

# Governing Documents

# BYLAWS

BYLAWS  
OF  
HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name and Location

The name of the corporation is Heritage Highlands Homeowners Association, Inc. (formerly known as The Villa's at Lovettsville Homeowners Association, Inc.), a Virginia non-stock corporation, hereinafter referred to as the "Association." The initial principal office of the corporation shall be located at c/o Lennar/US Homes, 4443 Brookfield Corporate Drive, Suite 200, Chantilly, VA 20151, but meetings of members and directors may be held at such places within the State of Virginia as may be designated by the Board of Directors.

ARTICLE II

Definition

Section 1. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation filed with the State Corporation Commission of Virginia, establishing the Association as a non-stock corporation.

Section 2. "Association" shall mean and refer to Heritage Highlands Homeowners Association, Inc., a non-stock, non-profit Virginia corporation, its successors and assigns.

Section 3. "Developer" shall mean and refer to U. S. Home Corporation, its subsidiaries, affiliates, successors and assigns, provided, however, that no successor or assignee of the Developer shall have any rights or obligations of the Developer hereunder unless such rights and obligations are specifically set forth in an instrument of succession or assignment designating a party as the Developer hereunder or which pass by operation of law. Developer reserves the right to assign in whole or in part its rights as the "Developer" to any Owner of all or any part of the Property.

Section 4. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded among the Land Records for the County of Loudoun, Virginia, including amendments and supplements thereto.

Section 5. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

In addition, the definitions set forth in the Declaration are incorporated herein.

## ARTICLE III

### Meetings of Members

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within twelve (12) months from the date of filing of the Articles of Incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon the written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days (but not more than sixty (60) days) before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of the notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, ten percent (10%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum, as aforesaid, shall be present or be represented.

Section 5. Voting. At every meeting of the Members, each Class A Member shall have the right to cast one (1) vote for each Class A membership which he owns on each question. The Class B Member shall have the right to cast three hundred (300) votes on each question. The vote of the Members representing fifty-one percent (51%) of the total of the votes of all of the memberships at the meeting, in person or by proxy, calculated as aforesaid, shall be necessary to decide any question brought before such meeting, unless the question is one upon which, by the express provision of law or of the Articles of Incorporation, or of the Declaration or of these Bylaws, a different vote is required, in which case such express provision shall govern and control. The vote for any membership which is owned by more than one person may be exercised by any of the co-owners present at any meeting unless any objection or protest by any other owner of such membership is noted at such meeting. In the event all of the co-owners of any membership who are present at any meeting of the Members are unable to agree on the manner in which the

votes for such membership shall be cast on any particular question, then such vote shall not be counted for purposes of deciding that question. In the event any membership is owned by a corporation, then the vote for any such membership shall be cast by a person designated in a certificate signed by the President or any Vice President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Association, prior to or during the meeting. The vote for any membership which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other such trustee or partner is noted at such meeting, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No Class A Member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any assessment due the Association.

Section 6. Proxies. At all meetings of Members, each Class A and B Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot. No proxy shall be valid after eleven (11) months from its date, unless otherwise provided in the proxy.

Section 7. Rights of Mortgagees. Any institutional mortgagee of any Lot who desires notice of the annual and special meetings of the Members shall notify the Secretary with that request by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom notice of the annual and special meetings of the Members should be addressed. The Secretary of the Association shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the Members to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are otherwise provided in this Article III for notice to the Members. Any such institutional mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the Members and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the Members present at any such meeting. Such representative shall have no voting rights at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the Members upon request made in writing to the Secretary.

## ARTICLE IV

### Board of Directors: Selection: Term of Office

Section 1. Number. The affairs of the Association shall be managed by a Board of Directors consisting of three (3) natural persons who shall be initially designated by the Class B Member, and who shall hold office until the election of their successors at the first annual meeting of the Members of the Association after Class B membership terminates.

Commencing with the first annual meeting of the Association after Class B membership terminates, the Board of Directors shall consist of at least three (3) members and no more than seven (7) members, who shall be elected by the voting Members of the Association. After Class B membership terminates, the number of Directors may be changed to permit more than seven by an amendment of these By-Laws by majority vote of the voting Members at an annual or special meeting.

Section 2. Term of Office. At the first annual meeting after Class B membership terminates, the voting Members shall elect one (1) Director for a term of three (3) years, one (1) Director for a term of two (2) years, and the remaining Director for a term of one (1) year; and at each annual meeting thereafter, the voting Members shall elect a Director to each vacancy for a term of three (3) years.

Section 3. Removal. After the first annual meeting of the Members after Class B membership terminates, any Director may be removed from the Board, with or without cause, by a majority vote of the voting Members of the Association. Any Director appointed by the Class B Member may be removed from the Board, with or without cause, by the Class B Member. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors and such approval is filed with the minutes of the proceedings of the Board of Directors. Any action so approved shall have the same effect as through taken at a meeting of the Directors.

## ARTICLE V

### Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors, commencing with the first annual meeting of Members after Class B membership terminates, shall be made in writing in advance of the annual meeting or from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI

### Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or electronic mail, at least six (6) days prior to the date named for such meeting.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice of each Director, given personally or by mail, telephone or electronic mail, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of any two (2) of the Directors.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Fidelity Bonds. The Board of Directors may require that all officers, Directors and employees of the Association regularly handling or otherwise responsible for the funds of the Association shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty. The premiums on such bonds or insurance shall be paid by the Association.

## ARTICLE VII

### Powers and Duties of the Board of Directors

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

(a) adopt and publish rules And regulations governing the use of the Common Area, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the Common Area of a Member for an infraction of published rules and regulations or during any period in which such Member will be in default in the payment of any assessment levied by the Association pursuant to Section 55-513 of the Virginia Property Owners Association Act, and is delinquent in such payment for longer than sixty (60) days.

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(i) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(iii) foreclose the lien against any property for which assessments are not paid within sixty (60) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

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

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained;

(h) otherwise perform or cause to be performed the functions and obligations of the Board and the Association as provided for in the Declaration and Articles of Incorporation and these Bylaws.

Section 3. Management Agent.

The Board of Directors may but shall not be required to employ for the Association a management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. Any management agreement entered into by the Association shall provide, inter alia, that such agreement may be terminated for cause by either party upon thirty (30) day's written notice thereof to the other party and without cause upon ninety (90) days' written notice to the other party. The term of any such management agreement shall not exceed three (3) years; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.

## ARTICLE VIII

### Officers and Their Duties

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create, all of which officers are to be elected by the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members; provided that the initial Board of Directors shall elect the first group of officers at its first organizational meeting.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year or until his successor is duly elected and qualified, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. No person shall simultaneously hold more than one (1) of any of the offices except that the offices of Secretary and Treasurer may be held by one (1) person, and except in the case of special offices created pursuant to Section 4 of this Article VIII.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall have the authority to sign all leases, mortgages, deeds and other written instruments and shall have the authority to sign checks and promissory notes.

Vice President

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year, if required by the Board; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

## ARTICLE IX

### Liability and Indemnification of Officers and Directors

Section 1. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and Director of the Association against any and all expenses, including counsel fees, reasonably incurred by, or imposed upon, an officer or Director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Association) to which he may be made a party by reason of being or having been an officer or Director of the Association, whether or not such person is an officer or Director at the time such expenses are incurred. The officers and Directors of the Association shall not be liable to the Members of the Association for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall indemnify and forever hold such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director of the Association or former officer or Director of the Association may be entitled.

## ARTICLE X

### Committees

The Board of Directors shall appoint such committees as deemed appropriate in carrying out its purpose.

## ARTICLE XI

### Insurance

Section 1. Insurance. The Board of Directors of the Association shall obtain and maintain, to the extent reasonably available, at least the following:

(a) A comprehensive policy of public liability insurance with a "Severability of Interest Endorsement" or its equivalent in such amounts and in such forms as may be considered appropriate by the Board of Directors (but not less than One Million and No/100 Dollars (\$1,000,000.00) covering all claims for bodily injuries and/or property damage arising out of a single occurrence) including, but not limited to, legal liability, hired automobile liability, non-owned automobile liability, liability for property of others and, such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including any and all other liability incident to the ownership and use of the Common Area and facilities or any portion thereof; and

(b) Workmen's compensation insurance to the extent necessary to comply with any applicable law; and

(c) A "Legal Expense Indemnity Endorsement," or its equivalent, affording protection for the officers and Directors of the Association for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any such officer or Director shall have been made a party by reason of his or her services as such; and

(d) Such other policies of insurance, including insurance for other risks of a similar or dissimilar nature and fidelity coverage as required by these Bylaws, as are or shall hereafter be considered appropriate by the Board of Directors.

Section 2. Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions:

(a) All policies shall be written or reinsured with a company or companies licensed to do business in the State where the project is located and holding a reasonably high rating in the current edition of Best's Insurance Guide.

(b) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors of the Association, or its authorized representative.

(c) In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article XI be brought into contribution with insurance purchased by the owners of the Lots or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Association pursuant to the requirements of this Article XI shall exclude such policies from consideration.

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

(e) All policies shall contain (to the extent reasonably available) a waiver of subrogation by the insurer as to any and all claims against the Association, the Board of Directors, the Members of the Association and their respective agents, employees or tenants, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

## ARTICLE XII

### Casualty Damage -- Reconstruction or Repair

Section 1. Use of Insurance Proceeds. In event of damage or destruction to the Common Area by fire or other casualty, the same shall be promptly repaired, replaced or reconstructed in substantial conformity with the original plans and specifications for the

Common Area with the proceeds of insurance available for that purpose, if any. The Association shall not use the proceeds of casualty insurance received as a result of damage or destruction of the Common Area for purposes other than the repair, replacement or reconstruction of the Common Area without the prior written consent and approval of the holders of all first mortgages of record on the Lots.

Section 2. Proceeds Insufficient. In the event that the proceeds of insurance are not sufficient to repair damage or destruction of the Common Area caused by fire or other casualty not insured against, then and in either of those events, upon resolution of the Board of Directors, the repair, replacement and reconstruction of the damage shall be accomplished promptly by the Association, at its common expense.

### ARTICLE XIII

#### Books and Records -- Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January every year, except for the first fiscal year of the Association which shall begin at the date of recordation of the Declaration among the Land Records for Loudoun County, Virginia. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Association subsequently dictate.

Section 2. Principal Office - Change of Same. The principal office of the Association shall be set forth in Article II of the Articles of Incorporation of the Association. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Association from time to time.

Section 3. Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Secretary and Treasurer and in accordance with generally accepted accounting practices, consistently applied. The same shall include books with detailed accounts, in chronological order, of receipts and of the expenditures and other transactions of the Association and its administration and shall specify the maintenance and repair expenses of the Common Area, services required or provided with respect to the same and any other expenses incurred by the Association.

Section 4. Auditing. At the close of each fiscal year, the books and records of the Association may be audited by an independent Public Accountant whose report shall be prepared in accordance with generally accepted auditing standards, consistently applied. Based upon such report, the Association shall furnish the Members and any mortgagee requesting the same with an annual financial statement, including the income and disbursements of the Association, within ninety (90) days following the end of each fiscal year.

Section 5. Inspection of Books. The books and accounts of the Association, vouchers accrediting the entries made thereupon and other records maintained by the

Association pursuant to the Virginia Property Owners Association Act, shall be available for examination by the Members and their duly authorized agents or attorneys, and to the institutional holder of any first mortgage on any Lot and its duly authorized agents or attorneys, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

#### ARTICLE XIV

##### Assessments

As more fully provided in the Declaration, each Class A Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against his Lot, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

#### ARTICLE XV

##### Corporate Seal

The Association may have a seal in circular form having within its circumference the words: The Villa's at Lovettsville Homeowners Association Inc., a Virginia corporation.

#### ARTICLE XVI

##### Amendments

Section 1. These Bylaws may be amended, at a regular or special meeting of the voting Members, by a vote of a majority of the votes in existence at the time of any such amendment, either by written approval or at a quorum of Members present in person or by proxy.

#### ARTICLE XVII

##### Interpretation -- Miscellaneous

Section 1. Conflict. These Bylaws are subordinate and subject to all provisions of the Declaration and to the provisions of the Articles of Incorporation of the Association. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict

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between these Bylaws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between these Bylaws and the Articles of Incorporation of the Association, the provisions of the Articles of Incorporation shall control.

Section 2. Notices. Unless another type of notice is herein elsewhere specifically provided for, any and all notices called for in these Bylaws shall be given in writing.

Section 3. Severability. In the event any provision or provisions of these Bylaws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

Section 4. Waiver. No restriction, condition, obligation or provisions of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 5. Captions. The captions contained in these Bylaws are for convenience only and are not a part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws or to aid in the construction thereof.

Section 6. Gender, etc.. Whenever in the Bylaws the context so requires, the singular number shall include the plural and the converse, and the use of any gender shall be deemed to include all genders.

END OF DOCUMENT

# Declaration of Covenants and Conditions

This Instrument was prepared by:

Wertheimer, Kipnis & Voudouris, LLC  
7700 Old Georgetown Road, Suite 500  
Bethesda, Maryland 20814

MCP1; 370-19-1361 & 370-19-5365

After recordation, please return to above address.

ABOVE SPACE FOR RECORDER'S USE

### **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS DECLARATION, made on the date hereinafter set forth by (i) **US HOME CORPORATION, SHENANDOAH VALLEY LAND DIVISION**, a Delaware corporation (hereinafter referred to as "Declarant"), to and for the benefit of (ii) (a) **The Villa's at Lovettsville Homeowners Association, Inc.**, a Virginia non-stock corporation (hereinafter referred to as "Association"), and (b) the Owners (as defined below), and their respective successors and assigns.

### W I T N E S S E T H

WHEREAS, Declarant is the owner of certain real property situate in Loudoun County, Commonwealth of Virginia (the "County"), which real property is more particularly described on the legal description attached hereto and made a part hereof as Exhibit A (the "Property").

NOW, THEREFORE, the Declarant hereby declares that the Property hereto shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the Property, their heirs, successors and assigns, and shall inure to the benefit of the Association and each Owner thereof.

### ARTICLE I Definitions

Section 1. "Act" shall mean and refer to Title 55, Chapter 26 of the Code of Virginia, also known as the Virginia Property Owners' Association Act.

Section 2. "Association" shall mean and refer to The Villa's at Lovettsville Homeowners Association, Inc., a non-stock, non-profit corporation, its successors and assigns.

Section 3. "Board of Directors" or "Board " shall mean the executive organ of the Association elected or appointed pursuant to the Association's Bylaws.

Section 4. "Builder" shall mean any person or entity which shall, in the ordinary course of such person's business, construct a dwelling on a Lot and sell or lease it to another person to occupy as such person's residence.

Section 5. "Common Area" shall mean any real property (including any improvements thereon) to eventually be owned by the Association for the common use and enjoyment of the Owners. Including, without limitation, "Open Space Parcel "A"; "Open Space Parcel "B"; "I/E & UTILITY ESMT."; "TRAIL ESMT."; "PRIVATE ACCESS ESMT."; "STM. DRN. ESMT."; "S.W.M. ESMT." and "10' WIDE SIDEWALK ESMT." (which includes, among other things, stormwater management facilities), and all other community owned land and improvements. The Association is responsible for the maintenance of the Common Area and facilities, and all other community owned land and improvements.

Section 6. "County" shall mean Loudoun County, Virginia.

Section 7. "Declarant" shall mean and refer to US Home Corporation, Shenandoah Valley Land Division, a Delaware corporation, and its assignees if such assignees receive a written assignment from the Declarant.

Section 8. "Development Period" shall mean the time commencing on the date of recordation of this Declaration among the Land Records and ending on the date the last Lot is conveyed to a Class A member who intends to reside on such Lot.

Section 9. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property with the exception of the Common Areas.

Section 10. "Mortgagee" shall mean the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. "Mortgage," as used herein, shall include deeds of trust. "First Mortgage," as used herein, shall mean a mortgage with priority over other mortgages. As used in this Declaration, the term "Mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in this Declaration, the term "institutional mortgagee" or "Institutional holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), all corporations and any agency or department of the United States Government or of any state or municipal government. As used in this Declaration, the term "holder" or "mortgagee" shall include the parties secured by any deed of trust or any beneficiary thereof.

Section 11. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 12. "Proffers" shall mean those certain conditions more particularly identified in (i) that certain Ordinance of the Town of Lovettsville dated April 24, 2003 and entitled "Approving Zoning Map Amendment, Concept Plan and Conditional Use Permit for 287 Joint Venture", and (ii) that certain Resolution of the Town of Lovettsville dated July 29, 2004 and entitled "Approve US Home Corporation, Inc. Proffer Commitment with Regard to Proffers, Paragraph 6(a); Lovettsville Retirement Village.

Section 13. "Property" shall mean and refer to that certain real property described as "Lovettsville Subdivision, Loudoun County, Virginia," in the Articles of Incorporation of The Villa's at Lovettsville Homeowners Association, Inc., as more particularly described on Exhibit A.

