Prepared by and return to: Meredith Hartley, Esq. Reed Smith, LLP 3110 Fairview Park Drive, Suite 1400 Falls Church, Virginia 22042

FIRST AMENDMENT TO DECLARATION FOR OUANTICO CORPORATE CENTER AT STAFFORD

THIS FIRST AMENDMENT TO DECLARATION is made as of October 30th, 2008 by **QUANTICO CORPORATE CENTER, INC.**, a Virginia non-stock corporation ("Association") and **QUANTICO BUSINESS CENTER, LLC**, a Virginia limited liability company ("Declarant").

RECITALS:

- R-1. The Declarant signed the Declaration for Quantico Corporate Center At Stafford ("Declaration") dated October 24, 2006, and caused it to be recorded as Instrument Number 070009286 among the land records of Stafford County, Virginia ("Land Records"), submitting certain real estate described in the Declaration to the covenants, charges, restrictions, easements and liens contained in the Declaration.
- R-2. Section 14.2 of the Declaration provides that the Association may amend the Declaration as desired herein with a majority vote of the Owners or with the written approval of Owners entitled to cast more then fifty percent of the total number of votes.
- R-3. The Association desires to amend the Declaration by adopting the Amended and Restated Declaration.
- R-4. The Declarant has consented to the Amended and Restated Declaration as evidenced by its signature hereto.
- R-4. The Declarant, as Class B Owner, holds more than fifty percent of votes in the Association.
- R-5. The Association has complied with the provisions of Section 14.2 of the Declaration as evidenced by the Certification of the President of the Association attached hereto.

NOW THEREFORE, pursuant to Section 14.2 of the Declaration, the Association hereby amends the Declaration as set forth in the Amended and Restated Declaration for Quantico Corporate Center at Stafford attached hereto as Exhibit 1.

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

. 1	ASSOCIATION:
	QUANTICO CORPORATE CENTER, INC., A.M. a Virginia nonstock corporation
By: [SEAL] Name: B. Judson Honaker, Jr. Title: President	By: [SEAL] Name: Chris Hornung Title: Secretary
City OF Fredericksbu)) ss: (2)
I, the undersigned, a Notary Public that B. Judson Honaker, Jr., as President CORPORATE CENTER INC., whose n	in and for the jurisdiction aforesaid, do hereby certify t, and Chris Hornung as Secretary of QUANTICO name is signed to the foregoing Amendment, has foresaid jurisdiction as a duly authorized officer of the
GIVEN under my hand and seal on	October 30, 2008.
	Peggy W Zolle [SEAL] Notary Public
My commission expires: 10-31-09	_; my registration number is:
	MY COMMISSION NUMBER 200846

DECLARANT:
By:[SEAL] Name: B. Judson Honaker, Jr. Title: Member
City OF Frederickslug) ss:
I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that B. Judson Honaker, Jr., known to me to be, or satisfactorily proven to be the person whose name is subscribed to the foregoing document, personally appeared before me in the jurisdiction set forth above and acknowledged himself to be a Member of QUANTICO BUSINESS CENTER, LLC a Virginia limited liability company, and that he, in such capacity, being authorized so to do, executed the foregoing document on behalf of the limited liability company.
GIVEN under my hand and seal on October 30, 2008.
Notary Public [SEAL]
My commission expires: 10. 31-09; my registration number is: 200846
COMMISSION NUMBER 200846

CERTIFICATION OF ASSOCIATION PRESIDENT TO AMENDED AND RESTATED DECLARATION FOR

QUANTICO CORPORATE CENTER AT STAFFORD

I, B. Judson Honaker, Jr., as President of QUANTICO CORPORATE CENTER INC., hereby certify that the Association has complied with the procedures set forth in Sections 14.3
and 14.4 of the Declaration for Quantico Corporate Center at Stafford and that the written
approval of Owners entitled to cast more than fifty percent (50%), of the total number of votes
October 30, 2008
President //
COMMONWEALTH OF VIRGINIA)
City OF Frederickdurg) ss:
I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that B. Judson Honaker, Jr., known to me to be, or satisfactorily proven to be the person whose name is subscribed to the foregoing document, personally appeared before me in the jurisdiction set forth above and acknowledged himself to be the President of QUANTICO CORPORATE CENTER INC., a Virginia non-stock corporation, and that he, in such capacity, being authorized so to do, executed the foregoing document on behalf of the corporation.
GIVEN under my hand and seal on October 30, 2008.
GIVEN under my hand and seal on October 30, 2008. Peggy W. Zabber [SEAL] Notary Public
My commission expires: 10-31-09; my registration number is: 200846
MY COMMISSION NUMBER 200846

AMENDED AND RESTATED DECLARATION

FOR

QUANTICO CORPORATE CENTER AT STAFFORD

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AMENDED AND RESTATED

DECLARATION

FOR

QUANTICO CORPORATE CENTER AT STAFFORD

THIS AMENDED AND RESTATED DECLARATION is made as of October 30th, 2008, by QUANTICO BUSINESS CENTER, LLC, a Virginia limited liability company ("Declarant") and QUANTICO CORPORATE CENTER, INC., a Virginia non-stock corporation ("Association").

RECITALS:

- R-1. The Declarant signed the Declaration for Quantico Corporate Center at Stafford ("Original Declaration") dated October 24, 2006, and caused it to be recorded as Instrument Number 070009286 among the land records of Stafford County, Virginia, submitting certain real estate described in the Original Declaration to the covenants, restrictions, reservations, easements, servitudes, liens and charges contained in the Original Declaration.
- R-2. The Declarant (and only the Declarant) wishes to reserve the right to add (submit) additional land to the Declaration ("Additional Land") so long as the same is immediately adjacent to the Property or across a public right-of-way from the Property (including Additional Land previously submitted to the Declaration); and may hereafter subject all or any portion of Additional Land to the provisions of this Declaration, all as the same may be amended from time to time.
- R-3 The Declarant deems it desirable and in the best interests of all the owners of land subject to this Declaration (both now and in the future) to protect the value and the desirability of such land by providing for the orderly development of such land in accordance with a common plan and the maintenance of certain shared facilities, as provided herein.
- R-4. To provide a means for meeting the purposes and intents set forth herein, the Declarant caused the Association to be formed as a non-stock corporation under the laws of the Commonwealth of Virginia.

NOW, THEREFORE, the Association and Declarant hereby covenant and declare, on behalf of itself, all future owners and its and their respective successors and assigns, that the Property and Additional Land (if added), shall, from the date this Declaration is recorded, be held, conveyed, acquired and encumbered subject to the terms and provisions hereof, all of which shall run with the land (including all improvements thereon) and bind and inure to the benefit of all Persons who may now or hereafter own or acquire any right, title, estate or interest in or to any of such land, or who may now or hereafter occupy or enter upon any portion thereof, subject to the right of the Declarant or the Association to amend this Declaration in accordance with the provisions for amendment set forth herein.

The Association and the Declarant accept the responsibilities and obligations set forth herein.

ARTICLE 1

GENERAL PROVISIONS

- Section 1.1 <u>Definitions</u>. Terms used herein without definition shall have the meanings specified for such terms in Section 13.1-803 of the Act. Capitalized terms used herein shall have the meanings specified for such terms below.
- (1) "Act" means the Virginia Non-stock Corporation Act, Chapter 10 of Title 13.1 of the Code of Virginia (1950), as the same may be amended, supplemented or replaced from time to time.
- (2) "Articles of Incorporation" means the Articles of Incorporation for Quantico Corporate Center, Inc. filed or to be filed with the Virginia State Corporation Commission, as amended from time to time.
- (3) "Assessed Value" means the total assessed value of a Parcel as determined each year by the real estate tax assessor (or similar official) for the jurisdiction in which the Parcel is located as of the beginning of the Association's fiscal year. If the Assessed Value is subsequently adjusted during the Association's fiscal year, such adjustment shall not be taken into account. If any Parcel is subdivided during any fiscal year, the Assessed Value of each Parcel so created shall be as determined by the subdividing Owner in the deed of subdivision, or if no such determination is made, the Assessed Value of each Parcel so created shall be in proportion to the relative acreage (as to land value) and relative square footage (as to value of the improvements) on each such Parcel (until a separate assessed value for each Parcel is available from the real estate tax assessor). If a Parcel is no longer assessed for real estate tax purposes, the Assessed Value of the Parcel shall be determined by periodic independent appraisals to be obtained by the Board of Directors.
- (4) "Assessments" means the Annual Assessments as provided in Article 6, the Special Assessments as provided in Sections 7.2 and 12.1(a) and the Assessments for Limited Common Expenses as provided in Section 6.2(a)(2).
- (5) "Assessment Rate" means the rate to be multiplied by the number of Net Square Feet within a Parcel (gross land area) in order to calculate the Annual Assessment for such Parcel, subject to Section 6.2(a)(2). Beginning with the first fiscal year of the Association (January 1, 2007 to December 31, 2007), the Assessment Rate is \$.05. On the first day of January 2008 and on the first day of January each following year, the then current Assessment Rate shall increase by five percent (5%) of the Assessment Rate for the prior fiscal year (e.g., the Assessment Rate for the second fiscal year shall be \$.0525, the Assessment Rate for the third fiscal year shall be \$.0551, and so on). As an alternative, the Association shall have the right to calculate and charge the Assessment Rate on a rentable square foot basis, so long as such calculation yields the same charge.

- (6) "Association" means Quantico Corporate Center, Inc., its successors and assigns.
- (7) "Association Area" means, at any given time, Bus Stops, Buffers, Entrance Features, Landscaping Areas, Trails, Roadways, Stormwater Management Facilities, Signage Areas and all other real property and improvements thereon owned, leased or controlled by the Association (by easement, license, contract or agreement) for the non-exclusive benefit of all of the Owners or for which the Association provides Upkeep under Section 7.1, together with any easements, rights of way, licenses, and appurtenances related thereto.
- (8) "Association Documents" means collectively the Articles of Incorporation, this Declaration, any Supplementary Declarations and the Bylaws, all as amended from time to time. Any exhibit, schedule, certification or amendment to an Association Document is an integral part of that document.
- (9) "Association Easement Area" means, at any given time, the area within the Property located (i) within twenty feet of the boundary of the Property; (ii) within twenty feet of the right of way line of any Roadway; (iii) within ten feet of any Parcel boundary line adjacent to another Parcel; or (iv) where specifically designated as an Association Easement Area on any Supplementary Declaration.
- (10) "Board of Directors" or "Board" means the executive and administrative entity established by Article 5 of the Articles of Incorporation as the governing body of the Association.
- (11) "Buffers" means such buffers as are designated by Declarant from time to time, including, without limitation, the Association Easement Area.
- (12) "Bus Stops" means any bus/transit stops in those locations designated and installed by the Declarant or the Association.
- (13) "Bylaws" means the Bylaws of the Association, as amended from time to time.
- (14) "Common Expenses" means 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 Association Documents.
- (15) "Declarant" means Quantico Business Center, LLC, a Virginia limited liability company, or its assigns pursuant to Article 5 or pursuant to any instrument properly recorded in the Land Records and executed by the Declarant.
- (16) "Declarant Control Period" means the period ending on the earliest of (i) December 31, 2030; or (ii) the date specified by the Declarant at any time in a written notice to the Association that the Declarant Control Period is to terminate on that date.
- (17) "Declaration" means this Amended and Restated Declaration for Quantico Corporate Center made and recorded among the Land Records, including all amendments made

pursuant to Article 14 and, except when the context clearly requires otherwise, all Supplementary Declarations.

