

Type of Instrument:
2016 AMENDED AND RESTATED

COMMUNITY COVENANT

FOR

WILLOWSFORD

Name of Grantors (For Indexing Purposes):
LOUDOUN CONSERVANCY, L.L.C. and WILLOWSFORD OPERATIONS, L.L.C.

Name of Grantee (For Indexing Purposes):
WILLOWSFORD CONSERVANCY

**AMENDING, RESTATING, REPLACING, AND SUPERCEDING IN ITS ENTIRETY THE
AMENDED AND RESTATED COMMUNITY COVENANT FOR WILLOWSFORD
RECORDED AS INSTRUMENT NO. 20151130-0078869 IN THE OFFICE OF THE CLERK OF THE
CIRCUIT COURT OF
LOUDOUN COUNTY, VIRGINIA, AS AMENDED AND SUPPLEMENTED**

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**2016 AMENDED AND RESTATED
COMMUNITY COVENANT
FOR
WILLOWSFORD**

This 2016 Amended and Restated Community Covenant is made by Loudoun Conservancy, L.L.C., a Virginia limited liability company ("Founder"), with the consent of Willowsford Operations, L.L.C., a Virginia limited liability company (the "Consenting Owner").

The Founder is the current developer of the planned community located in Loudoun County, Virginia, known as Willowsford (as later defined) which includes the real property subjected to that certain Community Covenant for Willowsford, recorded in the Office of the Clerk of the Circuit Court of Loudoun County, Virginia, on March 24, 2011, as Instrument No. 20110324-0019086 (as later amended and supplemented), as well as that certain Amended and Restated Community Covenant for Willowsford recorded in the Office of the Clerk of the Circuit Court of Loudoun County, Virginia, on November 30, 2015, as Instrument No. 20151130-0078869 (as amended and supplemented, the "**A&R Community Covenant**").

Pursuant to Section 4.3(a) of the A&R Community Covenant, the Founder may unilaterally amend the A&R Community Covenant during the Founder Appointment Period, as described in the By-Laws of Willowsford Conservancy, a Virginia nonstock corporation (the "**Conservancy**"). As of the date of this 2016 Amended and Restated Community Covenant for Willowsford (as may be amended and supplemented from time to time, the "**Community Covenant**"), the "**Founder Appointment Period**," as defined in the By-Laws, has not expired or otherwise been terminated.

The Founder desires to amend, restate, and replace the A&R Community Covenant in its entirety.

NOW, THEREFORE, pursuant to authority granted by the A&R Community Covenant, the Founder hereby amends, restates, and replaces the A&R Community Covenant by substituting the following therefore:

PREAMBLE

Willowsford is a planned community located in Loudoun County, Virginia. The initial founder, Willowsford, L.L.C., intended for Willowsford to be a special place that people invest themselves in and become a part of -- a true "community" where people not only live and play, but put down roots and build relationships and get involved in a way that creates a better quality of life for themselves, their neighbors, and the community at large. The Founder believes that purchasing or leasing property in Willowsford represents a commitment to this vision and a commitment to participate in making Willowsford that special place.

Truly great communities have a physical identity and a pride of place; the community's stakeholders have a positive feeling of belonging and of accomplishment in its activities. But words alone can never make community, and a community is only as good as the people who live there make it. This Community Covenant creates a vehicle and a

process through which each person who lives in Willowsford can contribute to making Willowsford the kind of community that people are proud to be a part of. It establishes an administrative and funding structure, administered by the Conservancy, a nonprofit organization, with the mission and authority to initiate programs, activities, and services to facilitate and enhance community life in Willowsford while responding to individual and collective creativity and interests, and to own, operate, and maintain real property and facilities which serve the members and patrons of the Willowsford community, and the greater community.

COVENANT FOR COMMUNITY

This Community Covenant is intended to benefit the Conservancy and the residents of the planned community described in the Community Charter for Willowsford recorded as Instrument Number 20110324-0019087 in the Office of the Clerk of the Circuit Court of Loudoun County, Virginia (as amended and supplemented from time to time, the "**Charter**"), as well as residents, property owners, and others outside the boundaries of such planned community. This Community Covenant is intended to:

- establish a relationship between the Conservancy and Willowsford Homeowners Association, Inc. ("**Association**");
- administer, maintain, and operate open space, trails, agricultural lands, and other amenity areas within or otherwise serving Willowsford;
- provide a framework for conducting activities and programs to involve and enhance the lifestyle of the residents of Willowsford and the surrounding community; and
- provide a mechanism for funding the Conservancy's operations, programs, services, and activities.