## ARTICLE II Property Rights

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

(a) The right of the Association to suspend the right to use the Common Area (except any streets and roadways) and the voting rights of an Owner for any period during which an assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for an infraction of its published rules and regulations. The right of the Association to assess charges against an Owner for violations of the Association's legal documents or rules or regulations for which the Owner, the Owner's family members, tenants, guests or invitees are responsible, provided that no such charges may be imposed until the Owner has been given the opportunity to be heard before the Board of Directors. Notice of a hearing shall be hand delivered or mailed by certified delivery, return receipt requested, to the member at the address of record with the Association at least 14 days prior to the hearing. The amount of any charges so assessed shall not exceed the charges permitted by Section 55-513 of the Act and shall be treated as an assessment against the Owner's Lot.

(b) The right of the Board of Directors to mortgage, dedicate or transfer all or any part of the Common Area to any public or municipal agency, authority or utility for purposes consistent with the purpose of this Declaration and subject to such conditions as may be agreed to by the members (including, without limitation, dedication of a water facility easement to the Town of Lovettsville) and further subject to the then existing laws and applicable ordinances; provided, however, that no such dedication, mortgage, or transfer or determination as to the purposes or as to the conditions thereof, shall be effective unless two-thirds (2/3) of each class of the then voting members of the Association consent to such dedication, transfer, purpose and conditions, at any special meeting of the members duly called for such purpose, except as described in Paragraph (g) below;

(c) The right of the Board of Directors to establish uniform rules and regulations pertaining to the use of and access to the Common Area and any facilities thereon;

(d) The right of the Declarant and Builder (and their respective sales agents and representatives) to the non-exclusive use of the Common Area for display and exhibit purposes, which right Declarant and Builder hereby reserve; provided, that no such use by Declarant and Builder or their respective sales agents or representatives shall otherwise restrict the members in their use and enjoyment of the Common Area or any facilities thereon;

(e) The right of the Board of Directors to regulate parking on the Common Area through the granting of easements or promulgation of rules and regulations;

(f) The right of the Board of Directors, acting by and through its Board of Directors, to grant licenses, rights of way and easements for access or for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Declarant or any other person; provided, however, that no such licenses, rights of way or easements shall be unreasonably and permanently inconsistent with the rights of the members to the use and enjoyment of the Common Area; and

(g) The right of the Board of Directors to convey portions of the Common Area for purposes of boundary line adjustment with the Lots if required by the Declarant or other municipal agency and at no cost to the grantee.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-laws, his right of enjoyment to the Common Area to the members of his family, his tenants, or contract purchasers who reside on the Property. Any person(s) who has access to any part of the Common Area through any recorded easement(s) shall be subject to such rights and restrictions with respect to the easement area as are contained in this Declaration as if he were an Owner.

### ARTICLE III Membership and Voting Rights

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, which is subject to assessment.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership.

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than

one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B members shall be the Declarant and Builder and each shall be entitled to ten (10) votes for each Lot owned by them. The Class B membership shall cease and be converted to a Class A membership on the happening of any of the following events, whichever occurs earlier:

- (i) At such time that the Class B members no longer holds any interest in any of the Lots;
- (ii) December 31, 2010; or
- (iii) such earlier time as Declarant, in its sole discretion determines.

Notwithstanding the foregoing, in the event of annexation of any additional properties, Class B membership shall be revived with respect to all Lots owned by the Declarant on the annexed property. Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

- (i) twenty-four (24) months after the total votes outstanding in the Class A memberships in the annexed property equal the total votes outstanding in the Class B membership in such annexed property, or
- (ii) ten (10) years from the date of recordation of the Deed of Dedication or Supplemental Declaration for such annexed property.

#### ARTICLE IV Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner (other than the Class B Member) of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the Lot (including all improvements thereon), and shall be a continuing lien upon the Property against which each such assessment is made. Each such assessment, together with interest, late charges, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal



obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

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

Section 3. Basis of Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to a Class A Member, the annual assessment for Class A members will be determined by the Declarant.

(a) Declarant and Builder shall be exempt from payment of any type of assessment hereunder

(b) The Board of Directors shall fix the annual assessments in advance of each fiscal year.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Board of Directors may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Common Area, including fixtures and personal property related thereto or any other areas of Association responsibility described herein. Any special assessment may be rescinded by a majority vote of each Class of Members in person or by proxy, at a meeting of the members convened within sixty (60) days of notice of the special assessment.

Section 5. Uniform Rate of Assessment. Except as otherwise provided in Section 4 of this Article IV, both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected in advance on a monthly, quarterly, semi-annual or annual basis, as determined by the Board of Directors.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of the Lot to a Class A Member. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer for the Association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association with the status of assessments on the Lots shall be binding on the Association on the date of its issuance.

Section 7. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall be assessed a late fee and shall bear interest from the due date as shall be determined by the Board of Directors. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot (and all improvements thereon). No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No amendment to this Section shall affect the rights of the holder of any first mortgage on any Lot (or the indebtedness secured thereby); recorded prior to recordation of such amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

Section 9. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein:

- (a) all properties dedicated to and accepted by a local public authority; and
- (b) the Common Area.

Section 10. Reserves for Replacements. The Board of Directors shall establish and maintain a reserve fund for replacements of the Common Area and any other improvements for which the Association is responsible, by the allocation and payment monthly to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense of the Association and may be deposited in any banking institution, the accounts of which are insured by an agency of the United States of America or may, 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. The reserve for replacements of the Common Area may be expended only for the purpose of affecting the repair, replacement or improvement of the Common Area, major repairs to any equipment replacement, and for start-up expenses and operating contingencies of a non-recurring nature relating to the Common Area. The Association may establish such other reserves for such other purposes as the Board of Directors may from time to time consider to be necessary or appropriate.

**Section 11. Initial Working Fund.** The Board of Directors shall levy an assessment at each settlement on the initial sale by Declarant of a Lot, against the Owner of a Lot who is a Class A Member at the time of conveyance. Such initial assessment shall be equal to two months of the Annual Assessment and shall be used for commencing the business of the Association or any other purpose established by the Board of Directors.

**ARTICLE V**  
**Use Restrictions**

In addition to all other covenants contained herein, the use of the Property and each Lot therein is subject to the following:

**Section 1.** The Lots shall be used for residential purposes exclusively, and no building shall be erected, altered, placed or permitted to remain on any such Lot other than one used as a single-family dwelling, except as permitted by applicable local zoning ordinances.

**Section 2.** Except as may be permitted by Section 1 of this Article V, no part of the Property shall ever be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending or other such non-residential purposes, except Declarant and Builder may use the Property for model home sites and display and sales offices during the construction and sales period.

**Section 3.** No sign or billboard of any kind shall be displayed to the public view on any portion of the Property or any Lot, except for any signage used by Declarant or Builder or any permanent entrance sign for the project, and one (1) sign for each building site, of not more than eighteen inches (18") by twenty-four inches (24"), advertising the Lot for sale or rent and one (1) security system sign per Lot.

**Section 4.** No noxious or offensive activity shall be carried on upon any Lot or any part of the Property, nor shall anything be done thereupon which may be, or may become, an annoyance or nuisance to the neighborhood, or which shall in any way unreasonably interfere with the quiet enjoyment of each of the Owners of his respective dwelling unit, or which shall in any way increase the rate of insurance.

**Section 5.** No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other out-building shall be used on any Lot at any time as a residence either temporarily or permanently. Garages may not be converted to living space or for any other primary use other than for parking and storage of vehicles. Except for Declarant's or Builder's construction or sales purposes, no trailer, or similar equipment shall be permitted to remain upon the Property.

**Section 6.** No commercial, industrial or recreational vehicle (including boats) shall be parked on the Property without the written consent of the Board of Directors. No motorized vehicle may be used or maintained on the yards or sidewalks of any Lot or

Common Area and no unlicensed, dismantled or inoperable vehicles are allowed on the Property. This Section 6 shall not apply to any vehicles used by Declarant or Builder.

Section 7. The Board of Directors shall have the right to tow any vehicle parked or kept in violation of this Declaration.

Section 8. The Board of Directors shall have the right to tow any disabled vehicle or other vehicle which is not street-worthy (i.e. no current registration plates or inspection sticker, etc.) which is on any part of the Common Area. The major repair or extraordinary maintenance of automobiles or other vehicles shall not be carried out on any of the Lots or Common Areas.

Section 9. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept on the Lot subject to such rules and regulations as may be adopted by the Association and provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animals or fowl may be kept on the Property which result in an annoyance or are obnoxious to residents in the vicinity. Pets must be leashed or otherwise controlled while on the Property and all pet waste collected and disposed of by the Owner. Owners will comply with all County animal regulations.

Section 10. All rubbish, trash and garbage shall be regularly removed from the Property, and shall not be allowed to accumulate thereon. Nothing herein shall be deemed to apply to the storage on the Property by Declarant or Builder of building materials during, and for use in, the construction of the improvements on the Property.

Section 11. No outside television antenna, radio antenna, satellite dish, direct broadcast satellite (DDS) dish, or similar structure shall be maintained on the Property unless approval for such antenna or dish and the proposed location of thereof has been first obtained from the Board of Directors. In order to comply with the applicable rules of the Federal Communications Commission (FCC) relating to the installation of an antenna or dish of less than one meter in diameter, the Board of Directors shall act promptly on any request for erection thereof. Any restrictions which the Board of Directors places on the installation of such antenna or dish of less than one meter in diameter shall not (1) unreasonably delay or prevent its installation, maintenance or use, (2) unreasonably increase the cost of its installation, maintenance or use, or (3) preclude reception of an acceptable quality signal.

Section 12. All Owners and occupants shall abide by the bylaws and any rules and regulations adopted by the Association. Rules and regulations shall be adopted and enforced pursuant to the Act. Any Owner, his tenants, guests or other invitees who violates the restrictions of this Declaration or the rules and regulations adopted by the Board of Directors shall be assessed a charge pursuant to Section 55-513 of the Act.

Section 13. Any lease agreement between an Owner and a lessee shall provide that the terms of the lease are subject in all respects to the provisions of this Declaration,

the Articles of Incorporation, bylaws and any rules and regulations of the Association, and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All such leases shall be in writing and shall be for an initial term of not less than six (6) months.

Section 14. No Owner, occupant, or any other person shall place any object, equipment, structure or signage on the Common Area without prior written consent of the Board of Directors, except for such items as are specifically allowed in this Declaration.

Section 15. None of the foregoing restrictions shall be applicable to the activities of:

(a) Declarant, Builder or their respective officers, employees, agents or assigns, in their development, marketing and sale of Lots or other parcels within the Property; or

(b) To the Association, its officers, employees and agents, in connection with the proper maintenance, repair, replacement and improvement of the areas for which it is responsible.

Section 16. During reasonable daylight hours the Declarant, Builder or member of the Board of Directors, or any other representative of any of them, shall have the right to enter upon and inspect any Lot for the purpose of ascertaining whether or not the provisions of these restrictions have been or are being complied with, and such persons shall not be deemed guilty of trespass by reason of such entry.

Section 17. HOUSING FOR OLDER PERSONS; AGE RESTRICTIONS.

For purposes of this Section 17, the following terms shall have the following meanings:

(a) "Age Qualified Resident" shall mean an occupant of a dwelling who is over fifty-five (55) years of age;

(b) "Qualifying Resident" shall mean an occupant of a dwelling who is over forty-five (45) years of age.

The Association and all dwellings are intended to constitute housing for occupancy of each dwelling by two (2) persons, one (1) Age Qualified Resident and one (1) Qualifying Resident (as those terms are defined above), to the extent provided by the federal Fair Housing Act, 42 U.S.C. Section 3601, et seq., and any applicable provisions of Virginia law, as such laws are amended from time to time (collectively, the "Fair Housing Acts"). Except as provided herein, occupancy of any dwelling shall be in accordance with the Fair Housing Acts.

Notwithstanding anything to the contrary contained herein, a dwelling may be occupied by any person necessary to provide a reasonable accommodation to a handicapped Age Qualified Resident or Qualifying Resident, or is a handicapped dependent of an Age Qualified Resident or Qualifying Resident, to the extent required by the provisions of the Fair Housing Acts.

Nothing contained in this Section shall be deemed to prohibit the visitation by persons not otherwise permitted to occupy a dwelling who are the family members or guests of the occupant of a dwelling, provided that such visitation shall not be for more than thirty (30) days in any calendar year.

Each occupant of a dwelling, if requested to do so by the Board, shall furnish the Board with the names and ages of all occupants of the dwelling and such affidavits and other documents as the Board may request to verify the age of such occupants.

The Board may adopt, publish and enforce such policies and procedures and rules and regulations as are deemed necessary by the Board in order to demonstrate an intent to maintain the status of the Property and the homes located thereon as housing for older persons under the Fair Housing Acts. Such policies and procedures may provide for verification of the age of the occupants by reliable surveys and affidavits.

The requirements contained in this Section are intended to comply with the exemption requirements under the Fair Housing Acts and any regulations issued thereunder. Notwithstanding anything contained herein to the contrary, all Owners acknowledge and agree that although it is the intent of the Declarant that the Association is to be operated in compliance with the Fair Housing Acts, which exempt "housing for older persons" from the prohibitions against discrimination because of familial status, no representation or warranty is made that the Association complies or will comply with the Fair Housing Acts, and if for any reason the Association is deemed not in compliance with the Fair Housing Acts and, therefore, not exempt from the prohibitions against discrimination because of familial status, neither the Declarant, Builder nor the Association nor their respective directors, officers, agents or employees shall have any liability in connection therewith. Notwithstanding any other provision of this Declaration to the contrary, the Declarant, so long as the Declarant owns any Lot, and thereafter the Board, may amend the provisions of this Section and/or promulgate rules and regulations to the extent that it deems it necessary or appropriate, without the approval of the Owners, in order to comply with the exemption requirements under the Fair Housing Acts and any regulations promulgated thereunder. Such amendments, rules or regulations by the Declarant or Board may include, without limitation, permitting additional exceptions to the age restrictions hereunder which are consistent with the Fair Housing Acts and any regulations promulgated thereunder.

ARTICLE VI  
Exterior Maintenance

Section 1. Except as may be otherwise provided in this Declaration, each Owner shall keep each Lot owned by him, and all improvements therein or thereon, in good order and repair and free of debris, including but not limited to the seeding, watering and mowing of all lawns, the pruning and cutting of all shrubbery, and the painting (or other appropriate external care) of all buildings and other improvements, all in a manner and with such frequency as is consistent with good property management.

Section 2. In the event an Owner shall fail to maintain his Lot and the improvements situated thereon, the Association or the Declarant and Builder shall have the right to enter upon said Lot, after reasonable notification of the Owner, to correct drainage and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon. All costs related to such correction, repair or restoration shall become a lien upon such Lot and such lien may be enforced in the same manner as an annual assessment levied in accordance with Section 7, Article IV hereof. Any such lien shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect such lien. However, the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure or any proceeding in lieu thereof, shall extinguish any such lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 3. The Association shall, at its expense, perform the following maintenance on the Lots: (a) snow removal on front stoops, driveways and leadwalks; (b) repair and replacement of exterior walls of homes and roofs; and (c) lawn cutting on Lots.

ARTICLE VII  
General Provisions

Section 1. Enforcement. The Association, or any Owner, or any mortgagee of any Lot shall have the right to enforce, by any proceeding at law and/or in equity, all restrictions, conditions, covenants, reservations, liens, charges or other obligations or terms now or hereafter imposed by the provisions of this Declaration, or the Articles of Incorporation or Bylaws of the Association. Failure by the Association or by any Owner or by any mortgagee of any Lot to enforce any covenant or restrictions herein contained or any provision of the Bylaws or Articles of Incorporation of the Association shall in no event be deemed a waiver of the right to do so thereafter. There shall be and there is hereby created and declared to be a conclusive presumption that any violation or breach or attempted violation or breach of any of the within covenants or restrictions or any provision of the Bylaws or Articles of Incorporation of the Association cannot be adequately remedied by action at law or exclusively by recovery of damages.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3. Duration. Except where permanent easements or other permanent rights or interest are herein created, the covenants and restrictions of the Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of twenty (20) years each.

Section 4. Amendment. Subject to the other limitations set forth in this Declaration, this Declaration may be amended by an instrument approved by not less than seventy-five percent (75%) of the Owners. The amendment instrument shall be recorded among the Land Records for the jurisdiction in which this Declaration is recorded. Unless a later date is specified in any such instrument, any amendment to this Declaration shall become effective on the date of recording; provided, however, that no amendment shall be effective unless it is executed by at least one Class A member, should there be any Class A members.

Notwithstanding anything to the contrary herein contained, the Declarant reserves the right to amend this Declaration without the consent of any Owners, or any other persons claiming an interest in the Property or the Association if such amendment is necessary to (i) bring this Declaration into compliance with any rule, regulation or requirement of the Federal Housing Administration, The Federal National Mortgage Association, The Federal Home Loan Mortgage Corporation, or the County; (ii) make non-material or corrective changes; or (iii) reflect the relocation of boundary lines between the Common Area and any Lots or among any Lots, provided however that an approved resubdivision of the affected property is properly recorded.

Section 5. Annexation. Additional lots or property in the vicinity of the Property may be annexed to the Property by the Declarant without the consent of the Class A members of the Association.

Except as otherwise provided hereinabove, annexations to the Property shall require the consent of two-thirds (2/3) of the Class A members.