- (18) "Entrance Features" means all entrance feature improvements, including without limitation, all Declarant- or Association-owned signage, lighting, fencing, irrigation, hardscaping and landscaping (including trees) associated with entrance features for the Property and located at entrances to the Property and other Roadways, together with improvements to adjacent public rights-of-way, including, without limitation, improvements to U.S. Route 1 and traffic signalization.
- (19) "Land Records" means the land records of the Office of the Clerk of the Circuit Court of the County of Stafford, Virginia.
- (20) "Landscaping Areas" means the landscaping, irrigation system, sidewalks and related improvements located within the right of way areas of U.S. Route 1 (Jefferson Davis Highway) abutting the Property and other Roadways and Association Easement Areas, including, without limitation, any landscaping, trees, and other flora situated within said rights of way, on Exhibit A (or any Supplement thereto), any plat of division, subdivision or dedication recorded among the Land Records or in any Supplementary Declaration, but specifically excluding all paved surfaces, curbs, gutters, road shoulders, and utility facilities located within said rights of way. Landscaping Areas are limited to Association Areas, Association Easement Areas and adjacent public rights-of-way, and neither the Declarant nor the Association have any responsibility for Landscaping Areas within a Parcel.
- (21) "Limited Common Expenses" means Common Expenses benefiting one or more but less than all of the Owners and assessed against the Parcels benefited, such as Common Expenses incurred for the Upkeep and cost of Bus Stops which are used some but less than all of the Owners.
- (22) "Majority Vote" means a simple majority (more than fifty percent) of the votes cast by Owners present in person or by proxy at a duly held meeting of the Owners at which a quorum is present in person or by proxy. 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 is present in person or by proxy. Any vote by a specified percentage of the Board of Directors means that percentage with respect to votes entitled to be cast by directors present at a duly held meeting of the Board 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 Parcels encumbered by each Mortgagee. Owners shall have the voting rights as set forth in Article 4 of the Articles of Incorporation and in Article 4 of this Declaration.
- (23) "Mortgagee" means any institutional lender (one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds or business trusts, including but not limited to real estate investment trusts, any other lender regularly engaged in financing the purchase, construction or improvement of real estate, or any assignee of loans made by such lender, or any

combination of any of the foregoing entities) holding a first mortgage or first deed of trust ("Mortgage") encumbering a Parcel which has notified the Association of its status in writing pursuant to Section 13.2 and has requested all rights under the Association Documents. Where the approval of a Mortgagee is required, such approval means: (i) written approval; (ii) any written waiver of approval rights; (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 ten days after the date the request for approval is transmitted in accordance with the notice requirements of Sections 13.2 and 14.4 of this Declaration and Article 10 of the Bylaws.

- (24) "Net Square Feet" means the number of square feet within a Parcel based upon the gross acreage of that Parcel multiplied by 43,560. The Declarant reserves the right to confirm from time to time the Net Square Feet of one or more Parcels by recording an instrument evidencing such confirmation in the Land Records. A recorded subdivision plat of a Parcel shall be deemed conclusive as to this matter.
- (25) "Officer" means any Person holding office pursuant to Article 6 of the Bylaws.
- (26) "Owner" means one or more Persons who own a Parcel in fee simple, but does not mean any Person having an interest in a Parcel solely by virtue of a contract or as security for an obligation. Notwithstanding anything to the contrary contained herein, multiple ownership of a Parcel does not increase the voting rights of such Parcel as set forth herein or in the POA documents.
- (27) "Parcel" means any other portion of the Property which is a separate subdivided lot of record or is held in separate ownership, together with any improvements now or hereafter appurtenant thereto.
- (28) "Person" means a natural person, corporation, limited liability company, partnership, association, trust or other entity capable of holding title to real estate, or any combination thereof.
- (29) "Prime Rate" means the prime rate of interest published in the Wall Street Journal Money Rates column as the prime rate of interest, from time to time.
- (30) "Property" means, at any given time, the Submitted Land together with all improvements and appurtenances thereto now or hereafter existing.
- (31) "Roadways" means (i) any private or dedicated public road, street or avenue within or adjacent to the Property serving more than one Parcel. Additional Roadways may be designated in any Supplement to this Declaration. Declarant reserves the right to modify the location of Roadways from time to time so long as access to any Parcel is not impaired.
- (32) "Signage Areas" means areas used for project identification and directional signage, as described in <u>Exhibit B</u> hereto or in any Supplementary Declaration.

- (33) "Signs" means the pylon and other signs owned by the Declarant and located in the Signage Areas.
- (34) "Stormwater Management Facilities" means stormwater management facilities serving more than one Parcel, as determined by Declarant from time to time.
- other land which is from time to time submitted to this Declaration by the Declarant and subjected to the jurisdiction of the Association.
- (36) "Supplementary Declaration" means any declaration executed by the Declarant: (i) submitting Additional Land to the terms of this Declaration and subjecting such land to the jurisdiction of the Association, whether or not such Supplementary Declaration contains additional provisions reflecting the unique characteristics of the land being submitted; (ii) submitting a portion of the Property to supplementary covenants in accordance with the terms of this Declaration or to otherwise reflect the unique characteristics of the land; (iii) effecting such other modifications or changes as the Declarant desires within the scope of the Association Documents and governing law; or (iv) as otherwise provided in this Declaration.
- (37) "Trails" means the sidewalks, ground areas and walkways within the Property which, at any time or from time to time, are improved for non-exclusive use as pedestrian walkways, bike trails, pedestrian underpasses or sidewalks for the use of all Owners, their licensees, guests, employees and invitees, including, without limitation, those constructed within or without the right-of-way of the Roadways. Trails shall not include any sidewalks, pedestrian walkways, bike trails, pedestrian underpasses or sidewalks within a Parcel intended for the exclusive use of the Parcel or pedestrian walkways, bike trails, pedestrian underpasses or sidewalks within a Parcel intended for the exclusive use of the Owner of such Parcel, its tenants, licensees or invitees.
- (38) "Upkeep", or words of similar meaning, means management, care, inspection, maintenance, litter removal, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement, reconstruction and snow removal.

Section 1.2 Construction of Association Documents.

- (a) The captions are inserted only for reference, and in no way define, limit or otherwise affect the scope, meaning or effect of any provision.
- (b) The use of the masculine gender shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural and vice versa, whenever the context so requires.
- (c) Each provision of an Association 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 Association Documents is found to be overly broad or unenforceable and a narrower or partially enforceable construction may be given to such provision, then the narrower or partially enforceable construction shall be applied and, to the extent lawful, the provision shall be enforced.

(d) If there is any conflict among the Association 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 Association Documents. The Association Documents shall be construed together and shall be deemed to incorporate one another in full. Any requirements as to the content of one shall be deemed satisfied if the deficiency can be cured by reference to any of the others. Although the Declaration and Supplementary Declaration should be construed to give effect to both, in the case of conflicting provisions, the Declaration shall control.

Section 1.3 The Association.

- (a) The Association is or will be 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 Association Documents.
- (b) Members of the Association shall be as set forth in Article 4 of this Declaration.
- (c) The Association shall have the classes of Members with the voting rights set forth in Article 4 of this Declaration. Unless otherwise specifically provided in the Act or the Association Documents, all rights, powers, easements, obligations and duties of the Association may be performed by the Board of Directors on behalf of the Association.
- (d) Upon merger or consolidation of the Association with another association formed for similar purposes, the Association's properties, rights and obligations may be transferred to the surviving or consolidated Association, or alternatively, the properties, rights and obligations of the other association may be assumed by the Association, as the surviving corporation. No such merger or consolidation shall affect any revocation, termination, change or addition to this Declaration except pursuant to Articles 14 and 15.
- Section 1.4 <u>Acceptance</u>. By acquisition of a Parcel, each Owner accept each and every term and provision hereof and agrees to be bound by and abide by the same. Each Owner acknowledges that failure to comply with the requirements and obligations herein may or will cause damage to the Declarant, the Property, the Association and other Owners.

ARTICLE 2

ASSOCIATION AREA

Section 2.1— Conveyance: Title. Any Association Area to be held in fee by the Association shall be conveyed to the Association in fee simple by Declarant and released from any encumbrance securing the repayment of monetary obligations, but subject to all easements and other encumbrances then of record (including those created by this Declaration). Any Association Area on a Parcel shall be conveyed to the Association no later than the later of: (i)

recordation of this Declaration among the Land Records; or (ii) conveyance of the Parcel to an Owner other than the Declarant, or as otherwise provided in the Supplementary Declaration for such Parcel. The Association shall accept title to any real estate or personal property offered to the Association by the Declarant, and the Association may obtain title insurance for any real estate acquired in its own name. No Owner shall make any private, exclusive or proprietary use of any of the Association Area. The Association is not obligated to accept the transfer of any property from any Owner or person other than the Declarant.