The Founder and the Consenting Owner, as signatories to this Community Covenant, covenant on behalf of themselves and all future owners of the property described on Exhibit A attached hereto and any additional property hereafter submitted to this Community Covenant ("**Willowsford**") to support the mission and efforts of the Conservancy as provided in this Community Covenant. This Community Covenant shall run with the title of all property in Willowsford and shall be binding upon and benefit each owner of any portion of the property, their respective heirs, successors, successors-in-title, and assigns, and any other person or entity that now or hereafter has any legal, equitable, or beneficial interest in any portion of such property. This Community Covenant shall also be binding upon the Conservancy, its successors and assigns.

Chapter 1

Conservancy Mission and Organization

The Founder has established the Conservancy as a vehicle to help create "community" in Willowsford. However, the Conservancy is intended to be merely a facilitator to provide opportunities for interaction and involvement by the residents of Willowsford. It cannot be effective without the participation and support of Willowsford's stakeholders.

1.1. Mission

The mission of the Conservancy is to protect, maintain, and promote the viable, long-term use of the land, integrating farming, recreation, conservation, and education to enhance the quality of life for the residents of Willowsford and the greater community.

1.2. Organization

The Conservancy is a nonstock organization with one or more members having such privileges, rights and obligations as are or may be from time to time set forth in this Community Covenant, the Conservancy's Articles of Incorporation (as amended, the "**Articles**"), and the Conservancy's By-Laws (as amended, the "**By-Laws**"). It is organized to serve the common good and general welfare of Willowsford and the greater community and as such may qualify for tax-exempt status as a civic league under Section 501(c)(4) of the Internal Revenue Code ("**IRC**"). If its board of trustees ("**Conservancy Board**") at any time determines that it is not feasible for, or in the best interest of, the Conservancy to be organized as an IRC 501(c)(4) organization, or if tax-exempt status is not granted or is revoked, the Conservancy may be organized or reorganized, as applicable, as another type of organization, which may or may not have tax-exempt status.

The Conservancy is not, and is not intended to be, a mandatory membership homeowners associa-

tion or other owners association for Willowsford or any other planned community.

1.3. Administration; Governing Documents

The Conservancy is administered by the Conservancy Board, selected in accordance with its Articles and By-Laws. This Community Covenant, the Articles and the By-Laws are sometimes referred to as the "**Governing Documents.**" If there are conflicts between any of the Governing Documents and applicable Virginia law, the applicable Virginia law shall control. If there are any conflicts between or among any of the Governing Documents, the Articles, this Community Covenant, and the By-Laws (in that order) shall control.

1.4. Powers

The Articles and By-Laws grant to the Conservancy such express and implied powers as may reasonably be necessary to create and provide activities, services, and programs for the common good and general welfare of Willowsford and the greater community. The Conservancy shall act consistent with its Governing Documents, and Virginia law to achieve its mission as set forth in Section 1.1.

The Conservancy may create for-profit and non-profit entities that may or may not be tax-exempt organizations and delegate such duties and functions to those organizations as its Conservancy Board deems appropriate.

The Conservancy may engage in activities that benefit Persons other than owners and residents of Willowsford. The Conservancy shall not engage in lobbying efforts or litigation relating to zoning matters, governmental compliance and permitting issues, or matters relating to the development of or construction within Willowsford, or other matters which would be prohibited in engaging in under

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Section 501(c)(4) of the IRC. (The term "**Person**," as used in this Community Covenant shall refer to an individual, a corporation, a partnership, a limited liability company, or any other legal entity.)

Chapter 2

Conservancy Activities and Funding

The Founder intends for the Conservancy to be a catalyst for a wide variety of programs, services and activities to appeal to the diverse interests of those who live in Willowsford. To be effective, the Conservancy must have a reliable source of funding as well as options for developing additional funding to expand its programs and services.