Any annexations made pursuant to this Section, or otherwise, shall be made (a) by recording a Supplementary Declaration among the land records of the County, which Supplementary Declaration shall extend the scheme of this Declaration to such annexed property or (b) by the recordation of a deed of dedication or deed of subdivision for such additional property or any portion thereof which shall by its terms subject such additional property to the operation of the provision of this Declaration. Such annexations need not be made by the Declarant; provided, however, that any such annexation accomplished by persons other than the Declarant, during the Development Period (as said term is defined in Article VIII, Section 2) shall have the consent of the Declarant.

**Section 6. Consents by Lenders.** Any other provision of this Declaration or the Bylaws or Articles of Incorporation of the Association to the contrary notwithstanding, neither the Owners, neither the Board of Directors nor the Association shall, by act or omission, take any of the following actions without the prior written consent and approval of not less than two-thirds (2/3) in number of the holders of the first mortgages of record on the Lots:

(a) abandon, partition, alienate, release, hypothecate, dedicate, subdivide, encumber, sell or transfer any of the Common Areas or its facilities directly or indirectly owned by the Association; provided, however, that the granting of rights-of-way, boundary line adjustments, easements and the like for public utilities or for other purposes consistent with the use of the Common Areas and its facilities by the members of the Association shall not be considered to be applicable within the meaning of this Section 6; or

(b) abandon or terminate this Declaration; or

(c) modify or amend any substantive provision of this Declaration, or of the Bylaws or of the Articles of Incorporation of the Association which change would have a detrimental and material adverse effect on any holders of first mortgages of record; or

(d) merge or consolidate the Association with any other entity or sell, lease, exchange or otherwise transfer all or substantially all of the assets of the Association to any other entity; or

(e) substantially modify the method of determining and collecting assessments against an Owner or his Lot as provided in the Declaration; or

(f) Waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearances of buildings or structures on the Lots, the exterior maintenance of buildings or structures on the Lots, the maintenance of the Common Area; or

(g) fail to maintain fire and extended coverage on insurable Common Area on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost); or

(h) use hazard insurance proceeds for losses to any Common Area for other than the repair, replacement or reconstruction of such Common Area.

**Section 7. Additional Rights of Mortgagees - Notice.** The Association shall promptly notify the holder of the first mortgage on any Lot for which any assessment levied pursuant to the Declaration, or any installment thereof, becomes delinquent for a period in excess of thirty (30) days and the Association shall promptly notify the holder of the first mortgage on any Lot with respect to which any default in any other provision of this

Declaration remains uncured for a period in excess of thirty (30) days following the date of such default. Any failure to give any such notice shall not affect the validity or priority of any first mortgage on any Lot and the protection extended in this Declaration to the holder of any such mortgage shall not be altered, modified or diminished by reason of such failure.

No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to this Declaration except after ten (10) days' written notice to the holder of the first mortgage on the Lot which is the subject matter of such suit or proceeding.

Any first mortgagees of any Lot may pay any taxes, utility charges or other charges levied against Common Area which are in default and which may or have become a charge or lien against Common Area and any such first mortgagees may pay any overdue premiums on any hazard insurance policy or secure new hazard insurance coverage on the Common Area. Any first mortgagee who advances any such payment shall be due immediately reimbursement of the amount so advanced from the Association.

Section 8. Mortgage Notification and Presumptive Approval. Notwithstanding the foregoing, all notices and rights of Mortgagees shall pertain only to those Mortgagees who are listed with the Association. Each Owner must notify the Association of his Mortgagee's name and address. If any notice is given or consent requested pursuant to Section 6 and 7 above and the Mortgagee does not respond within thirty (30) days of such notice, then such Mortgagee shall be deemed to have approved such notice or consent.

Section 9. Casualty Losses. In the event of substantial damage or destruction to the Common Area, the Board of Directors of the Association shall give prompt written notice of such damage or destruction to the holders of all first mortgages of record on the Lots which are listed with the Association. No provision of the Declaration, Articles of Incorporation or Bylaws of the Association shall entitle any Member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such member of any insurance proceeds paid or payable on account of any damage or destruction of the Common Area.

Section 10. Condemnation or Eminent Domain. In the event any part of the Common Area is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Association shall give prompt written notices of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the Lots which are listed with the Association. No provision of this Declaration, Articles of Incorporation or the Bylaws of the Association shall entitle any Member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such Member of the proceeds of any condemnation or settlement relating to a taking of the Common Area.

ARTICLE VIII  
Easements, Etc.

Section 1.      Development Easements.

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

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

(c) **Utility Easements.** The Declarant hereby creates, and there is hereby reserved to the Declarant, its successors and assigns and its designees, a blanket easement upon, across, over, and under all of the Property, to create perpetual



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

(d) Specific Development Easement Areas. The Declarant hereby reserves to itself, its successors and assigns and its designees the right to grant and reserve easements, rights-of-way and licenses over and through the Common Area, any land conveyed to the Builder, or over and through any Lot within ten feet of any boundary line for the installation and upkeep of the equipment for providing to any portion of the Property or any other adjacent land, any utilities, including, without limitation, water, sewer, drainage, gas, electricity, telephone, television, telecommunications or other similar services, whether public or private, or for any other purpose necessary or desirable for the orderly development of the Property.

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

(f) Drainage and Erosion Control. Declarant reserves a perpetual easement, right and privilege to enter upon any Lot or Common Area, and the Association is granted a perpetual easement, right and privilege to enter upon any Lot, either before or after a structure has been constructed thereon or during such construction, for the purpose of taking such drainage and erosion control measures as Declarant or the Association deems necessary to prevent or correct waterflow and soil erosion or siltation; provided, however, that Declarant or the Association shall not exercise such right unless it has given the Owner of the Lot or the Association (as to the Common Area) at least ten (10) days

prior notice thereof and the Owner or the Association, as the case may be, has failed to take appropriate action to correct or prevent the erosion or siltation problem (the notice provision shall not be required in the case of emergency situations). The cost incurred by the Association in undertaking such drainage and erosion control measures on any Lot shall, if reasonably attributable to a Lot Owner, become an individual assessment upon the Lot and shall constitute a lien against the Lot and shall be collectible in the manner provided herein for the payment of Assessments. This Section shall not apply to Lots owned by Declarant.

(g) Storm Water Management Easement. The Declarant hereby reserves to itself and its successors and assigns an easement and the right to grant and reserve easements over and through the Property for the construction and upkeep of storm water management facilities.

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

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

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

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

(iv) Locating, relocating, constructing, maintaining, protecting and otherwise controlling all project signage located on the Common Area or any other portion of the Property and controlling signage installed by Owners for other purposes. The Association shall have the right to exercise control over all signage.

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

The Declarant or the Association, as appropriate, or their agents and designees, shall have the mutual right and responsibility to perform the tasks and functions

listed in Subsections (a) through (e) above to the exclusion of all others, including all Owners.

(i) Further Assurances. Any and all conveyances made by the Declarant to the Association or any Owner shall be conclusively deemed to incorporate these reservations of rights and easements, whether or not set forth in such grants. Upon written request of the Declarant, the Association and each Owner shall from time to time sign, acknowledge and deliver to the Declarant such further assurances of these reservations of rights and easements as may be requested. If a designee requests recordation of a separate document evidencing such easement rights that are consistent with this Declaration, then the Declarant or the Association, as applicable, may sign and record such an easement instrument, without the consent, approval or joinder of any Owner or Mortgagee.

Section 2. Duration and Assignment of Rights. The Declarant may assign its rights, in part or in whole, under this Article VIII to, or share such rights with, one or more other persons or entities, exclusively, simultaneously or consecutively. The Declarant shall notify the Association of any such assignment or designation by the Declarant. The rights and easements reserved by or granted to the Declarant pursuant to this Section shall continue until the end of the Development Period, unless specifically stated otherwise. The "Development Period" is deemed to be the period of time that the Declarant is engaged in activities relating to the Property, including but not limited to construction activities; the earliest that such Development Period shall be deemed to be expired shall be when all such activities of Declarant have ceased, and all bonds held by a governmental authority with respect to the Property, and the construction related thereto, have been released.

Section 3. Association Power to Make Dedications and Grant Easements. The Declarant, on behalf of itself and its successors and assigns, hereby also grants to the Association the rights, powers and easements reserved to the Declarant above. These rights, powers and easements may be exercised by the Association; provided, however, that the limitations on duration applicable to the Declarant shall not apply to the Association. However, the Association shall not exercise any such easement rights to the detriment of Declarant's rights reserved hereunder. If the Declarant or any Owner requests the Association to exercise its powers under this Section, the Association's cooperation shall not be unreasonably withheld, conditioned or delayed.

Section 4. Easement for Upkeep.

(a) Association Access. The Declarant, on behalf of itself and its successors and assigns, hereby grants the right of access over and through any portion of the Property (excluding any areas occupied by a home, a structure or any other similar improvement) to the Association, the managing agent and any other persons authorized by the Board of Directors in the exercise and discharge of their respective powers and responsibilities, including without limitation to make inspections, correct any condition originating in a Lot or in the Common Area threatening another Lot or the Common Area,

correct drainage, perform installations or upkeep of utilities, landscaping or other improvements located on the Property for which the Association is responsible. The agents of the Association may also enter any portion of the Property (excluding any dwelling) in order to utilize or provide for the upkeep of the areas subject to easements granted in this Article to the Association. Each Owner shall be liable to the Association for the cost of all upkeep performed by the Association and rendered necessary by any act, neglect, carelessness or failure to comply with this Declaration for which such Owner is responsible, and the costs incurred by the Association shall be assessed against such Owner's Lot.

(b) Declarant and Builder Access. Until the expiration of any applicable warranty period and the release of all of Declarant's development bonds, the Declarant hereby reserves to itself and its successors and assigns and to Builder a right of access over and through any portion of the Property not within an improvement to perform warranty-related work within the Common Area or the Lots. The Declarant may assign its rights under this Subsection to, or share such rights with, one or more other persons or entities, exclusively, simultaneously or consecutively.

Section 5. Limitations on Exercise of Rights and Easements.

(a) These easements are subject to all other easements and encumbrances of record (including those created by this Declaration).

(b) The Declarant, Builder, the Association or any Owner, as appropriate, when exercising the rights and easements granted by this Article, shall: (i) give reasonable prior notice to all affected Owners, unless an emergency exists which precludes such notice; (ii) minimize any economic or aesthetic injury to the affected Lots or the Common Area; and (iii) not unreasonably interfere with the affected Owners' use, enjoyment and benefit from such Owners' Lots or the Common Area. Further, notwithstanding the easement rights established by Article VIII, Sections 1 and 2, neither the Declarant, Builder nor the Association shall exercise any such rights within the interior of a dwelling on a Lot without the prior written consent of the Owner, which consent shall not be unreasonably withheld, conditioned or delayed.

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

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

(e) Nothing within this Article shall authorize the installation or maintenance of any equipment or facility, public or private, on any portion of the Property

unless prior approval has been obtained from the Declarant during the Development Period, which approval may be withheld in the Declarant's sole discretion.

Section 6. Crossover Easement. If the Owner (including the Declarant or the Builder) of any Lot must, in order to make responsible repairs or improvements to a building on his Lot, enter or cross any area owned or to be owned by the Association, or a Lot of another Owner, such Owner shall have an easement to do so, provided that said Owner shall use the most direct, feasible route in entering and crossing over such an area and shall restore the surface so entered or crossed to its original condition, at the expense of said Owner, and further provided that such easement shall not exist on the land of any other Lot Owner if the purpose for the entrance or crossing is one requiring approval of the Board of Directors, unless such approval has been given.

Section 7. Easement and Right of Law Enforcement Officials, Etc. An easement and right of entry through and upon the Property is hereby granted to law enforcement officers, rescue squad personnel, fire fighting, and other emergency personnel of the County or Town of Lovettsville, and to vehicles operated by said personnel while in the pursuit of their duties. Said emergency personnel shall also have the right of enforcement of cleared emergency vehicle access on the roadways and driveways on the Property.

Section 8. Encroachment Easement. Each Lot within the Property is hereby declared to have an easement, not exceeding two feet in width, over all adjoining Lots for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, roof overhangs, gutters, architectural or other appendages, draining or rain water from roofs, or any other similar cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment, settlement or shifting; provided, however, that in no event shall a valid easement for encroachment occur due to the willful misconduct of said Owner or Owners. In the event a structure or any Lot is partially or totally destroyed and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

#### ARTICLE IX Architectural Control

Section 1. Building Restrictions. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alternation therein be made (including change in color) until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of

Directors. The Board of Directors may appoint a committee of Owners to perform the review duties described in this Declaration.

Section 2. Review Process. The Board of Directors shall regulate the external design, appearance and locations of the Property and improvements thereon in such a manner so as to preserve and enhance values and to maintain harmonious relationship among structures and the natural vegetation and topography. In furtherance thereof, the Board of Directors shall:

- (a) Review and approve, modify or disapprove, within forty-five (45) days, all written applications of Owners for improvements or additions to Lots or for modifications and changes to the improvements to the Lots. All applications not acted upon within forty-five (45) days shall be deemed approved;
- (b) Periodically inspect the Property for compliance with architectural standards and approved plans for alteration;
- (c) Adopt procedures for the exercise of its duties; and
- (d) Maintain complete and accurate records of all actions taken.

Section 3. Declarant and Builder Exempt. Notwithstanding any provision of this Declaration to the contrary, the provisions of this Article IX shall not be applicable to the Declarant, Builder or any part of the Property owned by the Declarant or Builder.

ARTICLE X  
Dissolution of Association

The Owners of Lots shall not dissolve or disband the Association, nor shall the Association dispose of any Common Area by sale, or otherwise, to any entity other than a non-profit organization conceived and organized to own and maintain the Common Area, without first offering to dedicate the same to the jurisdiction in which the Property is located, or such other appropriate governmental agency. The Association may dissolve itself according to the provisions of the Articles of Incorporation of the Association.

ARTICLE XI  
Proffers, Additional Covenants and Disclosures

Section 1. Withdrawable Real Estate. The Declarant shall have the unilateral right, without the consent of the Class A Members or any Mortgagee, to execute and record an amendment to the Declaration, withdrawing any portion of the Property on which a house has not been constructed.

Section 2. Proffers. The Proffers are expressly incorporated into this Declaration and made a part hereof. To extent the Proffers have not been fully satisfied at the time of recordation of this Declaration, then the Declarant and Builder, as applicable, shall assume all the obligations, responsibilities and duties set forth in the Proffers. To the extent the Proffers have not been fully satisfied at the time the Class B membership is extinguished in accordance with Article III, Section 2, then the Association shall assume all the obligations, responsibilities and duties set forth in the Proffers.

Section 3. Captions and Gender. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all gender and the singular shall include the plural.

Section 4. List of Exhibits.

- a) Exhibit A—property owned by Declarant.

Section 5. Applicable Law. Unless contrary to the express terms and conditions of this Declaration (in which case the terms and conditions of this Declaration shall control), the Act shall govern the Association.

[Continued on following page]

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this instrument on the 18 day of July, 2005.

**DECLARANT:**

**US HOME CORPORATION, SHENANDOAH VALLEY LAND DIVISION**, a Delaware corporation

By: [Signature]  
Name: Donald C. Fink  
Title: Executive Vice President

STATE OF Virginia:  
COUNTY OF Fairfax: to wit:

The foregoing instrument was acknowledged before me this 18<sup>th</sup> day of July, 2004, by Donald C. Fink, Executive V.P. of US HOME CORPORATION, SHENANDOAH VALLEY LAND DIVISION.

[Signature]  
Notary Public

My commission expires: 10/31/09.

EXHIBIT A

The land subjected to the Declaration is described as follows:

Lots 1 through and including 80 as shown on the plat entitled, "Lovettsville Retirement Village" dated March 4, 2004 ~~4~~, recorded or intended to be recorded among the Land Records of Loudoun County, Virginia; and  
*\*and revised through February 16, 2005*

The areas shown as , "Open Space Parcel "A""; "Open Space Parcel "B""; "VE & UTILITY ESMT."; "TRAIL ESMT."; "PRIVATE ACCESS ESMT."; "STM. DRN. ESMT", "S.W.M. ESMT." and "10' WIDE SIDEWALK ESMT." on the aforementioned Plat.





20111011-0062446

Loudoun County, VA Pgs: 27  
10/11/2011 3:10:46PM  
Gary M. Clemens, Clerk

AMENDED AND RESTATED  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, made this 3<sup>RD</sup> day of OCTOBER, 2011 by **U. S. HOME CORPORATION**, a Delaware corporation (hereinafter referred to as "Declarant"); and **HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.**, formerly known as The Villa's at Lovettsville Homeowners Association, Inc., a Virginia non-stock corporation (hereinafter referred to as "Association"), and their respective successors and assigns.