- Section 2.2 <u>No Dedication</u>. Nothing contained herein or in the other Association Documents shall be construed as a dedication to public use or as an assumption of responsibility for Upkeep of any Association Area by any public or municipal agency, authority or utility in the absence of language to the contrary in such transfer. Any Association Areas and/or common areas may be closed at any time by Declarant or the Association, as the case may be, for periods as determined by counsel for the acting entity to prevent any creation or acquisition or claim (outside of this Declaration or Supplement thereto) to public or prescriptive rights or easements or benefits in any Association Areas.
- Section 2.3 Transfer of Responsibility for Upkeep. When the Declarant transfers (or causes to be transferred) the responsibility for Upkeep of any portion of the Association 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 will be obligated to complete or cause completion of when weather conditions permit) required by the site plan shall be substantially completed and such portion of the Association Area and improvements thereon shall be in a condition reasonably acceptable to the Association. The Declarant shall complete or cause completion of any work not to be dedicated to public use at no expense to the Association. When the Association assumes responsibility for Upkeep for a portion of the Association Area, the obligations of the Declarant shall thereupon cease and terminate. If such Association Area and the improvements located thereon not to be dedicated to public use are not in such condition, the Association shall notify the Declarant in writing, specifying the deficiencies, whereupon the Declarant shall have sixty days to remedy (or cause the remedy of) the deficiencies.
- Section 2.4 <u>Line of Sight</u>. No tree, hedge or other landscape feature shall be planted or maintained in a location which obstructs sight-lines for vehicular traffic on public or private streets in violation of Stafford County requirements.

ARTICLE 3

EASEMENTS

Section 3.1 <u>Development Easements</u>.

(a) The Declarant hereby reserves to itself and its designees (which may include any utility company or authority, and the Association), a nonexclusive blanket easement over and through the Association Area for all purposes reasonably related to the development and completion of improvements on the Property and the Additional Land, including without limitation: (i) temporary slope and construction easements; and (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.

- (b) The Declarant hereby reserves to itself and its designees, a non-exclusive easement over and through the Association Area (and to and from same) for ingress, egress, and installation and Upkeep of the Association Area and of the equipment for providing any utilities, including without limitation water, sewer, drainage, gas, or electricity (whether public or private) to any portion of the Property, the Additional Land or any other adjacent land.
- (c) The Declarant hereby reserves to itself and its designees, the right to make any dedications and to grant any easements, rights-of-way and licenses required by any government, governmental agency or utility over and through all or any portion of the Association Area.
- (d) The Declarant hereby reserves to itself and its designees, trail, buffer, access and utility easements in the Association Easement Area. Declarant, its successors, assigns and designees may use the Association Easement Area on an exclusive basis for the installation, construction, maintenance, use and operation of utilities (including, without limitation, water, sewer, gas, electric, telephone and CATV), trails, roadways, landscaping and hardscaping. Declarant shall have the exclusive right to grant/dedicate easements to the various utility companies and other designees within the Association Easement Area. If requested by Declarant, Owner will join in the grant of such easements; provided the same are on either (i) the utility company's standard form or (ii) a form reasonably acceptable to Declarant and Owner. To the extent feasible, all utility facilities will be underground or properly screened as provided herein. With the consent of the Declarant, any Association Easement Area may be used for parking, landscaping and utilities for the benefit of the Property or any Parcel or Parcels.
- (e) The Declarant hereby reserves to itself or its designees (which may include any utility company or authority or the Association) a nonexclusive, transferable easement upon all portions of the Property for the installation, operation, maintenance, repair and replacement of a communications infrastructure and storm water management systems and facilities to serve the Property. The Declarant or its designee, as appropriate, may retain any income derived from the exercise of this easement as to communications infrastructure for the Term of this Declaration. The Declarant or its designee, as appropriate, shall restore any area affected by any such work performed as near as practicable to its original condition. No common storm water management area located on a Parcel will interfere with the Owner's use thereof.
- through the Signage Areas and any other Association Area for the purpose of construction, installation, operation and Upkeep of the Signs and associated lighting. Such easement shall include access as necessary to perform such tasks. All Signs installed in the Signage Areas shall belong to Declarant (or its designee). The Association hereby acknowledges and agrees that Declarant (or its designee) and its personal representatives shall have, and Declarant hereby reserves, the exclusive right to determine the placement, size and overall appearance of any graphic sign panels now or hereafter affixed to the Signs. Declarant shall have the exclusive right to designate which Owners shall be identified by sign panels on the Signs, the length of

times such sign panels shall be displayed and the location of specific sign panels on the Signs, including the right, in its sole discretion, to permit display of sign panels on the Signs for the benefit of tenants or owners of other land which Declarant may hereafter acquire and develop adjacent to the Property. No Owner shall have the right to demand a permanent position on the Signs nor the right to require its sign panel to be located in any particular location or position on the Signs. Notwithstanding the foregoing, Declarant, in its sole discretion, may designate a specific sign panel location on the Signs for the use by an Owner on a permanent basis. The Association shall not engage in any conduct or activity (or enter into any agreement) in derogation of or in conflict with the rights of Declarant hereunder. The easement rights granted in this Subsection 3.1(f) shall survive the Declarant Control Period, in perpetuity. The Signs shall be maintained by Association, as provided in Section 7.1 hereof.

- Section 3.2 <u>Duration and Assignment of Development Rights</u>. The Declarant may assign its rights under this Article 3 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. No Person shall be a designee of Declarant unless the Declarant so indicates in a writing explicitly setting forth the designated rights under this Article 3, and such designation is properly recorded as a Supplementary Declaration. The rights and easements reserved by or granted to the Declarant pursuant to this Article shall continue until the end of the Declarant Control Period, unless specifically stated otherwise. The Declarant may terminate or release its rights under this Article 3 (or any portion thereof) at any time with respect to the entire Property or any portion thereof by a Supplementary Declaration or other recorded instrument. Declarant shall be released from any liability or obligation so assigned from and after the date of assignment, so long as the assignee thereof accepts such assignment and assumes such obligations.
- Section 3.3 <u>Access for Upkeep</u>. The Declarant hereby grants the right of access over and through any portion of the Association Area and Association Easement Area (excluding any 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 perform Upkeep of Association Area and the Association Easement Area. This right and easement shall continue for the Term of this Declaration.

Section 3.4 <u>Limitations on Exercise of Rights and Easements.</u>

- (a) These easements are subject to all other easements and encumbrances of record as of the date hereof.
- (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 the Declarant, the Association and all affected Owners, unless an emergency exists which precludes such notice; (ii) minimize any economic or aesthetic injury to the affected Parcels or the Association Area; (iii) not unreasonably interfere with the affected Owners' use, enjoyment and benefit from such Owners' Parcels or the Association Area; and (iv) not enter (or be required by anything herein) to enter any secured area within a Parcel without the express consent of the Owner of such Parcel, and neither the Declarant nor the Association shall have any liability, responsibility or obligation hereunder if such permission is delayed or denied.

- (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 the condition thereof immediately prior to such disturbance) 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.

Section 3.5 <u>Use and Enjoyment.</u>

- (a) Each Owner hereby grants and conveys to each other Owner, for the benefit of each Parcel, a non-exclusive permanent easement and right of way, in common with other Owners for ingress and egress by foot and bicycle (but not by any form of motorized vehicle) over and across the Trails located on the Property from time to time, if any, for such purpose. Such right and easement of use and enjoyment shall be appurtenant to each Parcel (and a burden as to the Parcel upon which such easements are located), whether or not mentioned in the deed thereto. Any purported conveyance or other transfer of such rights and easements apart from the Parcel to which such rights and easements are appurtenant is void. Nothing herein shall mandate a grant of access by any Owner if the same would impair such Owner's security protocols.
- (b) The rights and easements of enjoyment created in this Section shall be subject (in addition to any easements granted or reserved in this Declaration or pursuant to the other Association Documents) to all rights and powers of the Declarant and the Association when exercised in accordance with the other applicable provisions of the Association Documents.
- (c) Subject to restrictions as may be adopted by the Association, any Person having the right to use and enjoy the Association Area may delegate such rights to such Person's employees, tenants, agents and invitees and to such other Persons as may be permitted by the Association. Notwithstanding the foregoing, no Owner shall have the right to overburden any easement.
- (d) Notwithstanding the foregoing, the Association has the right at any time to enact rules concerning the method of uses and permitted uses with respect to the Property.
- Section 3.6 Priority and Enforcement of Easements. No Person who owns Property subject to this Declaration may subordinate the easements herein created to any subsequent encumbrance or lien. The easements and rights granted by this Declaration shall be enforceable by Persons to whom such easements and rights may be delegated by Owners, including without limitation the employees, tenants, agents or invitees of any Owner. The rights of Mortgagees (in possession or otherwise) or court appointed officers in possession and control of a Parcel acting in the name, place and stead of Owners, or any Person's right to any easements or rights granted in any lease or agreement between such Person and an Owner shall be subordinate to such

easements. 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.

ARTICLE 4

MEMBERSHIP AND VOTING

Section 4.1 <u>Membership</u>. Members of the Association shall at all times be, and be limited to, the Declarant (during the Declarant Control Period) and the Owners. If more than one Person owns a Parcel, then all of the Persons who own such Parcel shall collectively constitute one Owner and be one member of the Association and any subassociation (acting through its Board of Directors) shall be deemed to be the Owner for the purposes of voting and approval. Membership in the Association is mandatory and automatic with ownership of a Parcel.

Section 4.2 <u>Classes of Owners; Voting Rights.</u>

- (a) The Association shall have the following classes of Owners with voting rights as set forth in Article 4 of the Articles of Incorporation and as follows:
- (1) The Class A Owners shall be the Owners of Parcels other than the Declarant during the Declarant Control Period. A Class A Owner shall have one vote for each five hundred thousand dollars of Assessed Value, rounded to the nearest tenth of a vote; provided, however, that the Class A Members shall have no right to vote until the expiration of the Declarant Control Period.
- (2) The Class B Owner shall be the Declarant. During the Declarant Control Period, the Class B Owner shall have the number of votes equal to two times the total number of votes held by the Class A Owners, and shall have the sole right to vote during the Declarant Control Period. After the Declarant Control Period expires, the Declarant shall be treated as a Class A Owner.
- (b) Additional provisions governing voting rights and procedures shall be as set forth in Article 3 of the Bylaws. The Bylaws shall be amended only in accordance with the terms thereof.
- Section 4.3 <u>Required Vote</u>. A Majority Vote of the Owners entitled to vote shall be necessary for the adoption of any matter voted upon, except as otherwise provided in the Association Documents. Directors shall be elected as provided in Article 5 of the Articles of Incorporation. The Association is also bound by the requirements set forth in the Articles of Incorporation and shall not take any action in violation thereof. Voting shall not be conducted by class, unless specifically stated otherwise.
- Section 4.4 <u>Cumulative Voting</u>. There shall be no cumulative voting.

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ARTICLE 5

TRANSFER OF DECLARANT RIGHTS

Section 5.1 <u>Declarant Rights</u>. "Declarant Rights" are those rights reserved for the benefit of the Declarant as provided for in the Association Documents.

Section 5.2 Transfer of Declarant Rights.