2.1. Conservancy Role

The Conservancy shall facilitate, through organization, funding, and/or administering, such activities, services, and programs as the Conservancy Board determines necessary, desirable, and appropriate to advance the Conservancy's mission, which may include, but need not be limited to, the following:

- the preservation and maintenance of open space, agricultural lands, or similar conservation areas;
- programs and activities that contribute to the overall understanding, appreciation, and preservation of the lifestyle and environment of Willowsford and the greater community
- teaching, modeling, and sharing ideas about ecological literacy, historical literacy, social literacy, and other tools for critical thinking, to cultivate engaged citizens and community members;
- charter clubs and other volunteer organizations and activities;
- social and recreational programs (*e.g.*, camps, competitions, festivals, and similar events);
- environmental and agricultural programs (*e.g.*, community-wide recycling, tree planting, gardening, conservation);
- activities designed to promote community standards through education, communication, and grass roots efforts;
- public relations activities to publicize the Conservancy's programs and activities;
- cultural and artistic programs;
- health and wellness programs;
- computer Internet or intranet sites; and
- other services, activities, and programs for the benefit of the residents of Willowsford and the greater community.

The Association shall cooperate with the Conservancy with respect to the Conservancy's role in the Willowsford community by, among other things, permitting use of Association personnel, equipment, facilities, and building space for, and otherwise facilitating or not interfering with, Conservancy functions or operations.

2.2. Ownership, Maintenance, and Operation of Property

The Conservancy may own, lease, acquire easements rights in, and/or otherwise assume maintenance and operational responsibility for open space, trails, agricultural lands and structures, and other real property providing general benefit to Willowsford ("**Conservancy Property**"). The Conservancy shall maintain the Conservancy Property in compliance with the "**Willowsford Standard**," which shall be the standard of use, conduct, or aesthetics generally prevailing in Willowsford. The Founder initial-

Conservancy Activities and Funding

ly shall identify the Conservancy Property and shall establish the Willowsford Standard, which may evolve as development progresses and as Willowsford matures.

The Conservancy may enact reasonable rules and regulations governing access, use, and enjoyment of the Conservancy Property and all owners and occupants of Units within Willowsford and the Association shall comply with such rules and regulations. In addition, the Founder, the Consenting Owners, or the Conservancy may grant exclusive and/or non-exclusive easements over the Conservancy Property to other entities, the operation of which confers some benefit on Willowsford and the greater community.

The Conservancy may contract with third parties, or otherwise delegate responsibility to third parties, for the performance of the Conservancy's maintenance responsibilities under this Community Covenant.

The Founder, the Consenting Owners, or other Persons the Founder designates, including the Association, may convey to the Conservancy, or assign the Conservancy maintenance responsibility for, improved or unimproved real estate located within Willowsford, personal property, and leasehold or other property interests and the Conservancy shall accept, maintain, and operate such property in accordance with this Community Covenant. The Conservancy also shall perform such obligations and responsibilities with respect to such property as the Founder may assign in writing.

In recognition of the fact that the real property described above shall be conveyed to the Conservancy at no cost to the Conservancy, if conveyed in error or needed to make minor adjustments in property lines or in the event of changes in development plans, the Founder may require the Conservancy to reconvey real property to the Founder, the Consenting Owners, the Association, or to other Persons.

In addition, under negotiated terms, the Conservancy may acquire and maintain improved or unimproved real estate, personal property, easements, and leasehold or other property interests from other Persons.

The Founder and the Consenting Owners hereby grant perpetual, non-exclusive easements to the Conservancy over Willowsford as necessary to enable the Conservancy to fulfill its maintenance responsibilities under this Community Covenant.

The Conservancy may use or provide for the use of the Conservancy Property consistent with the Conservancy's mission and role, to the extent permitted by Virginia law. Such uses may include, but are not necessarily limited to, all purposes permitted within Open Space under the regulations of the Zoning Ordinance of Loudoun County, Virginia, such as building and operating farm infrastructure on the Conservancy Property in which products are prepared or sold by the Conservancy or third parties (*e.g.*, farm markets), and providing accommodations for employees and agents of the Conservancy (*e.g.*, tenant housing). In addition, the Conservancy may lease portions of the Conservancy Property to or otherwise permit use of such property by third parties for any purposes consistent with the Conservancy's mission.