WITNESSETH

WHEREAS, U. S. Home Corporation subdivided certain property located in the Town of Lovettsville, Loudoun County, Virginia, known as Lots 1 through 80, Lovettsville Retirement Village (the "Lots"), as said Lots are duly dedicated, created and platted in a Deed of Dedication, Subdivision, Easements, Reservation and Conveyance recorded as Instrument Number 20050805-0087347 (the "Subdivision Deed"), with the subdivision plat attached thereto (the "Subdivision Plat"); and

WHEREAS, a certain Declaration of Covenants, Conditions and Restrictions was recorded in Instrument Number 20050805-0087349, as amended by First Amendment recorded in Instrument Number 20070321-0021422; by Second Amendment recorded in Instrument Number 20070724-0054865; and by Third Amendment recorded in Instrument Number 20110504-0028030 (collectively, the "Declaration"); and

WHEREAS, U. S. Home Corporation recorded a Deed of Confirmation in Instrument Number 20060928-0082996 (the "Deed of Confirmation"), confirming its ownership of the Lots, and subjecting the Lots to the Declaration; and

WHEREAS, U. S. Home Corporation, as the Declarant pursuant to the Declaration, and as the owner of 60 of the Lots, desires to amend and restate the Declaration in its entirety, in order to incorporate the changes from the prior amended documents, and to further clarify and confirm provisions that were set forth in the Third Amendment.

NOW THEREFORE, the Declarant hereby amends and restates the Declaration in its entirety, such that all provisions, terms, easements and conditions of the Declaration are superseded and terminated, and in its place, this Amended and Restated Declaration shall govern the rights and obligations, as more particularly set forth herein.

## ARTICLE I

### Definitions

Section 1. "Act" shall mean and refer to Title 55, Chapter 26 of the Code of Virginia, also known as the Virginia Property Owners Association Act.

Section 2. "Association" shall mean and refer to Heritage Highlands Homeowners Association, Inc., formerly known as the Villa's At Lovettsville Homeowners Association, Inc., a non-stock, non-profit corporation, its successors and assigns.

Section 3. "Board of Directors" shall mean the executive organ of the Association elected or appointed pursuant to the Association's Bylaws.

Section 4. "Builder" shall mean any person or entity which shall, in the ordinary course of such person's business, construct a dwelling on a lot and sell or lease it to another person to occupy as such person's residence.

Section 5. "Common Area" shall mean any real property (including any improvements thereon) owned or to be owned by the Association for the common use and enjoyment of the Owners.

Section 6. "County" shall mean Loudoun County, Virginia.

Section 7. "Declarant" shall mean and refer to U. S. Home Corporation, its successors and assigns, but only to the extent that any of the rights, reservation, easements, interests, exemptions, privileges and powers of the Declarant are specifically assigned or transferred to such successors or assigns.

Section 8. "Development Period" shall mean the time commencing on the date of recordation of this Declaration among the Land Records ending on the date the last Lot is conveyed to a Class A member who intends to reside on such Lot.

Section 9. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property with the exception of the Common Areas.

Section 10. "Mortgagee" shall mean the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. "Mortgage," as used herein, shall include deeds of trust. "First Mortgage," as used herein, shall mean a mortgage with priority over other mortgages. As used in this Declaration, the term "Mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in this Declaration, the term "institutional mortgagee" or "institutional holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), all corporations and any

agency or department of the United States Government or of any state or municipal government. As used in this Declaration, the term "holder" or "mortgagee" shall include the parties secured by any deed of trust or any beneficiary thereof.

Section 11. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 12. "Proffers" shall mean those certain conditions more particularly identified in (i) that certain Ordinance of the Town of Lovettsville dated April 24, 2003; (ii) that certain Resolution of the Town of Lovettsville dated July 29, 2004; and (iii) that certain Rezoning Application approved as of April 28, 2011 by the Town Council of Lovettsville.

Section 13. "Property" shall mean and refer to the Lots that were subjected to the Declaration in the Deed of Confirmation.

## ARTICLE II

### Property Rights

Section 1. Owner's Easements of Enjoyment. Every Class A and B Member shall have a right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Board of Directors to suspend the right to use the Common Area (except any streets and roadways) and the voting rights of an Owner for any period during which an assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for an infraction of its published rules and regulations. The right of the Association to assess charges against an Owner for violations of the Association's legal documents or rules or regulations for which the Owner, the Owner's family members, tenants, guests or invitees are responsible, provided that no such charges may be imposed until the Owner has been given the opportunity to be heard and represented by counsel before the Board of Directors. Notice of a hearing shall be hand delivered or mailed by certified delivery, return receipt requested, to the Owner at the address of record with the Association at least 14 days prior to the hearing. The amount of any charges so assessed shall not exceed the charges permitted by Section 55-513 of the Virginia Property Owners Association Act and shall be treated as an assessment against the Owner's Lot.

(b) The right of the Board of Directors to mortgage, dedicate or transfer all or any part of the Common Area to any entity, public or municipal agency, authority or utility for purposes consistent with the purpose of this Declaration, subject to such conditions as may be agreed to by the members of the Association and further subject to

the then existing laws and applicable ordinances. Except as described in Paragraph (g) below, no such dedication, mortgage, or transfer or determination as to the purposes or as to the conditions thereof, shall be effective unless two-thirds (2/3) of each class of the then voting members of the Association consent to such dedication, transfer, purpose and conditions, at any special meeting of the members duly called for such purpose;

(c) The right of the Board of Directors to establish uniform rules and regulations pertaining to the use of and access to the Common Area and any facilities thereon;

(d) The right of the Declarant and Builder (and their respective sales agents and representatives) to the non-exclusive use of the Common Area for display and exhibit purposes; provided, further, that no such use by Declarant or Participating Builders or their sales agents or representatives shall otherwise restrict the members of the Association in their use and enjoyment of the Common Area or any facilities thereon;

(e) The right of the Board of Directors to regulate parking on the Common Area through the promulgation of rules and regulations;

(f) The right of the Board of Directors, to grant licenses, rights of way and easements for access or for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Declarant or any other person or entity; provided, however, that no such licenses, rights of way or easements shall be unreasonably and permanently inconsistent with the rights of the members of the Association to the use and enjoyment of the Common Area; and

(g) The right of the Board of Directors to convey portions of the Common Area for purposes of boundary line adjustment with the Lots if required by the Declarant or other municipal agency and at no cost to the grantee.

Section 2. Delegation of Use. Any Class A Member may delegate, in accordance with the By-laws, his right of enjoyment to the Common Area to the members of his family, his tenants, or contract purchasers who reside on the Property. Any person(s) who has access to any part of the Common Area through any recorded easement(s) shall be subject to such rights and restrictions with respect to the easement area as are contained in this Declaration as if he were an Owner.

### ARTICLE III

#### Membership and Voting Rights

Section 1. Membership. Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership.

Class A. Class A members shall be all Owners with the exception of the Declarant and the Class C member. Class A members shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot which is subject to assessment.

Class B. The Class B member shall be the Declarant and shall be entitled to ten (10) votes for each Lot owned. The Class B membership shall cease and be converted to a Class A membership on the happening of either of the following events, whichever occurs earlier:

- (i) 24 months after the total votes outstanding in Class A membership equal the total votes outstanding in the Class B membership; or
- (ii) September 28, 2016.

In addition, the Declarant may terminate its Class B membership at any time, in its sole discretion, by the recordation of an Amendment terminating its Class B membership.

## ARTICLE IV

### Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner (other than the Class B Member) of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the Lot (including all improvements thereon), and shall be a continuing lien upon the Property against which each such assessment is made. Each such assessment, together with interest, late charges, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

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

Section 3. Basis and Maximum of Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to a Class A member, the annual assessment will be determined by the Declarant.

(a) Declarant and builder shall be exempt from payment of any type of assessment hereunder.

(b) The Board of Directors shall fix the annual assessments in advance of each fiscal year.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Board of Directors may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Common Area, including fixtures and personal property related thereto. Any special assessment may be rescinded by a majority vote of each Class of members in person or by proxy, at a meeting of the members convened within sixty (60) days of notice of the special assessment.

Section 5. Uniform Rate of Assessment. Except as otherwise provided in Section 4 of this Article IV, both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected in advance on a monthly, quarterly, semi-annual or annual basis, as determined by the Board of Directors.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of the Lot to a Class A Member. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer for the Association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association with the status of assessments on the Lots shall be binding on the Association on the date of its issuance.

Section 7. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall be assessed a late fee and shall bear interest from the due date as shall be determined by the Board of Directors. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot (and all improvements

thereon). No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No amendment to this Section shall affect the rights of the holder of any first mortgage on any Lot (or the indebtedness secured thereby); recorded prior to recordation of such amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

Section 9. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein:

- (a) all properties dedicated to and accepted by a local public authority;
- (b) the Common Area.

Section 10. Reserves for Replacements. The Board of Directors shall establish and maintain a reserve fund for replacements of the Common Area and any other improvements for which the Association is responsible, by the allocation and payment monthly to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense of the Association and may be deposited in any banking institution, the accounts of which are insured by an agency of the United States of America or may, 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. The reserve for replacements of the Common Area may be expended only for the purpose of affecting the repair, replacement or improvement of the Common Area, major repairs to any equipment replacement, and for start-up expenses and operating contingencies of a non-recurring nature relating to the Common Area. The Association may establish such other reserves for such other purposes as the Board of Directors may from time to time consider to be necessary or appropriate.

Section 11. Initial Working Fund. The Board of Directors shall levy an assessment at each settlement on the initial sale by Declarant of a Lot, against the Owner of a Lot who is a Class A member at the time of conveyance. Such initial assessment shall be equal to two months of the annual assessment and shall be used for commencing the business of the Association or any other purpose established by the Board of Directors.

## ARTICLE V

### Use Restrictions

In addition to all other covenants contained herein, the use of the Property and each Lot therein is subject to the following:

Section 1. The Lots shall be used for residential purposes exclusively, and no building shall be erected, altered, placed or permitted to remain on any such Lot other than one used as a single-family dwelling, except as permitted by local zoning ordinances.

Section 2. Except as may be permitted by Section I of this Article V, no part of the Property shall ever be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending or other such non-residential purposes, except Declarant and Builder may use the Property for model home sites and display and sales offices during the construction and sales period.

Section 3. No sign or billboard of any kind shall be displayed to the public view on any portion of the Property or any Lot, except for any signage used by Declarant or Builder or any permanent entrance sign for the project, and one (1) sign for each building site, of not more than eighteen inches (18") by twenty-four inches (24"), advertising the Lot for sale or rent and one (1) security system sign per Lot.

Section 4. No noxious or offensive activity shall be carried on upon any Lot or any part of the Property, nor shall anything be done thereupon which may be, or may become, an annoyance or nuisance to the neighborhood, or which shall in any way unreasonably interfere with the quiet enjoyment of each of the Owners of his respective dwelling unit, or which shall in any way increase the rate of insurance.

Section 5. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other out-building shall be used on any Lot at any time as a residence either temporarily or permanently. Garages may not be converted to living space or for any other primary use other than for parking and storage of vehicles. Except for Declarant's or Builder's construction or sales purposes, no trailer, or similar equipment shall be permitted to remain upon the Property.

Section 6. No commercial, industrial or recreational vehicle (including boats) shall be parked on the exterior of any Lot or on the Property without the written consent of the Board of Directors. No motorized vehicle may be used or maintained on the yards or sidewalks of any Lot or Common Area and no unlicensed, dismantled or inoperable vehicles are allowed on the Property. This Section 6 shall not apply to any vehicles used by Declarant or Builder.

Section 7. The Board of Directors shall have the right to tow any vehicle parked or kept in violation of this Declaration

Section 8. The Board of Directors shall have the right to tow any disabled vehicle or other vehicle which is not street-worthy (i.e. no current registration plats or inspection sticker, etc.) which is on any part of the Common Area. The major repair or extraordinary maintenance of automobiles or other vehicles shall not be carried out on any of the lots or Common Areas.

Section 9. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept on the Lot subject to such rules and regulations as may be adopted by the Association and provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animals or fowl may be kept on the Property which result in an annoyance or are obnoxious to residents in the vicinity. Pets must be leashed while on the Property and all pet waste collected and disposed of by the Owner. Owners shall comply with all County animal regulations.

Section 10. All rubbish, trash and garbage shall be regularly removed from the Property, and shall not be allowed to accumulate thereon. Nothing herein shall be deemed to apply to the storage on the Property by Declarant or Builder of building materials during, and for use in, the construction of the improvements on the Property.

Section 11. No outside television antenna, radio antenna, satellite dish, direct broadcast satellite (DDS) dish, or similar structure over one (1) meter in diameter shall be located on the Property unless approval for such antenna or dish and the proposed location of thereof has been first obtained from the Board of Directors. In order to comply with the applicable rules of the Federal Communications Commission (FCC) relating to the installation of an antenna or dish of less than one meter in diameter, the Board of Directors shall act promptly on any request for erection thereof. Any restrictions which the Board of Directors places on the installation of such antenna or dish of less than one meter in diameter shall not (1) unreasonably delay or prevent its installation, maintenance or use, (2) unreasonably increase the cost of its installation, maintenance or use, or (3) preclude reception of an acceptable quality signal.

Section 12. All Owners and occupants shall abide by the by-laws and any rules and regulations adopted by the Association. Rules and regulations shall be adopted and enforced pursuant to the Act. Any Owner, his tenants, guests or other invitees who violates the restrictions of this Declaration or the rules and regulations adopted by the Board of Directors shall be assessed a charge pursuant to Section 55-513 of the Act.

Section 13. Any lease agreement between an Owner and a lessee shall provide that the terms of the lease are subject in all respects to the provisions of this Declaration, the Articles of Incorporation, bylaws and any rules and regulations of the Association, and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All such leases shall be in writing and shall be for an initial term of not less than six (6) months.

Section 14. No Owner, occupant, or any other person shall remove or place any object, equipment, structure or signage on the Common Area without prior written consent of the Board of Directors, except for such items as are specifically allowed or prohibited in this Declaration.

Section 15. None of the foregoing restrictions shall be applicable to the activities of:

(a) Declarant, Builder or their respective officers, employees, agents or assigns, in their development, marketing and sale of Lots or other parcels within the Property; or

(b) To the Association, its officers, employees and agents, in connection with the proper maintenance, repair, replacement and improvement of the areas for which it is responsible.

Section 16. During reasonable daylight hours the Declarant, Builder or member of the Board of Directors, or any other representative of any of them, shall have the right to enter upon and inspect any Lot for the purpose of ascertaining whether or not the provisions of these restrictions have been or are being complied with, and such persons shall not be deemed guilty of trespass by reason of such entry.

Section 17. Housing For Older Persons; Age Restrictions.

For purposes of this Section 17, the following terms shall have the following meanings:

(a) "Age Qualified Resident" shall mean an occupant of a dwelling who is over fifty-five (55) years of age;

(b) "Qualifying Resident" shall mean an occupant of a dwelling who is no less than forty-five (45) years of age.

Occupancy in each independent living unit on each Lot ("Unit"):

(i) Shall be limited to two persons: in 80 percent of the Units, the first occupant shall be at least 55 years of age or older and the second occupant shall be at least 45 years of age or older. In 20 percent of the Units both occupants shall be Qualifying Residents;

(ii) May permit a third person to reside in a Unit if that person is a handicapped family member or providing assistance in Activities of Daily Living and/or medical assistance, provided that the third occupant is no less than 25 years of age; and

(iii) Shall be limited to guests staying overnight no more than 90 calendar days in a calendar year. Overnight guests are not subject to age restrictions.

Each occupant of a dwelling, if requested to do so by the Board, shall furnish the Board with the names and ages of all occupants of the dwelling and such affidavits and other documents as the Board may request to verify the age of such occupants.

The development shall be operated as an age restricted community in compliance with all applicable state and federal laws to the extent required by the Fair Housing Act, 42 U.S.C. Section 3601, et. seq., and the Virginia Fair Housing Law, Virginia Code Section 36-96.7, et. seq., as said laws are amended from time to time (collectively, the "Fair Housing Acts").

Notwithstanding anything to the contrary contained herein, these provisions may be enforced by the Board of Directors by an action in law or in equity, including, without limitation, an injunction requiring specific performance hereunder. The Board may adopt, publish and enforce such policies and procedures and rules and regulations as are deemed necessary by the Board in order to demonstrate an intent to maintain the status of the Property and the homes located thereon as housing for older persons under the Fair Housing Acts. Such policies and procedures may provide for verification of the age of the occupants by reliable surveys and affidavits.

No Owner may permit occupancy of a dwelling in violation of this Article. In any lease or other occupancy agreement, or contract of sale, an Owner shall be responsible (a) for including a statement that the dwellings are intended for the housing of persons 55 years of age or older, as set forth herein, and (b) for disclosing such intent to any prospective tenant, purchaser or other potential occupant of the dwelling. Every lease of a dwelling shall provide that the failure to comply with the requirements and restrictions of this Article shall constitute a default under the lease.

The requirements contained in this Section are intended to comply with the exemption requirements under the Fair Housing Acts and any regulations issued thereunder. Notwithstanding anything contained herein to the contrary, all Owners acknowledge and agree that although it is the intent of the Declarant that the Association is to be operated in compliance with the Fair Housing Acts, which exempt "housing for older persons" from the prohibitions against discrimination because of familial status, no representation or warranty is made that the Association complies or will comply with the Fair Housing Acts, and if for any reason the Association is deemed not in compliance with the Fair Housing Acts and, therefore, not exempt from the prohibitions against discrimination because of familial status, neither the Declarant, Builder nor the Association nor their respective directors, officers, agents or employees shall have any liability in connection therewith. Notwithstanding any other provision of this Declaration to the contrary, the Declarant, so long as the Declarant owns any Lot, and thereafter the Board, may amend the provisions of this Section and/or promulgate rules and regulations to the extent that it deems it necessary or appropriate, without the approval of the Owners, in order to comply with (i) the current Proffers, or any amendment thereto; and (ii) the exemption requirements under the Fair Housing Acts and any regulations promulgated thereunder. Such amendments, rules or regulations by the Declarant or Board may include, without limitation, permitting additional exceptions to the age restrictions hereunder

which are consistent with the Current Proffers (as amended) and with the Fair Housing Acts and any regulations promulgated thereunder.

