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, 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.

_____ (Seal)

THE RYLAND GROUP, INC.,
a Maryland Corporation

By: _____
Name: _____
Title: _____

State/Commonwealth of _____)
City/County of _____)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County
aforesaid, do hereby certify that _____ of The
Ryland Group, Inc., a Maryland corporation, whose name is signed to the foregoing writing bearing
date on the ____ day of _____, 200__, personally appeared before me and acknowledged the
same to be his act and deed.

GIVEN, under my hand and seal this ____ day of _____, 200__.

Notary Public (SEAL)

commission expires: _____

M/I SCHOTTENSTEIN HOMES, INC.,
an Ohio corporation, d/b/a M/I Homes

By: _____
Name: _____
Title: _____

State/Commonwealth of _____)
City/County of _____)

I, the undersigned, a Notary Public in and for the State/Commonwealth and City/County
aforesaid, do hereby certify that _____ of M/I
Schottenstein Homes, Inc., an Ohio corporation d/b/a M/I Homes, whose name is signed to the
foregoing writing bearing date on the ___ day of _____, 200___, personally appeared before
me and acknowledged the same to be his act and deed.

GIVEN, under my hand and seal this ___ day of _____, 200___.

Notary Public (SEAL)

My commission expires: _____