Furthermore, regardless of whether or not a separate amendment is recorded, any property conveyed to the Board of Supervisors of Loudoun County, Virginia, or the Virginia Department of Transportation for public uses shall be deemed to be automatically withdrawn from this Community Covenant, without necessity of the recordation of any other instrument; provided that, in the event such property is subsequently re-conveyed or acquired by a person or entity other than the Board of Supervisors of Loudoun County, Virginia, or the Virginia Department of Transportation, or in the event such property is used for non-public purposes, such property shall automatically be deemed and considered to be re-subjected

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to the terms and conditions of this Community Covenant.

2.3. Conservancy Funding

(a) Community Enhancement Fee.

(i) *Authority.* A primary source of funding for the Conservancy's activities shall be a Community Enhancement Fee to be collected upon each non-exempt transfer of title to a "Unit" (meaning any lot or unit that is subject to assessment under the Charter). The fee shall be charged to the initial seller of the Unit other than the Founder or a Founder Affiliate and then to each subsequent purchaser of the Unit from any Person other than the Founder, a Founder Affiliate, or a builder which purchased the Unit for development and sale in the ordinary course of its business. An "Affiliate" means any Person that, directly or indirectly, controls, is controlled by, or is under common control with the first mentioned other Person or Persons, including the Founder. The fee shall be payable to the Conservancy at the closing of the transfer of title, and shall be secured by a lien in favor of the Conservancy as provided in Section 2.3(g). Certain transfers of title are exempt from payment of the fee, as described in paragraph (iii) below.

(ii) *Amount of Fee.* The Conservancy Board shall have the sole discretion to determine the amount of and method of calculating the Community Enhancement Fee, subject to the limitations described in this Section. The fee may be a flat fee or may be based upon a sliding scale that varies in accordance with the "gross selling price" of the property or any other factor the Conservancy Board deems appropriate. The fee charged may be different for different types of conveyances (*e.g.*, conveyances by builders, conveyances by owners/residents of Units, etc.), as determined in the Conservancy Board's discretion. However, the Community Enhancement Fee may not exceed 0.25% of the Unit's gross selling price. The gross selling price is the total cost to the purchaser of the Unit, excluding

transfer taxes and title fees imposed by Loudoun County and/or the Commonwealth of Virginia.

(iii) *Exempt Transfers.* Notwithstanding the above, no Community Enhancement Fee shall be levied upon transfer of title to a Unit:

- by or to the Founder, a Consenting Owner, a Founder Affiliate or a Consenting Owner Affiliate;
- by a co-owner to any Person who was a co-owner immediately prior to such transfer;
- to the Unit owner's estate, surviving spouse, or heirs at law upon the death of the Unit owner, or to a family trust created by the grantor for the benefit of grantor, his or her spouse, and/or heirs at law;
- to an entity wholly owned by the grantor; provided, upon any subsequent transfer of an ownership or beneficial interest in such entity, the Community Enhancement Fee shall become due;
- to an institutional lender pursuant to a mortgage or other form of security instrument affecting title to a Unit or upon foreclosure of such other mortgage or security interest; or
- under circumstances which the Conservancy Board, in its discretion, deems to warrant classification as an exempt transfer (*e.g.*, a transfer made solely for estate planning purposes may be, but is not required to be, deemed exempt from payment of the Community Enhancement Fee).

In addition, the Founder and/or the Conservancy may grant exemptions for transfers of Units to entities qualifying for tax-exempt status under Section 501(c) of the IRC provided that for a pe-

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riod of at least two years from the date of such transfer the property is used for exempt purposes listed in Section 501(c).

(b) Use and Consumption Fees. The Conservancy may offer services or sponsor activities for which it charges use or consumption fees to any Person who chooses to use such services or participate in such activities. The Conservancy Board may determine the amount and method of determining such fees. Different fees may be charged to different classes of users (*e.g.*, Willowsford residents or owners and others).

(c) Contributions and Sponsorships. The Conservancy may solicit financial support from the public, stakeholders, or corporate sponsors to further its mission and activities. The Founder may, but shall not be obligated to, make contributions or commit funding to subsidize the Conservancy's activities; however, payment of a contribution or subsidy in any year shall not obligate the Founder to continue such payment in future years.