Upon the conveyance of the final (80<sup>th</sup>) Lot for first-time occupancy, the age restrictions set forth in the Current Proffers shall lapse as a zoning-imposed restriction of the Current Proffers. The age restriction as set forth herein shall remain in full force and effect, and the enforcement of age restrictions shall be the responsibility of the Association.

## ARTICLE VI

### Exterior Maintenance

Section 1. Except as may be otherwise provided in this Declaration, each Owner shall keep each Lot owned by him, and all improvements therein or thereon, in good order and repair and free of debris, including but not limited to the seeding, watering and mowing of all lawns, the pruning and cutting of all shrubbery, and the painting (or other appropriate external care) of all buildings and other improvements, all in a manner and with such frequency as is consistent with good property management.

Section 2. In the event an Owner shall fail to maintain his Lot and the improvements situated thereon, the Association or the Declarant and Builder shall have the right to enter upon said Lot, after reasonable notification of the Owner, to correct drainage and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon. All costs related to such correction, repair or restoration shall become a lien upon such Lot and such lien may be enforced in the same manner as an annual assessment levied in accordance with Section 7, Article IV hereof. Any such lien shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect such lien. However, the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure or any proceeding in lieu thereof, shall extinguish any such lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

## ARTICLE VII

### General Provisions

Section 1. Enforcement. The Association, or any Owner, or any mortgagee of any Lot shall have the right to enforce, by any proceeding at law and/or in equity, all restrictions, conditions, covenants, reservations, liens, charges or other obligations or terms now or hereafter imposed by the provisions of this Declaration, or the Articles of Incorporation or Bylaws of the Association. Failure by the Association or by any Owner or by any mortgagee of any Lot to enforce any covenant or restrictions herein contained or

any provision of the Bylaws or Articles of Incorporation of the Association shall in no event be deemed a waiver of the right to do so thereafter. There shall be and there is hereby created and declared to be a conclusive presumption that any violation or breach or attempted violation or breach of any of the within covenants or restrictions or any provision of the Bylaws or Articles of Incorporation of the Association cannot be adequately remedied by action at law or exclusively by recovery of damages.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3. Duration. Except where permanent easements or other permanent rights or interest are herein created, the covenants and restrictions of the Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of twenty (20) years each.

Section 4. Amendment. Subject to the other limitations set forth in this Declaration, this Declaration may be amended by an instrument approved by not less than seventy-five percent (75%) of the Owners. The amendment instrument shall be recorded among the Land Records for the jurisdiction in which this Declaration is recorded. Unless a later date is specified in any such instrument, any amendment to this Declaration shall become effective on the date of recording; provided, however, that no amendment shall be effective unless it is executed by at least one Class A member, should there be any Class A members.

Notwithstanding anything to the contrary herein contained, the Declarant reserves the right to amend this Declaration without the consent of any Owners, or any other persons claiming an interest in the Property or the Association if such amendment is necessary to (i) bring this Declaration into compliance with any rule, regulation or requirement of the Federal Housing Administration, The Federal National Mortgage Association, The Federal Home Loan Mortgage Corporation, or the County; (ii) make non-material or corrective changes; or (iii) reflect the relocation of boundary lines between the Common Area and any Lots or among any Lots, provided however that an approved resubdivision of the affected property is properly recorded.

Section 5. Annexation. Additional lots or property in the vicinity of the Property may be annexed to the Property by the Declarant without the consent of the Class A members of the Association.

Any annexations made pursuant to this Section, or otherwise, shall be made (a) by recording a Supplementary Declaration among the land records of the County, which Supplementary Declaration shall extend the scheme of this Declaration to such annexed property or by the recordation of a deed of dedication or deed of subdivision for such additional property or any portion thereof which shall by its terms subject such additional property to the operation of the provision of this Declaration. Such annexations need not

be made by the Declarant; provided, however, that any such annexation accomplished by persons other than the Declarant during the Development Period (as said term is defined in Article VIII, Section 2) shall have the consent of the Declarant.

Section 6. Consents by Lenders. Any other provision of this Declaration or the Bylaws or Articles of Incorporation of the Association to the contrary notwithstanding, neither the Owners, the Board of Directors nor the Association shall, by act or omission, take any of the following actions without the prior written consent and approval of not less than two-thirds (2/3) in number of the holders of the first mortgages of record on the Lots:

(a) abandon, partition, alienate, release, hypothecate, dedicate, subdivide, encumber, sell or transfer any of the Common Areas or its facilities directly or indirectly owned by the Association; provided, however, that the granting of rights-of-way, boundary line adjustments, easements and the like for public utilities or for other purposes consistent with the use of the Common Areas and its facilities by the members of the Association shall not be considered a transfer within the meaning of this Section 6; or

(b) abandon or terminate this Declaration; or

(c) modify or amend any substantive provision of this Declaration, or of the Bylaws or of the Articles of Incorporation of the Association; or

(d) merge or consolidate the Association with any other entity or sell, lease, exchange or otherwise transfer all or substantially all of the assets of the Association to any other entity or

(e) substantially modify the method of determining and collecting assessments against an Owner or his Lot as provided in the Declaration; or

(f) waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearances of buildings or structures on the Lots, the exterior maintenance of buildings or structures on the Lots, the maintenance of the Common Area; or

(g) fail to maintain fire and extended coverage on insurable Common Area on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost); or

(h) use hazard insurance proceeds for losses to any Common Area for other than the repair, replacement or reconstruction of such Common Area.

Section 7. Additional Rights of Mortgagees - Notice. The Association shall promptly notify the holder of the first mortgage on any Lot for which any assessment levied pursuant to the Declaration, or any installment thereof, becomes delinquent for a period in excess of thirty (30) days and the Association shall promptly notify the holder of the first mortgage on any Lot with respect to which any default in any other provision of this Declaration remains uncured for a period in excess of thirty (30) days following the date of

such default. Any failure to give any such notice shall not affect the validity or priority of any first mortgage on any Lot and the protection extended in this Declaration to the holder of any such mortgage shall not be altered, modified or diminished by reason of such failure.

No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to this Declaration except after ten (10) days' written notice to the holder of the first mortgage on the Lot which is the subject matter of such suit or proceeding.

Any first mortgagees of any Lot may pay any taxes, utility charges or other charges levied against Common Area which are in default and which may or have become a charge or lien against Common Area and any such first mortgagees may pay any overdue premiums on any hazard insurance policy or secure new hazard insurance coverage on the Common Area. Any first mortgagee who advances any such payment shall be due immediately reimbursement of the amount so advanced from the Association.

Section 8. Mortgage Notification and Presumptive Approval. Notwithstanding the foregoing, all notices and rights of Mortgagees shall pertain only to those Mortgagees who are listed with the Association. Each Owner must notify the Association of his Mortgagee's name and address. If any notice is given or consent requested pursuant to Section 6 and 7 above and the Mortgagee does not respond within thirty (30) days of such notice, then such Mortgagee shall be deemed to have approved such notice or consent.

Section 9. Casualty Losses. In the event of substantial damage or destruction to the Common Area, the Board of Directors of the Association shall give prompt written notice of such damage or destruction to the holders of all first mortgages of record on the Lots which are listed with the Association. No provision of the Declaration, Articles of Incorporation or Bylaws of the Association shall entitle any Member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such member of any insurance proceeds paid or payable on account of any damage or destruction of the Common Area.

Section 10. Condemnation or Eminent Domain. In the event any part of the Common Area is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Association shall give prompt written notices of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the Lots which are listed with the Association. No provision of this Declaration, Articles of Incorporation or the Bylaws of the Association shall entitle any Member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such member of the proceeds of any condemnation or settlement relating to a taking of the Common Area.

## ARTICLE VIII

### Easements, Etc.

#### Section 1. Development Easements.

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

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

(c) Utility Easements. The Declarant hereby creates, and there is hereby reserved to the Declarant, its successors and assigns and its designees, a blanket easement upon, across, over, and under all of the Property, to create perpetual easements, rights and privileges of ingress and egress to install, maintain, repair, replace

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

(d) Specific Development Easement Areas. The Declarant hereby reserves to itself, its successors and assigns and its designees the right to grant and reserve easements, rights-of-way and licenses over and through the Common Area, any land conveyed to a Participating Builder, or over and through any Lot within ten feet of any boundary line for the installation and upkeep of the equipment for providing to any portion of the Property or any other adjacent land, any utilities, including, without limitation, water, sewer, drainage, gas, electricity, telephone, television, telecommunications or other similar services, whether public or private, or for any other purpose necessary or desirable for the orderly development of the Property.

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

(f) Drainage and Erosion Control. Declarant reserves a perpetual easement, right and privilege to enter upon any Lot or Common Area, and the Association is granted a perpetual easement, right and privilege to enter upon any Lot, either before or after a structure has been constructed thereon or during such construction, for the purpose of taking such drainage and erosion control measures as Declarant or the Association deems necessary to prevent or correct waterflow and soil erosion or siltation; provided, however, that Declarant or the Association shall not exercise such right unless it has given the Owner of the Lot or the Association (as to the Common Area) at least ten (10) days prior notice thereof and the Owner or the Association, as the case may be, has failed to take appropriate action to correct or prevent the erosion or siltation problem (the notice

provision shall not be required in the case of emergency situations). The cost incurred by the Association in undertaking such drainage and erosion control measures on any Lot shall, if reasonably attributable to a Lot Owner, become a Services Assessment upon the Lot and shall constitute a lien against the Lot and shall be collectible in the manner provided herein for the payment of Assessments. This Section shall not apply to Lots owned by Declarant.

(g) Storm Water Management Easement. The Declarant hereby reserves to itself and its successors and assigns an easement and the right to grant and reserve easements over and through the Property for the construction and upkeep of storm water management facilities.

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

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

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

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

(iv) Locating, relocating, constructing, maintaining, protecting and otherwise controlling all project signage located on the Common Area or any other portion of the Property and controlling signage installed by Owners for other purposes. The Association through the Covenants Committee shall have the right to exercise architectural control over all signage.

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

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

(i) Further Assurances. Any and all conveyances made by the Declarant to the Association or any Owner shall be conclusively deemed to incorporate these reservations of rights and easements, whether or not set forth in such grants. Upon written request of the Declarant, the Association and each Owner shall from time to time sign, acknowledge and deliver to the Declarant such further assurances of these reservations of rights and easements as may be requested. If a designee requests recordation of a separate document evidencing such easement rights that are consistent with this Declaration, then the Declarant or the Association, as applicable, may sign and record such an easement instrument, without the consent, approval or joinder of any Owner or Mortgagee.

(j) Duration and Assignment of Rights. The Declarant may assign its rights, in part or in whole, under this Section to, or share such rights with, one or more other persons or entities, exclusively, simultaneously or consecutively. The Declarant shall notify the Association of any such assignment or designation by the Declarant. The rights and easements reserved by or granted to the Declarant pursuant to this Section shall continue until the end of the Development Period, unless specifically stated otherwise.

(k) Duration and Assignment of Rights.

Section 2. Duration and Assignment of Rights. The Declarant may assign its rights, in part or in whole, under this Section to, or share such rights with, one or more other persons or entities, exclusively, simultaneously or consecutively. The Declarant shall notify the Association of any such assignment or designation by the Declarant. The rights and easements reserved by or granted to the Declarant pursuant to this Section shall continue until the end of the Development Period, unless specifically stated otherwise.

Section 3. Association Power to Make Dedications and Grant Easements. The Declarant, on behalf of itself and its successors and assigns, hereby also grants to the Association the rights, powers and easements reserved to the Declarant above. These rights, powers and easements may be exercised by the Association; provided, however, that the limitations on duration applicable to the Declarant shall not apply to the Association. However, the Association shall not exercise any such easement rights to the detriment of Declarant's rights reserved hereunder. If the Declarant or any Owner requests the Association to exercise its powers under this Section, the Association's cooperation shall not be unreasonably withheld, conditioned or delayed.

Section 4. Easement for Upkeep.

(a) Association Access. The Declarant, on behalf of itself and its successors and assigns, hereby grants the right of access over and through any portion of the Property (excluding any areas occupied by a Structure or any other similar improvement) to the Association, the managing agent and any other Persons authorized by the Board of Directors in the exercise and discharge of their respective powers and responsibilities, including without limitation to make inspections, correct any condition originating in a Lot or in the Common Area threatening another Lot or the Common Area,

correct drainage, perform installations or upkeep of utilities, landscaping or other improvements located on the Property for which the Association is responsible. The agents of the Association may also enter any portion of the Property (excluding any Dwelling Unit) in order to utilize or provide for the upkeep of the areas subject to easements granted in this Article to the Association. Each Owner shall be liable to the Association for the cost of all upkeep performed by the Association and rendered necessary by any act, neglect, carelessness or failure to comply with this Declaration for which such Owner is responsible, and the costs incurred by the Association shall be assessed against such Owner's Lot.

(b) Declarant Access. Until the expiration of any applicable warranty period and the release of all of Declarant's development bonds, the Declarant hereby reserves to itself and its successors and assigns a right of access over and through any portion of the Property not within an improvement to perform warranty-related work within the Common Area or the Lots. The Declarant may assign its rights under this Subsection to, or share such rights with, one or more other persons or entities, exclusively, simultaneously or consecutively.

#### Section 5. Limitations on Exercise of Rights and Easements.

(a) These easements are subject to all other easements and encumbrances of record (including those created by this Declaration).

(b) The Declarant, the Association or any Owner, as appropriate, when exercising the rights and easements granted by this Article, shall: (i) give reasonable prior notice to all affected Owners, unless an emergency exists which precludes such notice; (ii) minimize any economic or aesthetic injury to the affected Lots or the Common Area; (iii) not unreasonably interfere with the affected Owners' use, access, enjoyment and benefit from such Owners' Lots or the Common Area; and (iv) repair any damage to the Property. Further, notwithstanding the easement rights established by the previous sections of this Article, neither the Declarant nor the Association shall exercise any such rights within the interior of a Dwelling Unit on a Lot without the prior written consent of the Owner, which consent shall not be unreasonably withheld, conditioned or delayed.

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

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

(e) Nothing within this Article shall authorize the installation or maintenance of any equipment or facility, public or private, on any Lot unless prior approval

has been obtained from the Declarant during the Development Period, which approval may be withheld in the Declarant's sole discretion.

Section 6. Crossover Easement. If the Owner (including the Declarant or any Builder) of any Lot must, in order to make responsible repairs or improvements to a building on his Lot, enter or cross any area owned or to be owned by the Association, or a Lot of another Owner, such Owner shall have an easement to do so, provided that said Owner shall use the most direct, feasible route in entering and crossing over such an area and shall restore the surface so entered or crossed to its original condition, at the expense of said Owner, and further provided that such easement shall not exist on the land of any other Lot Owner if the purpose for the entrance or crossing is one requiring approval of the Board of Directors, unless such approval has been given.

Section 7. Easement and Right of Law Enforcement Officials, Etc. An easement and right of entry through and upon the Property is hereby granted to animal control, law enforcement officers, rescue squad personnel, fire fighting, and other emergency personnel of Prince William County, and to vehicles operated by said personnel while in the pursuit of their duties. Said emergency personnel shall also have the right of enforcement of cleared emergency vehicle access on the roadways and driveways on the Property.

Section 8. Encroachment Easement. Each Lot within the Property is hereby declared to have an easement, not exceeding two feet (2') in width, over all adjoining Lots and the Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, roof overhangs, gutters, architectural or other appendages, draining or rain water from roofs, or any other similar cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment, settlement or shifting; provided, however, that in no event shall a valid easement for encroachment occur due to the willful misconduct of said Owner or Owners. In the event a structure or any Lot is partially or totally destroyed and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

Section 9. Common Driveways Easement. The Declarant does hereby confirm that in the First Amendment, recorded in Instrument Number 20070321-0021422, the Declarant granted unto the Association, and created and established therein, easements for ingress and egress over and across portions of Lots 1 through 80, in the areas as more particularly bounded and described as the ingress/egress and utility easements on Sheet 3 of the Subdivision Plat, subject to conditions more particularly set forth in the First Amendment, which conditions are also set forth below:

(a) "Common Driveway" shall mean and refer to the area of the Private Street Easements on each Lot, as shown on the Subdivision Plat. "Affected Lots" shall mean and refer to Lots served by each Common Driveway.

(b) The Common Driveways shall be used for the purposes of ingress and egress to the garages on Affected Lots, and for construction and maintenance of utilities.

(c) No act shall be performed by the owner of any Affected Lot, or by such owner's tenants, guests, agents or invitees, which would in any matter affect or jeopardize the free and continuous use and enjoyment of any other owner of an Affected Lot in and to the Common Driveway, or to an Affected Lot.