- (a) The Declarant may transfer Declarant Rights (or any of them) to any Person acquiring Parcels or Additional Land by an instrument evidencing the transfer of Declarant Rights, with the acceptance and assumption of such Declarant Rights and obligations by the transferee as of the date of the transfer, and recorded among the Land Records. A partial transfer of Declarant Rights does not prevent the transferor declarant from continuing to unilaterally exercise Declarant Rights with respect to land retained by such transferor declarant or from making other such transfers. As set forth herein, the Declarant shall be released of and from any liabilities and obligations as to such Declarant Rights as of the date of such transfer.
- (b) Upon transfer of any Declarant Right, the liability of a transferor declarant and transferee declarant shall be as set forth in the instrument evidencing the transfer, but if not so specified the transferor declarant shall be responsible for the period prior to the date of transfer and the transferee shall be responsible for the period after the date of transfer.
- Upon foreclosure (or deed in lieu of foreclosure), tax sale, judicial sale, (c) sale by a trustee under a deed of trust, or sale under the Bankruptcy Code or receivership proceedings, of all Parcels and Additional Land owned by a declarant (1) the declarant ceases to have any Declarant Rights, and (2) the Declarant Control Period terminates unless the judgment, instrument conveying title or other instrument recorded among the Land Records provides for transfer of Declarant Rights held by that Declarant to a successor Declarant. A successor to all Declarant Rights held by a transferor who succeeded to those rights pursuant to foreclosure, a deed in lieu of foreclosure or a judgment or instrument conveying title as provided above, may declare the intention in an instrument recorded in the Land Records to hold those rights solely for transfer to another Person. Thereafter, until transferring all Declarant Rights to any Person acquiring title to any Parcels owned by the successor, or until recording an instrument permitting exercise of all those rights, that successor may not exercise any of those rights other than any right held by the transferor to vote as the Class B Member in accordance with the provisions of the Association Documents for the duration of any Declarant Control Period, and any attempted exercise of those rights is void. So long as a successor declarant may not exercise Declarant Rights under this Subsection, such successor is not subject to any liability or obligation as a declarant Any rights not so assumed shall be deemed automatically transferred to the Association.
- (d) Nothing in this Article subjects any successor to a Declarant Right to any claim against or other obligation of a transferor declarant, other than claims and obligations arising under the Association Documents after the date of transfer.

Section 5.3 No Obligations. Nothing contained in the Association Documents shall impose upon the Declarant or its successors or assigns any obligation of any nature to build, construct, renovate or provide any improvements, except as provided in Section 2.3. Neither the Declarant nor its successors or assigns shall be liable to any Owner or occupant by reason of any mistake in judgment, negligence, gross negligence, willful misconduct (other than actual fraud or criminal act), nonfeasance, action or inaction or for the enforcement or failure to enforce any provision of this Declaration. No Owner or occupant of any portion of the Property shall bring any action or suit against the Declarant to recover any damages or to seek equitable relief because of the enforcement or failure to enforce any provision of the Declaration against a third party. This Section shall not be construed to release or absolve the Declarant, its successors or assigns from any obligation imposed by the duly adopted ordinances of the County.

ARTICLE 6

COMMON EXPENSES AND ASSESSMENTS

Section 6.1 Determination of Common Expenses and Budget.

- (a) The fiscal year of the Association shall be as determined from time to time in accordance with Section 9.4 of the Bylaws.
- (b) On or before the first day of each fiscal year, and the first day of each succeeding month in such fiscal year, each Owner shall pay to the Association at such place as the Board of Directors may direct that installment of the Annual Assessment which is due during such period. All Assessments collected by the Board or from any other source may be commingled into a single fund.
- (c) The first installment of the Annual Assessment shall be prorated based upon the number of days remaining in the month and shall be due on the first day of the first full month after the date set forth in Section 6.5 below. Any additional amounts due shall be divided by the number of full months (if any) remaining in that fiscal year and paid in equal installments on the first day of each month remaining in that fiscal year.
- (d) 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 Annual Assessment.
- (e) The Association shall have the right to borrow money (on commercially reasonable terms if from a lending institution) for any purpose reasonably related to the Property or the Association including, without limitation, improvements to adjacent public rights-of-way, as well as improvements to U.S. Route 1 and traffic signalization. The Board of Directors, by a vote of two-thirds of the total number of directors, shall have the right and power to assign and pledge all revenues to be received by the Association, including but not limited to Annual Assessments in order to secure the repayment of any sums borrowed by the Association from time to time; provided, however, that no such vote shall be required in the case of securing the repayment of funds advanced by Declarant (it being understood that Declarant has no obligation to advance any funds to the Association but if it elects to make such advances, then such

advances shall bear interest at the Prime Rate until repaid to Declarant and repayment shall be secured by a pledge of revenues received by the Association). Repayment with interest as described herein shall be made as quickly as reasonably practical from Assessments, but not to the detriment of Association obligations herein including without limitation necessary operating funds or reserves.

Section 6.2 Assessments.

- (a) The Common Expenses shall include the total amount of the estimated funds required for the management and Upkeep of the Association Area, including without limitation reserves, and to meet obligations of the Association established pursuant to this Declaration, other shared Upkeep agreements, and repayment of loans. The amount necessary to pay the Common Expenses shall be assessed annually, calculated as follows:
- (1) Subject to paragraph (2) of Subsection 6.2(a) hereof, each Parcel within the Property shall pay an annual assessment ("Annual Assessment") equal to the Assessment Rate multiplied by the number of Net Square Feet within such Parcel.
- (2) Limited Common Expenses shall be assessed only against the Parcels benefited in proportion to the relative Common Expense liability <u>inter se</u> or based on usage, as appropriate and as determined by the Board of Directors. Such Limited Common Expenses shall be determined as follows:
- (A) Any expenses incurred by the Association for Upkeep of or reserves for the Upkeep of private streets and common driveways, alleys or pipestems, whether located on Association Area or available by easement, may be assessed as a Limited Common Expense against Parcels served by a private street, common driveway, alley or pipestem.
- (B) Any Common Expenses proposed by the Board of Directors or a specific group of Owners as Limited Common Expenses against a specific group of Parcels and agreed to by Owners entitled to cast a majority of the total number of votes with respect to such Parcels, assessed against such Parcels as such Owners may agree.
 - (b) The Board of Directors shall build up and maintain reasonable reserves for working capital, operations (including losses due to insurance deductibles), contingencies and replacements. Not less than seventy-five percent (75%) of such funds shall be deposited with one or more financial institutions, 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. As to each separate reserve account 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, all expenses for repair and replacement of physical assets maintained by the Association shall be charged first against the appropriate reserves.

Section 6.3 <u>Liability for Common Expenses.</u>

(a) The Declarant shall not be obligated or responsible to pay Assessments for Parcels it owns until the time required in Section 6.5 hereof. Each Owner of a Parcel, other than

Declarant, 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 Assessments levied against its Parcel commencing as of the date of recordation of the deed therefor, together with attorneys' fees and costs of collection in the event of any action to collect past due amounts. Each Owner shall be personally liable for all Assessments against such Owner's Parcel. No Owner (other than Declarant) may be exempted from liability for the Assessments by reason of waiver of the use or enjoyment of any of the Association Area or by abandonment of the Parcel. No Owner shall be liable for the payment of the Assessments assessed against the Parcel subsequent to the date of recordation of a conveyance of fee title by such Owner of such Parcel. 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 Parcel shall be jointly and severally liable with the selling Owner for all unpaid Assessments against the Parcel for the amount then due, in any case without prejudice to the purchaser's right to recover from the selling Owner amounts paid by the purchaser therefor. The Parcel 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. Past due Assessments shall accrue interest as provided in Sections 6.4 and 12.1(d).

- (b) Each Mortgagee who comes into possession of a Parcel by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Parcel subject to any claims for unpaid Assessments or charges against such Parcel 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 Parcels including the mortgaged Parcel 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 the same shall remain fully collectible (and due and owing) 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 or amounts past due.
- Section 6.4 <u>Collection of Assessments</u>. Any assessment, or installment thereof, not paid within ten (10) days after the due date shall be delinquent and shall accrue a late charge in an amount of not less than \$150.00 plus interest at the Prime Rate and attorneys and any other fees incurred as a result of such delinquency or such other amounts as may be established from time to time by the Board of Directors, as permitted by law. 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 the Association's other enforcement powers pursuant to Article 12.
- Section 6.5 <u>Commencement of Assessments</u>. After a Parcel is transferred from Declarant, the obligation for payment of Assessments attributable to such Parcel shall commence on the earlier of one hundred eighty days from the date of such transfer of record or the commencement of use and occupancy of such Parcel. No notice from Declarant is due hereunder, but the transferee shall notify Declarant and the Association within ten days after

receipt of a certificate of occupancy (either temporary or permanent) for its improvements. Assessment rates shall be the rate then in effect.

ARTICLE 7

OPERATION OF THE PROPERTY

Section 7.1 Association Upkeep of Association Area.

The Association shall be responsible for the Upkeep of all of the (a) Association Area, the cost of which shall be a Common Expense or Limited Common Expense, as appropriate, and for the Upkeep of certain other portions of the Property or adjacent improvements, as set forth herein. The Upkeep shall include without limitation: (i) landscape maintenance, including mowing, pruning, replacement of dead vegetation, accent flower plantings, fertilizing, and mulching, in the right-of-way for the Roadways, and in other Association Areas; (ii) Association Area irrigation system operation and maintenance, including pump maintenance, purchase of public water for Association Area irrigation, and the routine maintenance and Upkeep of the irrigation system, in the right-of-way for the Roadways, and in other Association Areas; (iii) public street lighting and Association Area lighting, including electric bills for public street lighting and Association Area lighting, and routine maintenance; (iv) Association Area litter collection, including street sweeping as needed, and litter pickup along and within Association Areas; (v) Upkeep of Stormwater Management Facilities located on the Property, including compliance with Stafford County maintenance requirements, such as mowing, erosion repair, cleaning of outlet structures, fencing, plantings and reporting for Stormwater Management Facilities; (vi) Upkeep of Trails and related signage located on the Property, except as otherwise provided in clause (vi) of Section 7.2 of this Declaration; (vii) Upkeep of Roadways, except as otherwise provided by the Association Documents; (viii) Upkeep of signs in the Association Area (including Signs) and Signage Areas, including maintaining the development identification signage (e.g. project, street, directional signage, poles and accessories) including payment of electric bills, bulb replacement, sign painting and repairs, as necessary; (ix) stream monitoring and remediation; (x) snow removal from Roadways and sidewalks located in the Association Area; (xi) the marketing and advertising of the businesses located or to be located in Quantico Corporate Center; (xii) such other undertakings consistent with the operation of the Association Areas as the Declarant, or the Association as the case may be as determined in the reasonable discretion of such responsible party; and (xiii) a management fee to pay for the management of the Association Area Upkeep program equal to ten percent (10%) of the annual expenses above. The Association shall also be responsible for Upkeep of any Association Easement Area to the extent such Upkeep has been necessitated by any work performed by the Association within the Association Easement Area or is otherwise required. The Association shall not have any responsibility for the Upkeep of any Parcel except for those responsibilities and duties specifically enumerated within the Association Documents. Further, the Association shall not have any responsibility for the initial improvement of the Association Areas and the Declarant shall comply with Section 2.3 (or use reasonable efforts to cause the applicable Owner to so comply) before turning any Association Areas over to the Association.