(d) Grants. The Conservancy may also seek to qualify for local, state, or federal grants.

(e) Annual Assessments. To the extent that the Conservancy Board expects the Conservancy to incur expenses in addition to amounts, if any, anticipated to be collected in Community Enhancement Fees and from other revenue sources in any year, the Conservancy Board may levy an assessment for that year ("**Annual Assessment**") against each Unit to cover the anticipated shortfall, subject to this Section 2.3(e).

(i) Budget and Allocation. The Annual Assessment to be levied shall be based on a budget prepared and adopted by the Conservancy Board reflecting the estimated expenses which the Conservancy Board expects to incur for the fiscal year in performing maintenance, and facilitating or providing activities, services, and programs, and otherwise fulfilling its mission as authorized in this Community Covenant, as well as

a reasonable contribution to any operating, emergency, capital, or other reserve funds that the Conservancy Board deems appropriate ("**Conservancy Expenses**").

The Conservancy's budget shall reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years (exclusive of amounts in operating or other reserves), and shall include any income anticipated to be generated through Community Enhancement Fees and means other than assessments under this Section 2.3(e), as well as the amount of funds expected to be generated through assessments.

The total funds required to be generated through assessments under this Section 2.3(e) shall be allocated among the Units in the same manner as assessments are allocated among the Units under the Charter.

The Conservancy shall be responsible for sending notice of and collecting Annual Assessments levied against the Units.

(ii) Exempt Property. Annual Assessments shall be levied only against Units. All other property within Willowsford, including Common Areas of the Association, as defined in the Charter, property the Conservancy owns, and any property dedicated to and accepted by any governmental or quasi-governmental authority or public utility for public purposes, shall be exempt from assessment under this Section. In addition, the Founder and/or the Conservancy may grant exemptions to property owned by Persons qualifying for tax-exempt status under Section 501(c) of the IRC so long as such property is used for purposes listed in Section 501(c).

(iii) Notice of Budget and Annual Assessment; Right to Disapprove. Within 30 days after the Conservancy Board adopts any budget, the Board shall send a summary of the budget, together with notice of the amount of the Annual Assessment to be levied pursuant to such

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budget, to the Association, by and through its board of directors. The Conservancy's budget shall automatically become effective unless disapproved by the Association's board of directors, acting with the approval of Persons entitled to cast at least 51% of the total votes in the Association, by notice to the Conservancy Board within 15 days of the date of the notice sent by the Conservancy Board; provided, the budget may not be disapproved during the Founder Appointment Period, unless also disapproved by the Founder.

If any proposed budget is disapproved or the Conservancy Board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is ratified.

(iv) Obligation for Assessments.

The obligation to pay Annual Assessments for each Unit shall begin when the Conservancy first determines a budget and levies assessments pursuant to this Section 2.3(e). All assessments, together with interest (computed from its due date at a rate of 10% per annum or such higher rate as the Conservancy Board may establish, subject to the limitations of Virginia law), late charges as determined by Conservancy Board resolution, costs, and reasonable attorneys fees, shall be the personal obligation of the owner of each Unit and a lien upon each Unit until paid in full. Upon a transfer of title to a Unit, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance.

All Annual Assessments are payable on such dates and in such manner as the Conservancy Board may establish. The Conservancy Board may permit Annual Assessments to be paid in installments; provided, if any Unit owner becomes delinquent in paying amounts due, the Conservancy Board may revoke the privilege of paying in installments and require the entire unpaid balance of the Annual Assessment to be paid in full immediately.

The Conservancy Board's failure to fix assessment amounts or rates or to deliver or mail an assessment notice is not a waiver, modification, or a release of any Unit owner from the obligation to pay assessments. In such event, each Unit owner shall continue to pay Annual Assessments on the same basis as during the last year for which an assessment was made until a new assessment is levied, at which time the Conservancy may retroactively assess any shortfall, subject to the limitations of this Section 2.3(e).

(v) Founder's Financial Obligations.