(d) There shall be no parking within the Common Driveways at anytime except for delivery and/or emergency vehicles, unless the Association, through its Board of Directors, agrees upon other parking limitations or permissions. The Association shall have the right to enforce all covenants contained herein, including the right to enforce parking restrictions within the area of the Common Driveways.

(e) The Association shall be responsible for the maintenance, repair and replacement of the Common Driveways, including snow removal. Provided, however, if a Common Driveway is damaged through the act of any owner, or such owner's guests, tenants, agents or invitees, then the Association shall rebuild and repair any such damage at the sole cost of such owner, without cost to the other owners of the Affected Lots, and without cost to the Association. The Association may recover such costs in any manner permitted by law or at equity, including the right to add such costs as an assessment against such owner and said owner's Lot.

## ARTICLE IX

### Architectural Control

Section 10. Building Restrictions. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alternation therein be made (including change in color) until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors. The Board of Directors may appoint a committee of Owners to perform the review duties described in this Declaration.

Section 11. Review Process. The Board of Directors shall regulate the external design, appearance and locations of the Property and improvements thereon in such a manner so as to preserve and enhance values and to maintain harmonious relationship among structures and the natural vegetation and topography. In furtherance thereof, the Board of Directors shall:

(a) Review and approve, modify or disapprove, within forty-five (45) days, all written applications of Owners for improvements or additions to Lots or for modifications and changes to the improvements to the Lots. All applications not acted upon within forty-five (45) days shall be deemed approved;

(b) Periodically inspect the Property for compliance with architectural standards and approved plans for alteration;

(c) Adopt procedures for the exercise of its duties; and

(d) Maintain complete and accurate records of all actions taken.

Section 12. Declarant and Builder Exempt. Notwithstanding any provision of this Declaration to the contrary, the provisions of this Article IX shall not be applicable to the Declarant, Builder or any part of the Property owned by the Declarant or Builder.

## ARTICLE X

### Dissolution of Association

The Owners of Lots shall not dissolve or disband the Association, nor shall the Association dispose of any Common Area by sale, or otherwise, to any entity other than a non-profit organization conceived and organized to own and maintain the Common Area, without first offering to dedicate the same to the jurisdiction in which the Property is located, or such other appropriate governmental agency. The Association may dissolve itself according to the provisions of the Articles of Incorporation of the Association.

## ARTICLE XI

### Proffers, Additional Covenants and Disclosures

Section 13. Withdrawable Real Estate. The Declarant shall have the unilateral right, without the consent of the Class A Member or any Mortgagee, to execute and record an amendment to the Declaration, withdrawing any portion of the Property on which a house has not been constructed.

Section 14. Proffers. The Proffers are expressly incorporated into this Declaration and made a part hereof. To the extent the Proffers have not been fully satisfied at the time of recordation of this Declaration, then the Declarant and Builder, as applicable, shall assume all the obligations, responsibilities and duties set forth in the Proffers. To the extent the Proffers have not been fully satisfied at the time the Class B membership is extinguished in accordance with Article III, Section 2, then the Association shall assume all the obligations, responsibilities and duties set forth in the Proffers.

Section 15. Captions and Gender. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all gender and the singular shall include the plural.

Section 16. Applicable Law. Unless contrary to the express terms and conditions of this Declaration (in which case the terms and conditions of this Declaration shall control), the Act shall govern the Association.

## ARTICLE XII

### Party Walls and Party Fences

The rights and duties of the Owners of Lots with respect to party walls and party fences shall be governed by the following:

Section 17. General Rules of Law to Apply. Each wall which is constructed as a part of the original construction on the Property and any part of which is placed on the dividing line between separate Lots, shall constitute a party wall, and with respect to such wall, each of the adjoining Owners shall assume the burdens and be subject to an easement for that portion of a party wall on his Lot, and be entitled to the benefits of these restrictive covenants and, to the extent not inconsistent herewith, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions, shall apply thereto.

Section 18. Sharing of Repair and Maintenance and Destruction by Fire or Other Casualty. If any such party wall is damaged or destroyed by fire or other casualty or by some cause other than the act of one of the adjoining Owners, his agents, or family (including ordinary wear and tear and deterioration from lapse of time) then, in such event, both such adjoining Owners shall proceed forthwith to rebuild or repair the same to as good condition as formerly, at equal expense.

Section 19. Repairs Necessitated by Act of One Owner. If any such party wall is damaged or destroyed through the act of one adjoining Owner or any of his agents or guests or members of his family (whether or not such act is negligent or otherwise culpable) so as to deprive the other adjoining Owner of the full use and enjoyment of such wall, then the first of such Owners shall forthwith proceed to rebuild and repair the same to as good condition as formerly, without cost to the adjoining Owner.

Section 20. Other Changes. In addition to meeting the other requirements of these restrictive covenants, and of any building code or similar regulations or ordinances, any Owner proposing to modify, make additions to or rebuild his residence in any manner which requires the extension or other alteration of any party wall shall first obtain the written consent of the adjoining Owner.

Section 21. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article XII shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 22. Party Fences. The provisions of this Article shall also apply to any fence, other barrier or shared improvement between Lots, which is installed by the Declarant and to any replacement thereof authorized by the Board of Directors. Otherwise the upkeep of any fence, barrier or improvement shall be the responsibility of the Owner who has had it installed.

Section 23. Dispute. In the event of a dispute between Owners with respect to the repair or rebuilding of a party wall or fence or with respect to the sharing of the cost thereof, then, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to its Board of Directors, who shall decide the dispute, and the decision of such Board of Directors shall be final and conclusive upon the parties.

IN WITNESS WHEREOF, the undersigned have executed this instrument as follows:

***[SIGNATURES APPEAR ON THE FOLLOWING PAGES]***

U. S HOME CORPORATION

By: \_\_\_\_\_ (SEAL)

Name: MARK D. STEMEN

Title: VP

STATE OF VIRGINIA

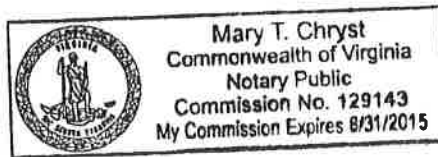
COUNTY OF Fairfax

, to wit:

The foregoing instrument was acknowledged before me this 3<sup>RD</sup> day of October, 2011, by Mark D. Stemen, Vice President of U. S. Home Corporation.

Mary T. Chryst (seal)  
Notary Public

My commission expires: 8/31/15.



HERITAGE HIGHLANDS HOMEOWNERS  
ASSOCIATION, INC.

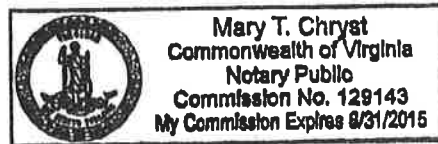
By: [Signature] (SEAL)  
Name: Thomas V. Vittitow  
Title: HOA President

STATE OF VIRGINIA  
COUNTY OF Fairfax, to wit:

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of September, 2011, by Thomas Vittitow, President of HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.

[Signature] (seal)  
Notary Public

My commission expires: 8/31/15.



**FIRST AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (the "First Amendment") is made as of this 9 day of March, 2007 by **U. S. HOME CORPORATION**, a Delaware corporation, Grantor, and **HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.**, (the "Association"), Grantee.

WHEREAS, U. S. Home Corporation is the owner of certain property located in the Town of Lovettsville, Loudoun County, Virginia, known as Lots 1 through 80, Lovettsville Retirement Village (the "Lots"), as said Lots are duly dedicated, created and platted in a Deed of Dedication, Subdivision, Easements, Reservation and Conveyance recorded as Instrument Number 20050805-0087347 (the "Subdivision Deed"), with the subdivision plat attached thereto (the "Subdivision Plat"); and

WHEREAS, the Lots are subjected to a certain Declaration of Covenants, Conditions and Restrictions recorded in Instrument Number 20050805-0087349 (the "Declaration"); and

WHEREAS, U. S. Home Corporation recorded a Deed of Confirmation in Instrument Number 20060928-0082996, confirming its ownership of the Lots, and confirming that the Lots are fully subject to the Declaration; and

WHEREAS, Declarant desires to delete the provision of the Declaration regarding maintenance of Lots by the Association, as there is no intent to have the Association maintain any portion of any Lot; and

WHEREAS, certain access easements were created in the Subdivision Deed, as shown on Sheet 3 of the Subdivision Plat attached thereto, described therein as ingress/egress and utility easements of varying width (said easements are collectively referred to herein as the "Private Street Easements"); and

WHEREAS, U. S. Home Corporation, as the Declarant pursuant to the Declaration, and as the owner of all of the Lots, desires to amend the Declaration, as set forth herein, and desires to grant certain easements and rights to the Association, over the area of the Private Street Easements.

NOW THEREFORE, U. S. Home Corporation, as the Declarant under the Declaration, hereby declares that the Declaration is amended as follows:

1. Article VI, Section 3 of the Declaration is hereby deleted in its entirety.



20070321-0021422  
Loudoun County, VA Pgs: 2  
03/21/2007 11:52:45AM  
Gary M. Clemens, Clerk

AIN 370-19-1361; 370-19-5365

Prepared by (Return to: Walsh Counsel

2. This First Amendment is executed by U. S. Home Corporation, as the owner of all of the Lots, and is executed in compliance with Article VII, Section 4 of the Declaration, pertaining to Amendments.

3. U. S. Home Corporation, as the owner of Lots 1 through 80, does hereby grant unto the Association, and create and establish herein, easements for ingress and egress over and across portions of Lots 1 through 80, in the areas as more particularly bounded and described as the ingress/egress and utility easements on Sheet 3 of the Subdivision Plat, subject to the following conditions:

(a) "Common Driveway" shall mean and refer to the area of the Private Street Easements on each Lot, as shown on the Subdivision Plat. "Affected Lots" shall mean and refer to Lots served by each Common Driveway.

(b) The Common Driveways shall be used for the purposes of ingress and egress to the garages on Affected Lots, and for construction and maintenance of utilities.

(c) No act shall be performed by the owner of any Affected Lot, or by such owner's tenants, guests, agents or invitees, which would in any matter affect or jeopardize the free and continuous use and enjoyment of any other owner of an Affected Lot in and to the Common Driveway, or to an Affected Lot.

(d) There shall be no parking within the Common Driveways at anytime except for delivery and/or emergency vehicles, unless the Association, through its Board of Directors, agrees upon other parking limitations or permissions. The Association shall have the right to enforce all covenants contained herein, including the right to enforce parking restrictions within the area of the Common Driveways.

(e) The Association shall be responsible for the maintenance, repair and replacement of the Common Driveways, including snow removal. Provided, however, if a Common Driveway is damaged through the act of any owner, or such owner's guests, tenants, agents or invitees, then the Association shall rebuild and repair any such damage at the sole cost of such owner, without cost to the other owners of the Affected Lots, and without cost to the Association. The Association may recover such costs in any manner permitted by law or at equity, including the right to add such costs as an assessment against such owner and said owner's Lot.

***[SIGNATURE PAGE FOLLOWS]***

U. S. HOME CORPORATION

By: Philip F. Barber  
Name: Philip F. Barber  
Title: Division President


STATE OF VIRGINIA :  
COUNTY/CITY OF FAIRFAX :

The foregoing instrument was acknowledged before me this 9 day of MARCH, 2007 by PHILIP F. BARBER, DIVISION PRESIDENT of U. S. Home Corporation.

[Signature]  
Notary Public

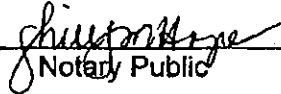
My commission expires: My Commission Expires February 28, 2010

**HERITAGE HIGHLANDS  
HOMEOWNERS ASSOCIATION, INC.**

By:   
Name: MICHAEL D. GEORGE  
Title: VICE PRESIDENT, HERITAGE HIGHLANDS  
HOMEOWNERS ASSOCIATION, INC.

STATE OF Virginia :  
COUNTY/CITY OF Fairfax :

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of March, 2007 by Michael George, Vice President of Heritage Highlands Homeowners Association, Inc.

  
Notary Public

My commission expires: July 30, 2010

**SECOND AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (the "Second Amendment") is made as of this 20<sup>th</sup> day of July, 2007 by **U. S. HOME CORPORATION**, a Delaware corporation, Grantor, and **HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.**, (the "Association"), Grantee.

North American Title Company  
4590 Walney Road, Suite 201  
Chantilly, Virginia 20151

WHEREAS, U. S. Home Corporation is the owner of certain property located in the Town of Lovettsville, Loudoun County, Virginia, known as Lots 1 through 80, Lovettsville Retirement Village (the "Lots"), as said Lots are duly dedicated, created and platted in a Deed of Dedication, Subdivision, Easements, Reservation and Conveyance recorded as Instrument Number 20050805-0087347 (the "Subdivision Deed"), with the subdivision plat attached thereto (the "Subdivision Plat"); and

WHEREAS, the Lots are subjected to a certain Declaration of Covenants, Conditions and Restrictions recorded in Instrument Number 20050805-0087349, as amended by First Amendment recorded in Instrument Number 20070321-0021422 (the "Declaration"); and

WHEREAS, U. S. Home Corporation recorded a Deed of Confirmation in Instrument Number 20060928-0082996, confirming its ownership of the Lots, and confirming that the Lots are fully subject to the Declaration; and

WHEREAS, U. S. Home Corporation, as the Declarant pursuant to the Declaration, and as the owner of all of the Lots, desires to amend the Declaration, as set forth herein.


NOW THEREFORE, U. S. Home Corporation, as the Declarant under the Declaration, hereby declares that the Declaration is amended as follows:

1. Article V, Section 17 is hereby deleted, and the following is inserted as a replacement Section 17:

Section 17. HOUSING FOR OLDER PERSONS; AGE RESTRICTIONS.

For purposes of this Section 17, the following terms shall have the following meanings:

(a) "Age Qualified Resident" shall mean an occupant of a dwelling who is over fifty-five (55) years of age;

  
20070724-0054865  
Loudoun County, VA Pas: 6  
07/24/2007 1:47:24PM  
Gary M. Clements, Clerk

(b) "Qualifying Resident" shall mean an occupant of a dwelling who is no less than forty-five (45) years of age.

All dwellings are intended to constitute housing for occupancy of each dwelling by at least one person who is an "Age Qualified Resident". The development shall be operated as an age restricted community in compliance with all applicable state and federal laws to the extent required by the Fair Housing Act, 42 U.S.C. Section 3601, et. seq., and the Virginia Fair Housing Law, Virginia Code Section 36-96.7, et. seq., as said laws are amended from time to time (collectively, the "Fair Housing Acts").

Each dwelling, if occupied, shall be occupied by no more than two people, with at least one individual who is an Age Qualified Resident. The only other occupant may be a Qualifying Resident, as defined above, who may occupy a dwelling with an Age Qualified Resident, without Board of Director approval.

Nothing contained in this Section shall be deemed to prohibit the visitation by persons not otherwise permitted to occupy a dwelling who are the family members or guests of the occupant of a dwelling, provided that such visitation shall not be for more than thirty (30) days in a calendar year.

Notwithstanding anything to the contrary contained herein, a dwelling may be occupied by any person necessary to provide a reasonable accommodation to a handicapped Age Qualified Resident or Qualifying Resident, or is a handicapped dependent of an Age Qualified Resident or Qualifying Resident, to the extent required by the provisions of the Fair Housing Acts.

Each occupant of a dwelling, if requested to do so by the Board, shall furnish the Board with the names and ages of all occupants of the dwelling and such affidavits and other documents as the Board may request to verify the age of such occupants.

Notwithstanding anything to the contrary contained herein, these provisions may be enforced by the Board of Directors by an action in law or in equity, including, without limitation, an injunction requiring specific performance hereunder. The Board may adopt, publish and enforce such policies and procedures and rules and regulations as are deemed necessary by the Board in order to demonstrate an intent to maintain the status of the Property and the homes located thereon as housing for older persons under the Fair Housing Acts. Such policies and procedures may provide for verification of the age of the occupants by reliable surveys and affidavits.

No Owner may permit occupancy of a dwelling in violation of this Article. In any lease or other occupancy agreement, or contract of sale, an Owner shall be responsible (a) for including a statement that the dwellings are intended for the housing of persons 55 years of age or older, as set forth herein, and (b) for disclosing such intent to any prospective tenant, purchaser or other potential occupant of the dwelling. Every lease of a dwelling shall provide that the failure to comply with the requirements and restrictions of this Article shall constitute a default under the lease.

The requirements contained in this Section are intended to comply with the exemption requirements under the Fair Housing Acts and any regulations issued thereunder. Notwithstanding anything contained herein to the contrary, all Owners acknowledge and agree that although it is the intent of the Declarant that the Association is to be operated in compliance with the Fair Housing Acts, which exempt "housing for older persons" from the prohibitions against discrimination because of familial status, no representation or warranty is made that the Association complies or will comply with the Fair Housing Acts, and if for any reason the Association is deemed not in compliance with the Fair Housing Acts and, therefore, not exempt from the prohibitions against discrimination because of familial status, neither the Declarant, Builder nor the Association nor their respective directors, officers, agents or employees shall have any liability in connection therewith. Notwithstanding any other provision of this Declaration to the contrary, the Declarant, so long as the Declarant owns any Lot, and thereafter the Board, may amend the provisions of this Section and/or promulgate rules and regulations to the extent that it deems it necessary or appropriate, without the approval of the Owners, in order to comply with the exemption requirements under the Fair Housing Acts and any regulations promulgated thereunder. Such amendments, rules or regulations by the Declarant or Board may include, without limitation, permitting additional exceptions to the age restrictions hereunder which are consistent with the Fair Housing Acts and any regulations promulgated thereunder.