- (b) The Board of Directors shall establish from time to time standards for Upkeep of the Association Area and the areas for which the Association is responsible for Upkeep, in its sole discretion; <u>provided</u>, <u>however</u>, that the standard for Upkeep, at a minimum, shall be sufficient to meet the requirements of applicable law and governmental regulations.
- (c) The Board of Directors may enter into shared maintenance agreements to maintain Association Areas along with other areas, whether or not located within the Property. Such areas may include without limitation storm water management or drainage easements and facilities, landscaping, ingress-egress easements, entrance features, signage, trails, sidewalks and areas along streets and roadways (including within public rights-of-way to the extent not provided or maintained by the appropriate governmental authorities). The amounts charged the Association pursuant to such agreements shall be a Common Expense.
- Upkeep of Parcels by the Owners. Each Owner shall at all times keep Section 7.2 such Owner's Parcel and all improvements located on the Parcel in a neat, clean and sanitary condition, including without limitation: (i) Upkeep of drive aisles and parking areas (e.g. striping, lighting, trash removal, sweeping, paving, and clearing snow and ice); (ii) Upkeep of improvements, including buildings and signage, and all necessary grounds maintenance including irrigation (subject to water restrictions), mowing, pruning, replacement of dead vegetation, accent flower plantings, fertilizing, and mulching, except within the Association Area maintained by the Association; (iii) Upkeep of Parcel-specific entry features on the Parcel; (iv) Upkeep of any Association Easement Area located on a Parcel, except to the extent such Upkeep is necessitated by any work performed by the Association within the Association Easement Area; (v) Upkeep of all other improvements located on a Parcel not otherwise specifically the Association's responsibility pursuant to the Association Documents; and (vi) Upkeep of (1) Roadways located on its Parcel, including lighting, patching and repaving, and (2) all sidewalks, pedestrian walkways, bike trails, pedestrian underpasses or sidewalks within a Parcel intended for the exclusive use of the Parcel or the Owner of such Parcel, its tenants, licensees or invitees. All landscaping shall be properly irrigated by underground sprinkler system. 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 Parcels. If any Owner shall fail to keep such Owner's Parcel in a neat, clean and sanitary condition, then the Board of Directors may, pursuant to resolution, give notice to that Owner of the condition complained of, describing generally the action needed 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 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 Parcel as a Special Assessment. The Owner shall reimburse the Association within thirty days after delivery of a statement for such expenses from the Board of Directors. If not paid when due, the same shall be deemed a late payment hereunder.

Section 7.3 Additions, Alterations or Improvements by the Board of Directors.

Whenever in the judgment of the Board of Directors the Association Area shall require capital additions, alterations or improvements (other than for Upkeep), the making of such

additions, alterations or improvements shall be determined by the Board of Directors in its sole discretion and the Board of Directors shall pay the cost from existing funds, or may borrow funds in its discretion if reserves are not sufficient.

Section 7.4 <u>Disclaimer of Liability</u>.

- (a) The Board of Directors, the Association, any Owner and the Declarant shall not be considered a bailee of (or in any way responsible for) any personal property stored or placed on the Property (including property located in vehicles parked on the Property), 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.
- (b) The Association shall not be liable for any failure of water supply or utility service, or services to be obtained by the Association or paid for as a Common Expense, or for personal injury or property damage caused by the elements or by any Owner, or any other Person, or resulting from electricity, water, snow or ice which may leak or flow from or over any portion of the Property or from any pipe, drain, conduit, appliance or equipment, or any secondary or consequential damages of any type. 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 or an Owner.

ARTICLE 8

ARCHITECTURAL REVIEW

Section 8.1 Covenants Committee.

(a) <u>Membership</u>. Except as provided below in Section 8.5, the Board of Directors shall establish a Covenants Committee, consisting of at least three persons appointed by the Board of Directors. Each person shall serve for a term of from one to three years as may be determined by the Board of Directors, and may be reappointed. If the Board of Directors fails to appoint a Covenants Committee, then the Board of Directors shall perform the duties of the Covenants Committee.

(b) Powers.

Parcel (including signage) and prior to any additions, alterations, changes, remodeling or renovations to any such improvements visible from the exterior of such Parcel, the Owner of such Parcel shall obtain the approval of the Covenants Committee of the site plan and plans and specifications for such improvements or additions, alterations, changes, remodeling or

renovations thereto, including, without limitation, height of improvements, building location, exterior materials and colors, and first floor elevation; provided, however, that, notwithstanding anything in this Declaration to the contrary, the Covenants Committee shall not have the power to regulate the activities of Declarant on the Association Area or on any Parcel owned by Declarant or construction on any Parcel which has been approved by Declarant; and provided, further, that Declarant may issue written waivers of the obligation of an Owner to comply with the terms of this Article 8. Upon approval of the site plan for the improvements, which site plan shall specify the amount of gross square feet of improvements (based on the same method of measurement used by Stafford County to determine the maximum aggregate square footage of commercial buildings permitted on the Property) the Owner is permitted to build on the Parcel ("Permitted GSF"), Declarant may unilaterally record an amendment to this Declaration with respect to such Parcel, specifying the Permitted GSF for such Parcel. Any deviation from approved plans involving, height, exterior materials, exterior colors or signage, requires approval of the Covenants Committee, and the Covenants Committee may enforce the same in the manner set forth herein, or in any appropriate legal proceeding; and the Covenants Committee shall be entitle to recover from such Owner its attorneys' fees in any such enforcement.

- (2) The Covenants Committee may from time to time establish requirements regarding the form and content of site plans and 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 Parcel owned by the Owner making the application; provided, however, that the Committee shall inform the applicant Owner of the potential fees before incurring or assessing such fees and the Owner shall have the option to withdraw the application.
- (c) <u>Authority</u>. 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 and reinstate the same by resolution. The Covenants Committee shall carry out its duties and exercise its powers and authority in the manner provided for by resolution of the Board of Directors.
- properly before it within thirty days after its receipt of a complete application in the form prescribed by the Covenants Committee; failure to do so within the stipulated time shall constitute an automatic referral to the Board of Directors at the written request of the applicant. Except when a request is being handled by the Covenants Committee, the Board of Directors shall be obligated to answer any written request for approval of a proposed structural addition, alteration exterior alteration or improvement within fifteen days after the first Board of Directors meeting held following such referral to the Board, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed structural addition, alteration or improvement.
- Section 8.2 <u>Additional Requirements</u>. Approval by the Declarant, the Board of Directors or the Covenants Committee shall not relieve an Owner from any obligation to obtain required governmental approvals and permits. The Owner shall deliver all approvals and permits

required by law to the Declarant, the Covenants Committee or Board of Directors, as appropriate, prior to the commencement of the construction requiring such approval or permit. In addition to and not in lieu of the provisions of 8.1(b) hereof, any addition, alteration or improvement upon any Parcel in violation of the Association Documents shall be removed or altered to conform to the Association Documents within thirty days after notice of the violation from the Board of Directors or the Covenants Committee. The requirements set forth in this Article 8 are in addition to any other requirements of record, contained in separate unrecorded agreements between an Owner and Declarant or required by applicable laws and governmental regulations.

Section 8.3 Mortgagee. The provisions of this Section shall not apply to a Mortgagee (in possession of a Parcel as a result of foreclosure, judicial sale or proceeding in lieu of foreclosure) as to affixing a sign or taking any other actions (excluding alteration of the improvements) that may be necessary to sell or lease all or any portion of the Parcel, if such actions are in accordance with applicable zoning and not detrimental to the value of the Property.

Section 8.4 <u>Limitations</u>.

- Declarant shall commence construction or alteration in accordance with plans and specifications approved within six months after the date of approval and shall proceed diligently and without interruption (other than force majeure) and substantially complete any construction or alteration as soon as practical, but in no event later than eighteen months after the date of approval, or within such other period as specified in the approval. Notwithstanding the foregoing, the approval may provide for a different period during which to commence or complete construction. If any such Person does not commence work within six months after approval, or such other time period determined by the Covenants Committee or Declarant, as applicable, then approval shall automatically lapse and be null and void.
- (2) As set forth above, any Person obtaining approval of the Covenants Committee or Declarant shall not deviate materially from the plans and specifications approved (including colors and building materials) without the prior written consent of the Committee or Declarant, as applicable. Such Person shall notify the Covenants Committee or Declarant when the alterations or improvements are complete.
- Section 8.5 <u>Declarant Approval</u>. During the Declarant Control Period, the Declarant reserves the right to approve the exterior design, exterior materials and colors, building location and features, site plans, colors, signage, building heights and related matters for improvements to be constructed in Quantico Corporate Center at Stafford. If the Declarant grants its approval of any improvements or any additions, alterations, changes, remodeling or renovations to any such improvements pursuant to this Section 8.5, then no further approval of the Covenants Committee pursuant to this Article 8 shall be required.

ARTICLE 9

INTENTIONALLY OMITTED

ARTICLE 10

INSURANCE

Section 10.1 General Provisions.