2. Article XII is hereby added to the Declaration, as follows:

ARTICLE XII- Party Walls and Party Fences

The rights and duties of the Owners of Lots with respect to party walls and party fences shall be governed by the following:

12.01 General Rules of Law to Apply. Each wall which is constructed as a part of the original construction on the Property and any part of which is placed on the dividing line between separate Lots, shall constitute a party wall, and with respect to such wall, each of the adjoining Owners shall assume the burdens and be subject to an easement for that portion of a party wall on his Lot,

and be entitled to the benefits of these restrictive covenants and, to the extent not inconsistent herewith, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions, shall apply thereto.

12.02 Sharing of Repair and Maintenance and Destruction by Fire or Other Casualty. If any such party wall is damaged or destroyed by fire or other casualty or by some cause other than the act of one of the adjoining Owners, his agents, or family (including ordinary wear and tear and deterioration from lapse of time) then, in such event, both such adjoining Owners shall proceed forthwith to rebuild or repair the same to as good condition as formerly, at equal expense.

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

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

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

12.06 Party Fences. The provisions of this Article shall also apply to any fence, other barrier or shared improvement between Lots, which is installed by the Declarant and to any replacement thereof authorized by the Board of Directors. Otherwise the upkeep of any fence, barrier or improvement shall be the responsibility of the Owner who has had it installed.

12.07 Dispute. In the event of a dispute between Owners with respect to the repair or rebuilding of a party wall or fence or with respect to the sharing of the cost thereof, then, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to its Board of Directors, who shall decide

the dispute, and the decision of such Board of Directors shall be final and conclusive upon the parties.

3. Notwithstanding anything to the contrary contained in the Declaration, as amended herein, the Declarant is permitted to own or lease a Lot and to use said Lot for its marketing and sale activities.

4. This Second Amendment is executed by U. S. Home Corporation, as the owner of all of the Lots, and is executed in compliance with Article VII, Section 4 of the Declaration, pertaining to Amendments.

***[SIGNATURE PAGE FOLLOWS]***

U. S. HOME CORPORATION

By: Philip F. Barber  
Name: Philip F. Barber  
Title: Division President

STATE OF Virginia :  
COUNTY/CITY OF Fairfax :

The foregoing instrument was acknowledged before me this 20th day of July, 2007 by Philip F. Barber, Division President of U. S. Home Corporation.

Phillip Fontaine  
Notary Public ID# 7041618

My commission expires: July 30, 2010





COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

SCC888N  
(04/06)

ARTICLES OF AMENDMENT

**CHANGING THE NAME OF A VIRGINIA NONSTOCK CORPORATION  
By Unanimous Consent of the Members or by the Directors Without Member Action**

The undersigned, pursuant to § 13.1-888 of the Code of Virginia, executes these articles and states as follows:

1. The current name of the corporation is The Villa's At Lovettsville Homeowners Association, Inc..
2. The name of the corporation is changed to Heritage Highlands Homeowners Association, Inc..
3. The foregoing amendment was adopted on \_\_\_\_\_ (mark appropriate box):  
(date)

By the unanimous consent of the members with voting rights.

OR

By a vote of at least two-thirds of the directors in office. Member action on the amendment was not required because (mark appropriate box):

There are no members;

or

There are no members with voting rights.

Executed in the name of the corporation by:

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(date)

\_\_\_\_\_  
(printed name)

\_\_\_\_\_  
(corporate title)

\_\_\_\_\_  
(corporation's SCC ID no.)

\_\_\_\_\_  
(telephone number (optional))

*(The execution must be by the chairman or any vice-chairman of the board of directors, the president, or any other of its officers authorized to act on behalf of the corporation.)*



20110504-0028030

Loudoun County, VA      Pgs 6  
05/04/2011 3:13:45PM  
Gary N. Clemens, Clerk

### THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (the "Third Amendment") is made as of this 29<sup>th</sup> day of APRIL, 2011 by **U. S. HOME CORPORATION**, a Delaware corporation, Grantor.

WHEREAS, U. S. Home Corporation subdivided certain property located in the Town of Lovettsville, Loudoun County, Virginia, known as Lots 1 through 80, Lovettsville Retirement Village (the "Lots"), as said Lots are duly dedicated, created and platted in a Deed of Dedication, Subdivision, Easements, Reservation and Conveyance recorded as Instrument Number 20050805-0087347 (the "Subdivision Deed"), with the subdivision plat attached thereto (the "Subdivision Plat"); and

WHEREAS, the Lots are subjected to a certain Declaration of Covenants, Conditions and Restrictions recorded in Instrument Number 20050805-0087349, as amended by First Amendment recorded in Instrument Number 20070321-0021422 and by Second Amendment recorded in Instrument Number 20070724-0054865 (the "Declaration"); and

WHEREAS, U. S. Home Corporation recorded a Deed of Confirmation in Instrument Number 20060928-0082996 (the "Deed of Confirmation"), confirming its ownership of the Lots, and subjecting the Lots to the Declaration; and

WHEREAS, U. S. Home Corporation, as the Declarant pursuant to the Declaration, and as the owner of 60 of the Lots, desires to amend portions of the Declaration, as set forth herein; and

WHEREAS, as stated in the recitals set forth in the Deed of Confirmation, the Lots were not subjected to the Declaration by the record owner of the Lots, but the Lots were later annexed into the Declaration, based upon the recording of the Deed of Confirmation; and

WHEREAS, by subjecting the Lots to the Declaration by and through the Deed of Confirmation, pursuant to the annexation provisions in Article 3, Section 2 of the Declaration, Class B membership was deemed to have been extended for an additional ten (10) years from the date of such recordation of the Deed of Confirmation; and

WHEREAS, the Deed of Confirmation was recorded on September 28, 2006, such that the effect of the recordation of the Deed of Confirmation would be to extend Class B membership through and until September 28, 2016; and

WHEREAS, it is the desire of U.S. Home Corporation to amend the Declaration, to amend and to clarify Class B membership rights, both pursuant to (i) its authority to amend the Declaration as owner of 75% of the Lots, and (ii) the consequences of annexing the Lots through the Deed of Confirmation; and

WHEREAS, the Lots have been subject to Proffers approved by the Town of Lovettsville, dated August 30, 2001, as amended by a Letter of Clarification dated April 24, 2003 (the "Prior Proffers"); and

WHEREAS, the Town of Lovettsville has approved a new set of Proffers for the Lots, pursuant to Rezoning Application LVRZ 2010-0002, which has been approved by the Lovettsville Town Council as of April 28, 2011 (the "Current Proffers"); and

WHEREAS, Article V, Section 17 of the Declaration contains provisions regarding housing for older persons and age restrictions, as more particularly set forth therein, which were intended to comply with the provisions of the Prior Proffers; and

WHEREAS, it is necessary to amend the Declaration in order to bring the Declaration into compliance with the Current Proffers, as more particularly required pursuant to Article VII, Section 4 of the Declaration.

WHEREAS, the Association referenced herein is Heritage Highlands Homeowners Association, Inc., formerly known as the Villa's at Lovettsville Homeowners Association, Inc., having changed its name to Heritage Highlands Homeowners Association, Inc. by virtue of an Articles of Amendment accepted by the State Corporation Commission as of February 23, 2007.

NOW THEREFORE, U. S. Home Corporation, in its capacity as the Declarant under the Declaration, and as an owner of 75% of Lots, hereby declares that the Declaration is amended as follows:

1. Article III, Section 2 is hereby deleted, and the following is inserted as a replacement for Section 2:

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership.

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lots shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant and the Builder (if any) and each shall be entitled to ten (10) votes for each Lot owned by them. The Class B membership shall cease and be converted to a Class A membership on the happening of any of the following events, whichever occurs later:

(i) 24 months after the total votes outstanding in the Class A memberships equal the total votes outstanding in the Class B membership; or

(ii) September 28, 2016.

In addition, the Declarant may terminate its Class B membership at any time, in its sole discretion, by the recordation of an Amendment terminating its Class B membership.

2. Article V, Section 17 is hereby deleted, and the following is inserted as a replacement Section 17:

Section 17. HOUSING FOR OLDER PERSONS; AGE RESTRICTIONS

For purposes of this Section 17, the following terms shall have the following meanings:

(a) "Age Qualified Resident" shall mean an occupant of a dwelling who is over fifty-five (55) years of age;

(b) "Qualifying Resident" shall mean an occupant of a dwelling who is no less than forty-five (45) years of age.

Eighty percent (80%) of the dwellings must be occupied by at least one person who is an Age Qualified Resident. A second occupant is permitted, but such second occupant must be a Qualifying Resident. In the remaining 20% of the dwellings, the two occupants may be Qualifying Residents. There may not be more than two occupants, except as follows: A person who is younger than 45 years of age may reside in a dwelling if that person is (i) a handicapped family member or (ii) providing assistance in "Activities of Daily Living" and/or medical assistance. Such occupant must be at least 25 years of age.

Nothing contained in this Section shall be deemed to prohibit the visitation by persons not otherwise permitted to occupy a dwelling who are the family members or guests of the occupant of a dwelling, provided that such visitation shall not be for more than ninety (90) days in a calendar year.

Each occupant of a dwelling, if requested to do so by the Board, shall furnish the Board with the names and ages of all occupants of the dwelling and such affidavits and other documents as the Board may request to verify the age of such occupants.

The development shall be operated as an age restricted community in compliance with all applicable state and federal laws to the extent required by the Fair Housing Act, 42 U.S.C. Section 3601, et. seq., and the Virginia Fair

Housing Law, Virginia Code Section 36-96.7, et. seq., as said laws are amended from time to time (collectively, the "Fair Housing Acts").

Notwithstanding anything to the contrary contained herein, these provisions may be enforced by the Board of Directors by an action in law or in equity, including, without limitation, an injunction requiring specific performance hereunder. The Board may adopt, publish and enforce such policies and procedures and rules and regulations as are deemed necessary by the Board in order to demonstrate an intent to maintain the status of the Property and the homes located thereon as housing for older persons under the Fair Housing Acts. Such policies and procedures may provide for verification of the age of the occupants by reliable surveys and affidavits.

No Owner may permit occupancy of a dwelling in violation of this Article. In any lease or other occupancy agreement, or contract of sale, an Owner shall be responsible (a) for including a statement that the dwellings are intended for the housing of persons 55 years of age or older, as set forth herein, and (b) for disclosing such intent to any prospective tenant, purchaser or other potential occupant of the dwelling. Every lease of a dwelling shall provide that the failure to comply with the requirements and restrictions of this Article shall constitute a default under the lease.

The requirements contained in this Section are intended to comply with the exemption requirements under the Fair Housing Acts and any regulations issued thereunder. Notwithstanding anything contained herein to the contrary, all Owners acknowledge and agree that although it is the intent of the Declarant that the Association is to be operated in compliance with the Fair Housing Acts, which exempt "housing for older persons" from the prohibitions against discrimination because of familial status, no representation or warranty is made that the Association complies or will comply with the Fair Housing Acts, and if for any reason the Association is deemed not in compliance with the Fair Housing Acts and, therefore, not exempt from the prohibitions against discrimination because of familial status, neither the Declarant, Builder nor the Association nor their respective directors, officers, agents or employees shall have any liability in connection therewith. Notwithstanding any other provision of this Declaration to the contrary, the Declarant, so long as the Declarant owns any Lot, and thereafter the Board, may amend the provisions of this Section and/or promulgate rules and regulations to the extent that it deems it necessary or appropriate, without the approval of the Owners, in order to comply with (i) the Current Proffers, or any amendment thereto; and (ii) the exemption requirements under the Fair Housing Acts and any regulations promulgated thereunder. Such amendments, rules or regulations by the Declarant or Board may include, without limitation, permitting additional exceptions to the age restrictions hereunder which are consistent with the Current Proffers (as amended) and with the Fair Housing Acts and any regulations promulgated thereunder.

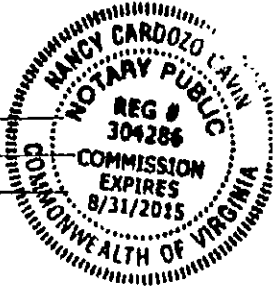
3. Upon the conveyance of the final (80<sup>th</sup>) Lot for first-time occupancy, the age restrictions set forth in the Current Proffers shall lapse as a zoning-imposed restriction of the Current Proffers. The age restriction as set forth herein shall remain in full force and effect, and the enforcement of age restrictions shall be the responsibility of the Association.

4. This Third Amendment is executed by U. S. Home Corporation, as the Declarant, and owner of 75% of the Lots, in compliance with Article VII, Section 4 of the Declaration, pertaining to Amendments.

***[SIGNATURE PAGE FOLLOWS]***

U. S. HOME CORPORATION

By: [Signature]  
Name: MARK D. STEMEN  
Title: VICE PRESIDENT



STATE OF Virginia :  
COUNTY/CITY OF Fairfax :

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of April, 2011 by MARK D. STEMEN, VICE PRESIDENT of U. S. Home Corporation.

[Signature]  
Notary Public

My commission expires: August 31, 2015



**Associa®**

## Select Community Services

May 2, 2023

Heritage Highlands Homeowners:

Please find attached a resolution that has been approved by the current Board of Directors allowing for up to seven (7) Board members to be elected at the upcoming special meeting.

Please let us know if you have any questions.

Select Community Services

P.O. Box 221350 Chantilly, Virginia 20153-0821 Telephone 703.631.2003 Fax 703.631.5380

Email [askus@scs-management.com](mailto:askus@scs-management.com) Web [www.scs-management.com](http://www.scs-management.com)

Associa® | The nation's leader in community association management | [www.associaonline.com](http://www.associaonline.com) | 800.808.4882

AAMC  
ACCREDITED ASSOCIATION  
MANAGEMENT COMPANY

HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.  
UNANIMOUS WRITTEN CONSENT  
IN LIEU OF ORGANIZATIONAL MEETING  
OF THE BOARD OF DIRECTORS

This Written Consent in Lieu of the Organizational Meeting for the Board of Directors of Heritage Highlands Homeowners Association, Inc. (the "Association"), a nonstock corporation formed pursuant to the Virginia Nonstock Corporation Act, Chapter 10 of Title 13.1 of the Code of Virginia (1950), as amended ("Act"), is made effective as of the date set forth below. The undersigned, being all of the Directors of the Association do hereby: (i) waive all notice of the Organizational Meeting for the Board of Directors pursuant to the laws of the Commonwealth of Virginia; (ii) authorize the conduct of the meeting by written consent; and (iii) consent to the actions of the Directors contained herein, pursuant to Section 13.1-865 of the Act.

1. Adoption of Administrative Resolution No. 23-01.

WHEREAS, Article VII, Section 1(c) of the Bylaws of Heritage Highlands Homeowners Association ("Bylaws") provides the Board of Directors ("Board") of Heritage Highlands Homeowners Association ("Association") with the power to adopt and publish rules and regulations and all the powers, duties and authority not reserved to the membership in the Association's Declaration, Bylaws or Articles of Incorporation; and

WHEREAS, the Board of Directors wishes to adopt Administrative Resolution No. 23-01 regarding the number of the Board of Directors.

THEREFORE, BE IT

RESOLVED, that the Administrative Resolution No. 23-01 attached hereto is hereby adopted by the Board of Directors.

There being no further business to be taken by the undersigned Directors, the Directors of the Association make this consent effective as of the date set forth below and shall deliver this consent to the Association at its principal place of business and direct that it be filed in the appropriate records of the Association.

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

Effective Date: May 1, 2023

Directors:

DocuSigned by:

*Sheryl Garrett*

30F3C1FPE12C4D

Sheryl Garrett, Director

DocuSigned by:

*Mark Angelus*

F9BC417AD20F40A

Mark Angelus, Director

DocuSigned by:

*Moe Jaymand*

F26480147C5041B

Moe Jaymand, Director

**HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.**

**ADMINISTRATIVE RESOLUTION NO. 23-01**

**Regarding the Number of the Board of Directors**

WHEREAS, Article VII, Section 1(c) of the Bylaws of the Heritage Highlands Homeowners Association, Inc. ("Association") authorizes the Association's Board of Directors ("Board") to exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

WHEREAS, Article IV, Section 1 of the Bylaws provides that after Class B membership terminates, the Board of Directors shall consist of at least three (3) members and no more than seven (7) members, who shall be elected by the voting Members of the Association; and

WHEREAS, Section 13.1-855(C) of the Virginia Non-Stock Corporation Act provides that if a variable range for the size of the board of directors is established by the articles of incorporation or bylaws, the number of directors may be fixed or changed from time to time, within the minimum and maximum, by members or the board of directors; and

WHEREAS, the current size of the Board of Directors is fixed at three (3) directors;

WHEREAS, Class B membership terminated in accordance with Article III, Section 2 of the Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions, recorded on June 15, 2017

WHEREAS, considering the high level of interest to serve on the Board of Directors, the Board wishes to increase the number of directors to seven (7) directors as being within the variable size established by the Bylaws and as permitted by Section 13.1-855(C) of the Non-Stock Corporation Act.

WHEREAS, Article VI, Section 2 of the Bylaws provides for staggering the terms of directors;

WHEREAS, in accordance with the Association's Bylaws, and as permitted by Section 13.1-678 of the Virginia Non-Stock Corporation Act, to preserve the staggered terms, the total number of directors shall be divided into three groups, with each group containing one-third or the total;

NOW, THEREFORE, BE IT RESOLVED that the number of Directors shall be seven (7), which number may be increased or reduced by members of the Board so long as it remains within the variable size established by the Bylaws.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the terms of directors shall be staggered at 3-2-2, with the candidates receiving the highest number of votes at the annual meeting serving the longer terms;

**HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.**

**ADMINISTRATIVE RESOLUTION NO. 23-01**

Duly adopted by the Board of Directors of Heritage Highlands Homeowners Association, Inc. May 2, 2023, by [check applicable]:

- majority vote at a Board meeting, or
- unanimous written consent through an action without a meeting.

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_.

VOTE:

YES	NO	ABSTAIN	ABSENT
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<u>Sheryl Garrett</u> , Director	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Mark Angelus</u> , Director	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Moe Jaymand</u> , Director	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ATTEST:

\_\_\_\_\_  
Secretary 5/2/23  
Date

Resolution effective upon adoption.

CERTIFICATE OF MAILING

I hereby certify that on the 2<sup>nd</sup> day of May, 2023, a copy of the above-referenced Policy was mailed (by first-class U.S. mail) to all Owners as reflected in the Association's books and records (or emailed to those Owners who have consented to receiving Association notices by email).

  
\_\_\_\_\_  
Managing Agent

**HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.**

**ADMINISTRATIVE RESOLUTION NO. 1**

**PROCEDURES RELATIVE TO ASSESSMENTS**

relating to collection of routine and delinquent payments

**WHEREAS**, Article VII, Section 1 (c) of the Bylaws states that “The Board of Directors shall exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;” and

**WHEREAS** Article IV of the Declaration creates an assessment obligation for owners; and

**WHEREAS**, Article IV, Section 7 of the Declaration establishes certain provisions for the payment and collection of assessments; and

**WHEREAS** there is a need to establish orderly procedures for the billing and collection of said assessments;

**NOW THEREFORE, BE IT RESOLVED** that the following assessment procedures be adopted:

**I. ROUTINE COLLECTIONS**

A. All monthly installments of the annual assessments shall be due and payable in advance on the first day of the applicable month ("Due Date").

B. All documents, correspondence, and notices relating to the charges shall be mailed to the address which appears on the books of the Association or as modified in writing by a Unit Owner.

C. Nonreceipt of an invoice shall in no way relieve a Unit Owner of the obligation to pay the amount due by the Due Date.

**II. REMEDIES FOR NON-PAYMENT OF ASSESSMENT**

A. **Late fees.** If payment is not received by the Managing Agent by the thirtieth (30th) day of each month (or the first working day thereafter if such day is a Saturday, Sunday or legal holiday) the account shall be deemed late and a late fee of twenty-five dollars (\$25.00) per dwelling unit shall automatically be added to the account and thereafter be a part of the continuing lien for assessments as provided for in Article IV, Section 1 of the Declaration until all sums due, including such late charge, shall have been paid in full. A "Late Notice"

substantially in the form of Exhibit A to this Administrative Resolution shall be sent to Owners who have not paid their assessments in full by the thirtieth (30th) day of the month.

**B. Late Notice.** A late notice may be sent by the Association to Owners who have not paid assessments in full within thirty (30) days after the applicable due date. Non-receipt of such notice does not relieve the Owner of their obligation to pay the assessment or the resulting interest, attorneys' fees or other applicable charges. Additional late notices or reminder notices may be sent to a delinquent Owner, at the Board's discretion, prior to referral of an account for collection.

Notwithstanding anything to the contrary in this Policy, once an account has been forwarded to the Association's legal counsel for collection, no further late notices or other delinquency notices (other than those related to suspension of privileges) will be sent to the Owner until the account is closed with legal counsel

**C. Acceleration.** If a Lot Owner fails to pay an assessment installment by the sixtieth day after the due date, then the Board, by this Resolution and without the need for specific case-by-case direction from the Board, hereby authorizes the Association's management agent and/or legal counsel, as the case may be, to automatically accelerate the remaining balance of the annual or special assessment for the entire fiscal year, making that entire remaining balance immediately due and payable in full upon written notice mailed to the Lot Owner. Counsel will so notify Owner with a copy of the lien, and the Managing Agent may notify the Mortgagee, if known. Counsel may also file a civil suit against the Unit Owner on the basis of the personal obligation to pay the assessments. The cost of filing both the lien and the civil suit will be added to the account, plus accrued late fees, interest chargeable by law on the unpaid assessment, and all other costs incurred by the collection process as allowed by Article IV of the Declaration.

**D. Costs and Attorneys' Fees.** If an Owner's account is turned over to the Association's legal counsel, all costs and reasonable attorneys' fees actually incurred by the Association from the inception of counsel's involvement with the account through resolution, if any, regardless of whether litigation has been initiated to enforce payment of the delinquent assessments, are automatically added to the delinquent account without the need for a case-by-case vote by the Board, subject to any limitations under applicable law. These costs may include, for example, management administrative fees and mailing costs for delinquency notices, reasonable attorneys' fees, the cost of filing a lien or civil suit, other court costs, and any other collection-related costs.

**E. Interest.** If nonpayment of an Assessment by any Owner continues for a period in excess of thirty (30) days from the due date, the Association shall be entitled to collect interest, at the maximum annual rate permitted by law accrued from the due date until the balance owed, including all Assessments, costs, attorneys' fees, and accrued interest, is paid in full. The failure of the Association to post interest charges on an account does not waive the Association's right to later charge, demand and collect interest in accordance with this provision, the Declaration. or applicable law.

**F. Referral of Account for Collection.** If the amount of an Owner's account is delinquent in an amount equal to three (3) Assessment installments, or any other charge remains delinquent for more than ninety (90) days after its due date, then the Owner's delinquent account shall be forwarded to the Association's legal counsel (or other collection agent designated by the Board) for collection, subject to any Board guidance regarding the minimum account balance to forward.

Once a delinquent Owner's account is forwarded to the Association's legal counsel for collection, all payments and other account-related communications from that Owner or must be directed to the Association's legal counsel unless otherwise advised in writing by such legal counsel. Payments submitted to the Association's legal counsel are to be made payable to the Association.

**G. Lien/Civil Suit.** As provided under the Declaration and the Act, when an Assessment or other charge is assessed against a property, that Assessment or other charge is deemed to be lien against the Owner's property, and the Association may, at least thirty (30) days after notice of legal action is sent, record a Memorandum of Lien in the county's land records. After the Owner's account is forwarded to legal counsel for collection, legal counsel is authorized to record Memoranda of Lien against the Lot. The lien may include, for example, applicable past due Assessments and other charges (including accelerated installments), plus late fees, attorney's fees, court costs, and other collection costs. If an account remains delinquent after being sent an initial demand letter or being notified of a lien filing, the Association's legal counsel is authorized to file a civil suit against the Owner for the unpaid balance, including a claim for late fees, interest, costs, and attorneys' fees.

**H. Further Legal Action.** If an account remains delinquent after the initiation of legal action (for example, after filing of a lien or civil suit), the Association's legal counsel is authorized to take other appropriate action to collect the amounts due, except as provided in Paragraph J below or unless directed otherwise by the Board. When deemed prudent or necessary, the Association's legal counsel may also file a proof of claim in pending bankruptcy cases and conduct skip tracing and asset searches. Once a judgment is entered against an Owner, further legal actions may include, for example, garnishment of wages, rent, or bank accounts and the attachment of vehicles or other assets.

**I. Foreclosure.** If an assessment or judgment lien against the Owner's Lot remains unpaid, the Board may authorize the Association's legal counsel to institute foreclosure proceedings against the Owner's Lot within such time period as may be authorized by the Act or other applicable law.

**J. Returned Checks.** If the Association receives from any Owner, in any accounting year, two or more returned checks for payment of assessments, the Board may require all future payments to be made by certified check or cashier's check or money order for the remainder of the fiscal year. A reasonable charge will be made for any returned checks, which amount shall be established by the Board of Directors and may be changed by the Board from time to time.

**K. Waivers/Payment Plans.** The Board may grant a waiver of any provision herein upon petition in writing by an Owner alleging a personal hardship. Such relief granted an Owner shall be appropriately documented in the Association files. Such documentation shall include, without limitation, the basis for taking such action. Generally, late charge waivers will not be considered for owners who have not mailed their assessment in sufficient time to have been received by the due date.

The Board hereby authorizes the Managing Agent to waive the imposition of late fees on payments received by the Managing Agent after the thirtieth (30th) day of the month, if the delinquent Unit Owner has owned the Unit for less than three (3) months at the time of the delinquency and, in the judgment of the Managing Agent, the delinquency was the result of a misunderstanding of the correct procedures relating to payment of the assessment. Such a waiver may be granted only once to any delinquent Unit Owner.

The Board may designate the Association managing agent, president or any other officer of the Association, or the Association's legal counsel as having the authority to accept settlement offers or payment plans on behalf of the Association between Board meetings, subject to any Board-established guidelines. If a payment plan request is granted for delinquent amounts, then a condition of that payment plan may include, among other things, that the delinquent amounts be secured by a recorded Memorandum of Lien and/or by a Promissory Note; in addition, any previously-imposed suspension of privileges or use rights remain suspended unless specifically indicated to the contrary in the written notice to the Owner informing them of the payment plan acceptance. The Board may reject any offer of partial payment and demand payment in full of all amounts owed to the Association. Acceptance of any payment plan or grant of any waiver shall be on a case-by-case basis, if at all, and in no way shall constitute a waiver of the Board's authority to enforce payment of all amounts owed.

**L. Method of Crediting Payments.** After an account becomes delinquent, payments received on an Owner's account will be credited to the account in the following order of priority, from the oldest to the newest amount in each category:

- i. Charges for the actual costs and reasonable attorneys' fees incurred by the Association subsequent to the delinquent account being turned over to legal counsel to enforce payment of the debt, regardless of the results of litigation or whether litigation has been initiated against the delinquent Owner;
- ii. All returned check charges;
- iii. Interest;
- iv. Unpaid installments of the annual assessments or special assessments, which are not the subject matter of suit in the order of their coming due; and

Unpaid installments of the annual assessments or special assessments which are the subject matter of suit in the order of their coming due

- M. Application/ Nonwaiver/Election of Remedies** All Unit Owners, who are delinquent, shall be subject to the provisions of this Resolution and to the provisions of Article IV of the Declaration with respect to nonpayment of assessments. Any right or remedy available to the Association may be exercised from time to time and as often as may be deemed expedient by the Association. No delay or omission by the Association in exercising any right or remedy will serve to impair any such right or remedy or be construed to be a waiver of any delinquency nor shall the Association's exercise of any remedy constitute an election of remedies that precludes later exercise of any other remedy.

**EXHIBIT "A"**  
**TO ADMINISTRATIVE RESOLUTION NO. 1**

**LATE NOTICE**

Account Number: \_\_\_\_\_ Past Due: \_\_\_\_\_  
Address: \_\_\_\_\_ Late Fee: \_\_\_\_\_  
Balance Due: \_\_\_\_\_  
Pay to: Heritage Highlands Homeowners Association

NAME:  
ADDRESS:  
QUESTIONS?  
CALL SCS: (703) 631-2003

**REMINDER NOTICE**

ACCOUNT #: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION

Balance Due: █

Past Due:  
Late Fee:  
THIS BILL REFLECTS PAYMENTS  
THROUGH \_\_\_\_\_

C/o Select Community Services  
P.O. Box 221350  
Chantilly, VA 20153

**Payment Due the First Day of the Month**  
**Return this Portion with Check**

# HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.

## RESOLUTION ACTION RECORD

Resolution Type: Policy No.: 1  
 Pertaining to: Assessment Collection Policies and Procedures

Duly adopted by the Board of Directors on May 29, 2024, by [check applicable]:

- majority vote at a Board meeting, or
- by unanimous written consent through an action without a meeting.

Motion by: Sheryl Garrett Seconded by: Mark Shepherd

DIRECTOR: (printed name)	VOTE:			
	YES	NO	ABSTAIN	ABSENT
<u>Christopher K McHenry</u> <u>Chris McHenry</u>	✓			
<u>MARK GIACUCCI</u> <u>Mark Giacucci</u>	✓			
<u>Candace Doby</u> <u>Candace H Doby</u>	✓			
<u>Sheryl Garrett</u> <u>Sheryl Garrett</u>	✓			
<u>Thomas C. Budnar</u> <u>Thomas C. Budnar</u>	✓			
<u>Mark Shepherd</u> <u>Mark Shepherd</u>	✓			
<u>STUART STAHL</u> <u>Stuart Stahl</u>	✓			

ATTEST:

\_\_\_\_\_  
 Secretary Date May 29, 2024

Policy's Effective Date: May 29, 2024

### CERTIFICATE OF PUBLICATION

I hereby certify that on the 3<sup>rd</sup> day of June, 2024, a copy of the above-referenced Policy was published or distributed throughout the development consistent with the Association's general practices and procedures.

Anastasia Demos  
 Anastasia Demos, Managing Agent

**EXHIBIT "A"**  
**TO ADMINISTRATIVE RESOLUTION NO. 1**

**LATE NOTICE**

Account Number: \_\_\_\_\_ Past Due: \_\_\_\_\_

Address: \_\_\_\_\_

Late Fee: \_\_\_\_\_

Balance Due: \_\_\_\_\_

Pay to: Heritage Highlands Homeowners Association

NAME:

ADDRESS:

QUESTIONS?

CALL CMC: (703) 63 1-7200

**REMINDER NOTICE**

ACCOUNT #: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION

Balance Due: **█**

Past Due:

Late Fee:

THIS BILL REFLECTS PAYMENTS

THROUGH \_\_\_\_\_

C/O Community Management Corporation

12701 Fair Lakes Circle, Suite 400

P.O. Box 10821

Chantilly, Virginia 20153-0821

**Payment Due the First Day of the Month**

**Return this Portion with Check**

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

EXHIBIT "B" TO ADMINISTRATIVE RESOLUTION NO. 1  
NOTICE OF INTENT TO ACCELERATE INSTALLMENTS AND FILE LIEN

RE: HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION

Date: \_\_\_\_\_

To: \_\_\_\_\_

TOTAL AMOUNT DUE:  
DELINQUENT ASSESSMENTS:  
TOTAL DELINQUENT ASSESSMENTS  
LATE FEES AND OTHER CHARGES:  
    Late Fees \$  
    Certified Mail/Admin. Charges \$  
    TOTAL LATE FEES AND OTHER CHARGES \$

TOTAL AMOUNT DUE \$

Prompt payment of assessments is essential to the financial health of the Association and the protection of all the Unit Owners. We hope that you will promptly pay the amount now due.

If payment in full is not received by the Managing Agent within thirty (30) days after the date of this Notice, the remaining installments of your annual assessment shall be declared due and payable immediately and a Memorandum of Lien for \$ shall be filed against your unit, pursuant to Administrative Resolution No. 1, or suit may be filed by the Association to recover outstanding balance plus court costs and attorney fees.

If a PRIOR judgment exists against you for assessments, you will need to contact the association attorney, \_\_\_\_\_, to determine costs, interest and attorney fees that may be owed by you. The attorneys may be reached at \_\_\_\_\_. Any judgments already recorded will have costs, interest and attorney fees that will have to be paid through the attorney's office before the judgment may be released.

We sincerely hope your prompt payment will eliminate the necessity of taking this action.

Sincerely,

Delinquency Coordinator

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

**EXHIBIT "C" TO ADMINISTRATIVE RESOLUTION NO. 1  
HERITAGE HIGHLANDS HOMEOWNERS ASSOCIATION**

**NOTICE OF ACCELERATION OF INSTALLMENTS AND FILING OF LIENS**

Date:	AMOUNT DUE: \$
To:	Assessment: \$
	Late Fees: \$
	Certified/Admin. Charges: \$
Re:	TOTAL \$
	Accelerated Assessments: \$
	TOTAL DUE: \$

You have previously received two notices of the delinquent status of your account. The installments on your assessments **HAVE NOW BEEN ACCELERATED**, and a memorandum of lien will be filed in the Circuit Court Clerk's Office of Loudoun County, if full payment is not made within thirty (30) days. Your account will be referred to an attorney who shall be directed to record the lien and file suit for the accelerated assessments.

If a **PRIOR** judgment exists against you for assessments, you will need to contact the association attorney, \_\_\_\_\_, to determine costs, interest and attorney fees that may be owed by you. The attorney's may be reached at \_\_\_\_\_. Any judgments already recorded will have costs, interest and attorney fees that will have to be paid through the attorney's office before the judgment may be released.

Sincerely,

Delinquency Coordinator