- (a) The Board of Directors shall have the power and responsibility on behalf of the Association to (1) purchase insurance policies relating to the Association Area, together with Directors and Officers liability coverage for the Board of Directors and Covenants Committee, (2) adjust all claims arising under such policies and (3) execute and deliver releases upon payment of claims. The cost of all insurance policies purchased by the Board shall be a Common Expense. The Board of Directors, the managing agent and the Declarant shall not be liable for failure to obtain any coverages required by this Article or for any loss or damage resulting from such failure: (i) if such failure is due to the unavailability of such coverages from reputable insurance companies; (ii) if such coverages are so available only at an unreasonable cost as determined in the discretion of the Board of Directors; or (iii) if the Association's insurance professionals advise in writing that the coverages are unnecessary. Exclusive authority to negotiate losses under policies purchased by or on behalf of the Association shall be vested in the Board of Directors or with its authorized representative. The Board of Directors shall promptly notify the Owners and Mortgagees of material adverse modifications, lapses or termination of, insurance coverages obtained on behalf of the Association. All provisions of this Article apply to the Declarant prior to turnover of control to the Association.
- (b) All policies of insurance shall be written by reputable companies licensed or qualified to do business in the Commonwealth of Virginia. 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 12.1(a), assess any deductible amount necessitated by the misuse, act, omission or neglect of an Owner or such Owner's tenant or such Owner's (or tenant's) guests, employees, agents or invitees against the Parcel owned by such Owner. The Declarant, so long as the Declarant shall own any Parcel, shall be protected by all such policies as an Owner. Each such policy shall provide that:
- (1) The insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Board of Directors, the managing agent, any Owner and their respective companies, guests, employees, tenants, agents and invitees;
- (2) Such policy shall not be cancelled, invalidated or suspended due to the conduct of any Owner, or such Owner's tenant or such Owner's (or tenant's) company, guests, employees, agents and invitees, or of any member, Officer or employee of the Board of Directors or the managing agent without a prior demand in writing that the Board or the managing agent cure the defect and neither shall have so cured such defect within thirty days after such demand; and
- (3) Such policy may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty days prior written notice to the Board of Directors and the managing agent.

Section 10.2 Physical Damage Insurance.

(a) <u>Coverage</u>. 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 Association Area (including without limitation any machinery, buildings, fixtures and appliances) in an amount equal to one hundred percent of the then current full insurable replacement cost of any such improvements (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation (such amount to be redetermined periodically by the Board with the assistance of the insurance company affording such coverage). The Board of Directors shall also obtain and maintain appropriate coverage on all personal property owned .by the Association.

(b) Waivers and Endorsements. Each such policy shall also provide:

- (1) a waiver of any right of the insurer to repair, rebuild or replace any damage or destruction, if a decision is made not to do so;
- (2) the following endorsements (or equivalent): A) "no control" (to the effect that coverage shall not be prejudiced by any act or neglect of any Owner or occupant or their agents when such act or neglect is not within the control of the insured or the Owners collectively, nor by any failure of the insured or the Owners collectively, to comply with any warranty or condition with regard to any portion of the Property over which the insured or the Owners collectively have no control; B) "cost of demolition;" C) "contingent liability from operation of building laws or codes;" D) "increased cost of construction" or "inflation guard;" E) "replacement cost" or "guaranteed replacement cost;" and F) "agreed amount" or "elimination of co-insurance" clause;
- Owners' policies from its operation so that the physical damage policy purchased by the Board of Directors shall be deemed primary coverage for Association Areas and any individual Owners' policies shall be deemed independent, separate and excess coverage; and in no event shall the insurance coverage obtained and maintained the Board of Directors hereunder provide for or be brought into contribution with insurance purchased by individual Owners or Mortgagees, unless otherwise required by law; and
- (4) such deductibles as to loss, but not coinsurance features, as the Board of Directors in its sole discretion deems prudent and economical.
- Section 10.3 <u>Liability Insurance</u>. The Board of Directors shall obtain and maintain commercial general liability (including without limitation libel, advertising injury, 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, and the employees of the Association against any liability to the public or to any Owner or such Owner's tenants and such Owner's (or tenant's) guests, employees, agents and invitees arising out of, or incident to the ownership or care, custody, control and use of the Association Area, other

easement areas 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 insured; (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 an Owner because of negligent acts of the Association or of another Owner. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than one million dollars covering all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits shall also be obtained in an amount not less than three million dollars.

Section 10.4 Other Insurance. The Board of Directors may, in its sole discretion, obtain and maintain:

- (1) adequate fidelity coverage to protect against dishonest acts on the part of directors, Officers, trustees and employees of the Association and all others who handle or are responsible for handling funds of the Association, including the managing agent and volunteers. If the Association has delegated some or all of the responsibility for handling funds to a managing agent, such managing agent shall be covered by its own fidelity insurance. Such fidelity insurance (except for fidelity insurance obtained by the managing agent for its own personnel) shall: (i) name the Association as an obligee; (ii) be written in an amount not less than one-fourth the total annual assessment for Common Expenses; 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;
- (2) if required by governmental regulations, flood insurance in accordance with the then applicable regulations for such coverage;
- (3) 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); and
- (4) such other insurance: (i) as the Board of Directors may determine; or (ii) as may be requested from time to time by a Majority Vote of the Owners.
- Section 10.5 <u>Insurance on Parcels</u>. Each Owner shall have the right to obtain insurance for such Owner's benefit, at such Owner's expense, covering the improvements located on such Owner's Parcel or the Parcel owned or maintained by such Owner and such Owner's personal liability. No Owner shall acquire or maintain insurance coverage on the Association Areas or any area insured by the Association so as to: (i) decrease the amount which the Board of Directors may realize under any insurance policy maintained by the Board; or (ii) cause any insurance coverage maintained by the Board to be brought into contribution with insurance coverage obtained by an Owner.

ARTICLE 11

INTENTIONALLY OMITTED

ARTICLE 12

COMPLIANCE AND DEFAULT

- Section 12.1 <u>Compliance</u>; <u>Relief</u>. Each Owner shall be governed by, and shall comply with, all of the terms of the Association Documents as they 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 relief set forth in this Declaration. All rights of the Board of Directors in this Article (and in the Declaration) shall apply to and inure to the benefit of, the Declarant during the Declarant control period.
- (a) 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. Such liability shall include any increase in casualty insurance rates occasioned by use, misuse, occupancy or abandonment of any Parcel or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation. Any costs, including without limitation legal fees, incurred as a result of a failure to comply with the Association Documents by any Owner may be assessed against the Owner and/or such Owner's Parcel as a Special Assessment.
- (b) 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.
- (c) The failure of the Association, the Board of Directors or an Owner to enforce any right, provision, covenant or condition which may be granted by the Association Documents shall not constitute a waiver of the right of the Association, the Board 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 Owner pursuant to any term, provision, covenant or condition of the Association Documents shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Association Documents, the Act or at law or in equity.
- (d) If a default by any Owner in paying any sum assessed against such Owner's Parcel continues for a period in excess of thirty days, interest at the Prime Rate plus five percent (5%) may be imposed in the discretion of the Board of Directors on the principal amount unpaid from the date due until paid; <u>provided</u>, <u>however</u>, that if the Board of Directors does not impose interest, the Board shall set forth its reasons for not charging such interest in a written record of its decision. The imposition of interest shall not preclude collection of a late charge

nor shall a late charge levied pursuant to Section 6.4 of this Declaration be considered interest subject to the limitations of this Subsection.

- (e) The breach of any provision of the Association Documents shall give the Declarant or the Board of Directors the right, in addition to any other rights set forth in the Association Documents to enter the portion of the Property (excluding any improvement) on which, or as to which, such violation or breach exists and perform landscaping maintenance, grass cutting, and/or parking lot sweeping, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; provided, however, that (1) reasonable notice must be provided before entering any improvement and (2) before any construction may be altered or demolished (except in emergencies) judicial proceedings shall be instituted. To the extent an Owner's security requirements prevent such access, the Board of Directors and/or the Declarant shall be under no duty to enter such Property.
- (f) Failure to comply with any of the terms of the Association Documents shall be grounds for relief, including without limitation an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all Assessments, any other relief provided for in the Association Documents and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the managing agent or, if appropriate, by any aggrieved Owner and shall not constitute an election of remedies.
- (g) The Board of Directors shall treat all Persons equitably, based upon decision-making procedures, standards and guidelines which shall be applied to all Persons consistently.
- (h) Neither the Board of Directors nor the Association shall interfere with the conduct of business by, or invade the privacy of, any member, Owner or occupant unless necessary to protect the rights of other Owners or occupants or to protect adjacent Property from damage.
- (i) If the contract seller or the new Owner does not give the Secretary written notice stating the name and address of the new Owner and the number or address of the Parcel within thirty days after acquiring title to such Parcel, then reasonable record-keeping costs incurred by the Association, as determined by the Board of Directors, may be assessed against such Owner's Parcel. 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 Parcel as provided in Section 12.2.

Section 12.2 Lien for Assessments.

(a) The total Assessment of each Owner or any other sum duly levied (including without limitation charges, interest, late charges, contractual charges, etc.), made pursuant to the Association Documents, is hereby declared to be a lien levied against any Parcel owned by any Owner in accordance with this Declaration. Until fully paid and satisfied, the lien shall apply to and encumber all of the Parcels 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 Parcels thereafter acquired by that Owner from the time such Owner becomes the Owner

thereof. With respect to Annual Assessments, the lien is effective on the first day of each fiscal year of the Association. 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, Authority assessments, real estate taxes and other charges levied by governmental or quasi-governmental authority and made superior by law. The personal obligation of the Owner to pay such assessment shall, in addition, remain such Owner's personal obligation and a suit to recover a money judgment for non-payment of any Assessment or installment thereof, levied pursuant hereto, may be maintained without foreclosing or waiving the lien herein created to secure the same.

- (b) 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 for the remainder of the calendar year (or the next six months, whichever is greater) may be accelerated, at the option of the Board of Directors, and such 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 also delinquent in payment of Assessments for a prior fiscal year, then the entire past due Assessment shall also be due and payable in full upon notice of such Assessment to the defaulting Owner.
- (c) The lien for Assessments may be enforced and foreclosed in any manner permitted by the laws of the jurisdiction in which the Parcel is located for foreclosure of mortgages or deeds of trust containing a power of sale pursuant to Section 12.3 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 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 liened 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 Parcel 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.
- (d) 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 <u>Subordination and Mortgagee Protection</u>. Notwithstanding any other provision hereof to the contrary, the lien of any assessment levied pursuant to the Association Documents upon any Parcel (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; <u>provided</u>, <u>however</u>, that such subordination shall apply only to Assessments which have become due and payable prior to a sale or transfer of such Parcel pursuant to foreclosure or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the holder of Mortgage or the purchaser of the Parcel at such sale from liability for any

Assessments thereafter becoming due, nor from the lien of any such subsequent assessment, which lien shall have the same effect and be enforced in the same manner as provided herein. Notwithstanding any other provision of this Declaration, to the extent specifically permitted by Virginia statute in the future, the Association's lien shall prime a Mortgage to the extent of sixmonths worth of Assessments which would have become due (based on the budget adopted by the Association) in the absence of acceleration during the six months immediately preceding perfection of the lien.

ARTICLE 13

MORTGAGEES

Section 13.1 <u>Notice to Board of Directors</u>. Upon request, an Owner who mortgages such Owner's Parcel shall notify the Board of Directors of the name and address of the Mortgagee, No Mortgagee shall be entitled to any Mortgagee rights under the Association Documents unless such Mortgagee has notified the Board of its address as required by Section 13.2 and has requested all rights under the Association Documents.

Section 13.2 Notices to Mortgagees. Any holder of a Mortgage who desires notice from the Association shall notify the Secretary of the Association to that effect by certified or registered United States mail, postage prepaid. Any such notice shall contain the name and address, including post office address of such Mortgagee and the name of the person to whom or office to which notices from the Association should be directed. The Mortgagee shall be The Board of Directors shall notify responsible for keeping such information current. Mortgagees of the following: (1) Any default by an Owner of a Parcel upon which the Mortgagee has a Mortgage (i) in paying Assessments which remains uncured for sixty consecutive days or (ii) any other default, simultaneously with the notice sent to the defaulting Owner (failure to notify the Mortgagee shall not affect the validity of the Association's lien or rights); (2) Any event giving rise to a claim under the Association's physical damage insurance policy (if any) arising from damage to improvements located on the Association Area; (3) All actions taken by the Association with respect to reconstruction of the Association Area or a Parcel upon which the Mortgagee has a Mortgage; (4) Any termination, lapse or material adverse modification in an insurance policy held by the Association at least ten days in advance; (5) Any taking in condemnation or by eminent domain of the old Association Area and the actions of the Association in connection therewith; (6) Any proposal to terminate this Declaration or dissolve the Association, at least sixty days before any action is taken to terminate or dissolve in accordance with Articles 14 and 15; and (7) Any proposal to amend materially the Articles of Incorporation, this Declaration or the Bylaws or to take an extraordinary action, at least ten days before any action is taken pursuant to Section 14.4.

Section 13.3 Other Rights of Mortgagees. Upon request, all Mortgagees or their authorized representatives shall have the right to receive notice of and to attend and speak at meetings of the Association. All Mortgagees shall have the right to examine the Association Documents and books and records of the Association and to require the submission of existing annual financial reports and other budgetary information on the same terms as the Owners. A Majority of the Mortgagees may make a request and shall be entitled to an audited financial statement for the preceding fiscal year of the Association prepared at the Association's expense

and provided within a reasonable time. A Majority of the Mortgagees shall have the right to require the Association to hire a professional manager.

ARTICLE 14

AMENDMENT; EXTRAORDINARY ACTIONS

Section 14.1 <u>Amendment by the Declarant</u>. In addition to corrective amendments made pursuant to Section 14.5, during the Declarant Control Period, the Declarant may unilaterally without the approval of any Owner or Mortgagee amend any provision of this Declaration to: (1) satisfy the requirements of any governmental agency; (2) reflect the relocation of boundary lines between the Association Area and any Parcels or among any Parcels; <u>provided</u>, <u>however</u>, that such relocation does not materially and adversely affect any Owner other than the Declarant and that such relocation is reflected in an approved resubdivision of all or any part of the Property; (3) amend <u>Exhibit A</u> (pursuant to Article 18 of this Declaration); and (4) take other action as otherwise permitted in this Declaration.

Section 14.2 <u>Amendment by the Association</u>.

- (a) This Declaration may be amended as follows. In addition to corrective amendments made pursuant to Section 14.5, and subject to Sections 14.3, 14.4 and 14.5, the Association may amend this Declaration (not including a Supplementary Declaration) only with a Majority Vote of the Owners or with the written approval of Owners entitled to cast more than fifty percent of the total number of votes.
- (b) An amendment by the Association shall be certified by the President as to compliance with the procedures set forth in this Article, signed and acknowledged by the President and Secretary of the Association, and recorded among the Land Records. An action to challenge the validity of an amendment may not be brought more than one year after the amendment is effective.
- (c) 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 include provisions inconsistent with the Declaration except as specifically provided by the Declarant in accordance with Article 18.
- Section 14.3 Prerequisites to Amendment. Other than by the Declarant, written notice of any proposed amendment to this Declaration or to any Supplementary Declaration by the Association shall be sent to every Owner (or every Owner of a Parcel subject to such Supplementary Declaration) at least fifteen days before any action is taken. No amendment shall increase the financial obligations of an Owner in a discriminatory manner or further restrict development on existing Parcels in a discriminatory manner. No amendment to the Declaration shall diminish or impair the rights of the Declarant during the Declarant Control Period under the Declaration without the prior written consent of the Declarant. No amendment to the Declaration without the prior written approval of at least Fifty-one Percent of the Mortgagees that have requested notices hereunder. No amendment may modify this Article or adversely affect the

rights of any Person hereunder without obtaining the approvals required by Subsections 14.4 (c) and (e), unless required by law. Except as specifically provided in the Declaration, no provision of the Declaration shall be construed to grant to any Owner or to any other Person any priority over any rights of Mortgagees.

- Section 14.4 Extraordinary Actions and Material Amendments. The provisions of this Section shall not be construed to reduce the vote that must be obtained from Owners where a greater vote is required by the Act or other provisions of the Association Documents nor shall it be construed to lessen the unilateral rights given to the Declarant pursuant to Articles 3, 14 and 18 to amend the Declaration or a Supplementary Declaration. 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 Parcels subject to such Supplementary Declaration.
- (a) A material amendment to the Association Documents includes any amendment adding, deleting or amending any provisions regarding: (1) Assessment basis or Assessment liens; (2) any method of imposing or determining any charges to be levied against Owners; (3) Upkeep obligations; (4) material impairment of existing rights to use the Association Area; (5) the withdrawal of land from the Property; (6) voting rights (except to reduce the Declarant's voting rights with the consent of the Declarant); (7) restrictions affecting lease or sale of a Parcel; and (8) any provision which is for the express benefit of the Mortgagees.
 - (b) An extraordinary action of the Association includes:
- (1) determining not to require professional management after the Declarant Control Period, if professional management has been required by the Association Documents, a Majority Vote of the Owners or a Majority Vote (or approval) of the Mortgagees;
- (2) expanding the Association (i) so as to increase the overall land area of the Property described in Exhibit A by greater than fifty percent in land area or (ii) by including land which is not adjacent to or across a public right-of-way or private street from the Property;
- (3) abandoning, partitioning, encumbering, mortgaging, conveying, selling or otherwise transferring or relocating the boundaries of the Association Area except for:
- (A) granting easements for utilities or other purposes to serve the Property or adjacent land which are not inconsistent with and which do not interfere with the intended use of such Association Area;
- (B) dedicating or conveying a portion of the Association Area to a public authority or a governmental entity;
- (C) making conveyances or resubdivisions as part of a boundary-line adjustment or otherwise pursuant to Section 2.2; and
- (D) conveyances to an entity formed for similar purposes pursuant to a consolidation or merger; and

- (4) using insurance proceeds for purposes other than repair and reconstruction of the insured improvements.
- (c) After Declarant's turnover of control (the only time the provisions of this Article have any effect) any material amendment or extraordinary action listed above must be approved: (i) in writing by Owners entitled to cast at least sixty-seven percent of the total number of votes entitled to be cast by Owners, including a majority of the votes entitled to be cast by Owners other than the Declarant, or (ii) by at least a Sixty-seven Percent Vote of the Owners, including a Majority Vote of Owners other than the Declarant entitled to be cast at a meeting for approval of material amendments or extraordinary actions provided that: (A) at least twenty-five days notice of the meeting is provided to all Owners; (B) the notice of the meeting states the purpose of the meeting and contains a copy or summary of any material amendments or extraordinary actions proposed; and (C) the notice of the meeting also contains a copy of the proxy that can be cast in lieu of attendance at the meeting.
- (d) Any amendment to the Association Documents shall not be considered material if made only for the purposes of correcting technical errors or for clarification. Any amendment to the Association Documents adding provisions to or interpreting the application of provisions of the Declaration, contained in a Supplementary Declaration and applied to a specific portion of the Property, shall not be considered a material amendment.
- (e) All Association contracts made during the Declarant Control Period which extend beyond the Declarant Control Period must be terminable by the Association upon ninety days written notice, after turnover.
- Section 14.5 <u>Corrective Amendments</u>. 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 (as determined by Declarant) 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, so long as the same does not have an adverse material impact on an Owner.

ARTICLE 15

TERMINATION

Section 15.1 <u>Duration: Termination by the Association</u>. The covenants and restrictions of this Declaration shall run with the land and bind the Property and be in full force and effect in perpetuity, except as amended as provided above or unless terminated as hereinafter provided. Subject to Sections 14.4, the Association may terminate this Declaration only by: (i) a vote of the Owners entitled to cast at least sixty-seven percent of the total number of votes; or (ii) with the written approval of Owners entitled to cast at least sixty-seven percent of the total number of votes. 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 <u>Prerequisites</u>. 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 Association Documents. To the extent necessary, the termination agreement shall provide for the transfer or assignment of the easements, rights or interests granted to the Association herein to a successor entity which is assuming the Association's Upkeep and regulatory responsibilities. Any lien 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, with any Owner having the right to enforce for the benefit of all other Owners.

Section 15.3 <u>Transfers Upon Dissolution</u>. 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 nonprofit corporation, association, trust or other organization or government agency devoted to purposes similar to those for which the Association was created; <u>provided</u>, <u>however</u>, that if the Association Area is no longer necessary to the use of the Property, then such Association Area and other associated assets of the Association may be distributed as agreed upon by the Owners in accordance with the requirements of Section 14.4.

ARTICLE 16

ADDITIONAL USE COVENANTS

Section 16.1 <u>General</u>. Except as otherwise permitted in writing by Declarant, or designated on <u>Exhibit C</u>, no portion of the Property or Additional Land shall be used for medical type practice or services or for any retail use other than retail service (i.e., a cafe) to support employees at a Parcel.

Section 16.2 <u>Additional Restrictions</u>. In addition to all governmental requirements, plans for any buildings must be approved by Declarant as being in compliance with the following standards:

- (a) That all rooftop HVAC and satellite equipment, and HVAC and satellite equipment on the ground adjacent to any building, shall be screened from view from public streets;
- (b) Rear doors, not for public use, shall be painted in a color to match the building field color;
 - (c) All downspouts shall be painted to match field color;
- (d) All utility meters, utility boxes, etc. over three (3) feet above grade shall be screened;
- (e) All trash containers shall be screened on three (3) sides with a masonry wall of the same color and texture as the main building and shall be at least as high as the enclosed dumpster, utility boxes or trash receptacles;

- (f) No exposed metal facades, similar to those used on Butler-style buildings, shall be visible from public streets;
- (g) That no portion of the Property or Additional Land shall be used for any of the following without Declarant's prior written approval:
 - (i) Buildings devoted to wholesale uses;
 - (ii) Churches or religious centers:
 - (iii) Private elementary or secondary schools;
 - (iv) Hospitals;
- (v) Adult uses such as strip clubs, adult book/video stores or similar "adult entertainment" establishments;
 - (vi) Civic, social and lodge halls; and
- (vii) Any use which emits an obnoxious odor, which can be smelled outside of the offending Parcel;
 - (viii) Any operation primarily used for distilling, refining or smelting;
 - (ix) Any mobile home park, trailer court or other lodging purpose;
 - (x) Any junkyard or stockyard;
 - (xi) Any drug rehab center;
 - (xii) Any abortion clinic or planned parenthood facility;
 - (xiii) Any mortuary, crematorium or funeral home;
- (xiv) Any adult (pornographic) book store, sex shop or any establishment selling or exhibiting pornographic materials or drug-related paraphernalia; and
 - (xv) Any dumping or disposal of garbage.

Section 16.3 Enforcement and Remedies.

(a) Declarant (and the Board of Directors after turnover) shall have the right to enforce this Declaration by any proceeding at law or in equity against any owner, lessee, occupant, person or entity violating or attempting to violate any of the provisions of this Declaration as may be necessary to require such Owner, occupant, person or entity to comply with this Declaration. Any owner, lessee, occupant, person or entity determined to be liable to any other owner or mortgagee (:prevailing party") in any such action or to have breached its obligations under this Declaration shall be obligated to pay the reasonable out-of-pocket court costs and attorneys' fees of the prevailing party and as to any defaulting owner, such obligation

shall constitute and be a lien and charge upon the defaulting owner's lot subordinate only to the lien of any then existing bona fide first mortgage.

- (b) The Declarant shall have the right, but not the obligation, to immediately and without notice cure any violation of this Declaration by any owner, lessee, occupant, person or entity for the account and at the sole expense of such violating owner, lessee, occupant, person or entity.
- A failure by Declarant (or the Board of Directors after turnover) to enforce (c) any provision herein contained in its favor or cure any violation by any owner, lessee, occupant, person or entity shall not be deemed a waiver of the right to enforce such obligation or cure such violation in the future or to enforce a similar or other obligation. If any provision of this Declaration is held to be illegal, invalid or unenforceable under present or future laws, such provisions shall be fully severable; this Declaration shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Declaration; and the remaining provisions of this Declaration shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Declaration. Furthermore, there shall be added automatically as a part of this Declaration a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable. The covenants, agreements and benefits contained herein shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns and shall run with title to the Land and shall constitute a servitude; provided, however, that nothing herein shall preclude the modification of the terms hereof, by agreement between the applicable owner of a parcel within the Development and Declarant, as to their respective parcels or interests therein without the consent of any other person, including, without limitation, any other owner of a parcel in the Development.

ARTICLE 17

INTENTIONALLY OMITTED

ARTICLE 18

DEVELOPMENT OF THE PROPERTY

Section 18.1 Expansion by the Declarant.

(a) The Declarant hereby reserves the option until December 31, 2030 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 the Declarant, 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 the Declarant of an instrument relinquishing such option. In accordance with the provisions hereof, the Declarant also reserves the unilateral right to subject any Parcel to a Supplementary Declaration. The Declarant shall add Additional Land in accordance with the procedures set forth herein. There are no limitations on the option to expand except as set forth

in this Article. If the Declarant does not submit all or any portion of the Additional Land to the Declaration, such land may be developed in any manner allowable under the local zoning ordinance without regard to the restrictions in this Declaration.

(b) The Declarant may unilaterally amend the description of Additional Land without the approval of any Owner or Mortgagee to expand or reduce the land area referred to as Additional Land whether or not such land is owned by the Declarant; <u>provided</u>, <u>however</u>, that such Additional Land is immediately adjacent to the Property or across a public right-of-way from the Property.

Section 18.2 Additional Covenants. The Declarant may record one or more Supplementary Declarations submitting the land described therein to this Declaration and to the obligations imposed in this Declaration. Each Supplementary Declaration may include a legally sufficient description of the land added and may designate each portion of such land with the term "Phase" followed by a unique identifier so as to differentiate between each portion of the Property. A Supplementary Declaration may contain such additional covenants and restrictions as may be necessary to reflect the different characteristics of the Parcel or the land uses as are not inconsistent with the overall scheme of this Declaration and may designate Association Area and confirm the specific location thereof; provided, however that no provision of the Supplementary Declaration may alter the requirements to pay Annual Assessments as set forth in this Declaration. The Declarant may not subject a Parcel to a Supplementary Declaration after conveyance of such Parcel to an Owner other than the Declarant without the prior written consent of such Owner (and the Mortgagee of such Parcel). 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 in accordance with the terms hereof shall be deemed to have granted all the easements and rights granted and reserved herein to the Declarant, the Association and the Owners.

Section 18.3 Withdrawable Land. During the Declarant Control Period, the Declarant has the unilateral right without the approval or joinder of any Owner or Mortgagee (except the Owner of and Mortgagee of the real estate being withdrawn) to sign and record an amendment to the Declaration withdrawing any portion of the Property for any purpose. After the Declarant Control Period, the Board of Directors, acting on behalf of the Association without the joinder or approval of any Owner or Mortgagee, may record an amendment withdrawing any real estate (i) dedicated or to be dedicated to a public use; or (ii) conveyed or to be conveyed to a public authority. After the end of the Declarant Control Period, the Association may also amend the Declaration to withdraw other real estate, subject to the requirements of Article 14. Any real estate dedicated to a public authority for public street purposes by the Declarant is automatically withdrawn and the Declarant or the Board of Directors may unilaterally, without the joinder or approval of any Owner or Mortgagee, record an instrument confirming such withdrawal.

Section 18.4 <u>Consent Not Required</u>. During the Declarant Control Period, the exercise of any right by Declarant under this Article 18 shall not require the consent of the Association or any Owner.

This instrument may be executed in two or more counterparts, each of which shall constitute one and the same instrument.

[Signatures on the following pages]

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

ASSOCIATION:

QUANTIC	JO CORPORA	ATE CENTER,	INC.,	
a Virginia	nonstock corpo	ration		

[SEAL]

By: SEAL]

Name: B. Judson Honaker, Jr. Title: President

Title: Secretary

COMMONWEALTH OF VIRGINIA

City OF Fredericksburg) ss:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that B. Judson Honaker, Jr. and Chris Hornung, known to me to be, or satisfactorily proven to be the persons whose names are subscribed to the foregoing document, personally appeared before me in the jurisdiction set forth above and acknowledged themselves the President and Secretary, respectively, of QUANTICO CORPORATE CENTER, INC., a Virginia nonstock corporation, and that they, in such capacity, being authorized so to do, executed the foregoing document on behalf of the corporation.

GIVEN under my hand and seal on October 30, 2008.

Pigy W. Zobbe [SEAL Notary Public

My commission expires: 10-31.09; my registration number is: 200846

COMMISSION NUMBER 200846

DECLARANT:	
QUANTICO BUSINES	SS CENTER XLC J.M.
By: Name: B. Judson Honak Title: Member	(SEAL)
COMMONWEALTH OF VIRGINIA)	
City OF Fredericksbury) ss:	
I, the undersigned, a Notary Public in and for the jurisdiction afor that B. Judson Honaker, Jr., known to me to be, or satisfactorily proven name is subscribed to the foregoing document, personally appeared beforeset forth above and acknowledged himself to be a Member of QUENTER, LLC a Virginia limited liability company, and that he, in authorized so to do, executed the foregoing document on behalf of the liming GIVEN under my hand and seal on October 30, 2008. Popular Motary Public	to be the person whose re me in the jurisdiction JANTICO BUSINESS a such capacity, being ited liability company.
My commission expires: 10-31.09; my registration number is: _	200846
COMMISSION ENUMBER 200846	

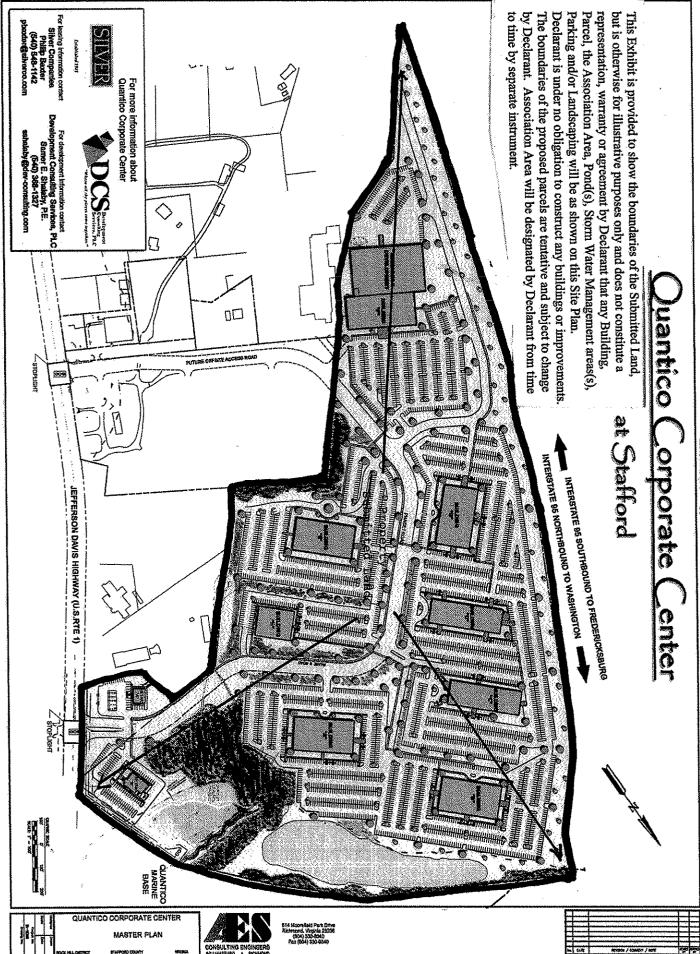


Exhibit "B"

The Signage Areas are Association Areas and will be designated by Declarant from time to time by separate instrument.