The Founder shall be liable for assessments on any Units it owns that are subject to the Annual Assessment, except that during the Founder Appointment Period, the Founder may satisfy the obligation to pay Annual Assessments on Units owned by the Founder, any Founder Affiliate, any Consenting Owner, or any Consenting Owner Affiliate either (A) by paying such assessments in the same manner as any other Unit owner, or (B) by paying any shortfall under the Conservancy Expense budget resulting from events other than failure of other owners to pay their assessments, except that the Founder shall have no obligation to fund any shortfall in budgeted contributions to reserves.

Regardless of the Founder's election under this section, any of the Founder's financial obligations to the Conservancy may be satisfied in the form of cash or by "in kind" contributions of services or materials, or by a combination of these.

(vi) Option to Assess Through the Association.

Notwithstanding that Annual Assessments are levied against the Units and the obligation of Unit owners to pay Annual Assessments, the Conservancy may, in the Conservancy Board's discretion, choose to bill for Annual Assessments through the Association and not the individual owners who are members of the Association. In such case, the Association shall be responsible for collecting and paying to the Conservancy all Annual Assessments levied by the Conservancy and allocated to the Units owned by

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such Association's members. The Association shall provide for collection and payment by including the Annual Assessments in its common expense budgets to be assessed against the Unit owners subject to its jurisdiction.

In addition to the remedies available to the Conservancy against individual Unit owners under this Section 2.3, the Conservancy may enforce the Association's obligation to collect and pay the Conservancy's assessments, and the Conservancy may bring suit against the Association to collect delinquent assessments, and other fees and charges associated with the collection of such assessments, in addition to any other rights or remedies it may have hereunder or at law or in equity.

(f) *No Reduction or Set-Off.* No owner of a Unit subject to this Community Covenant can exempt themselves from liability for the Community Enhancement Fee or Annual Assessments by not using services or participating in programs or activities of the Conservancy, or for any other reason. The obligation to pay the Community Enhancement Fee and Annual Assessments is a separate and independent covenant on the part of each Unit owner. A Unit owner may not claim any reduction in Annual Assessments or set-off because of any Conservancy action, inaction, or policy with which the Unit owner disagrees.

(g) *Lien Rights; Collection of Delinquent Amounts.* The Conservancy has a lien against each Unit to secure payment of the Community Enhancement Fee and Annual Assessments, as well as interest on any portion of the Community Enhancement Fee or Annual Assessments not paid when due, late charges, and costs of collection (including attorneys' fees). The lien is superior to all other liens, except (i) the liens of all taxes, bonds, assessments, and other levies which by law would be superior; (ii) the lien or charge of any recorded first mortgage (meaning any recorded mortgage with first priority over other mortgages) made in good faith and for value; and

(iii) liens in favor of the Association under the Charter. The Conservancy's lien may be enforced by suit, judgment, and judicial or non-judicial foreclosure, to the extent permitted by Virginia law, in the same manner as a mortgage lien. The Conservancy may sue to collect an unpaid Community Enhancement Fee, Annual Assessments, and other charges authorized in this Community Covenant without foreclosing or waiving the lien securing the amounts due.

The sale or transfer of a Unit does not affect the lien or relieve such property from the lien for any subsequent assessments. However, sale or transfer pursuant to foreclosure of the first mortgage will extinguish the lien as to any Community Enhancement Fee or Annual Assessments due prior to the mortgagee's foreclosure. A Person acquiring property through foreclosure of a first mortgage will not be personally liable for any Community Enhancement Fee or Annual Assessments due prior to acquisition of title.

(h) *Statement of Account.* Upon written request of the owner or prospective purchaser of, or the holder or prospective holder of a mortgage on, any Unit, delivered personally or sent by certified mail, first-class postage prepaid, return receipt requested to the Conservancy's registered agent or designee, the Conservancy shall issue a written statement setting forth the amount of any unpaid Annual Assessments with respect to such Unit, the amount of current Annual Assessment and the date on which such assessment becomes or became due, and any credit for advanced payments or prepaid items, and the amount of any Community Enhancement Fee due upon transfer of title to the Unit which occurs within 30 days of the date of such statement. Such statement shall be delivered personally or by certified mail, first-class postage prepaid, return receipt requested.

The Conservancy may require the payment of a reasonable processing fee for issuance of such statement. Such statement shall be binding upon the Conservancy as to Persons who rely on the statement in good faith. If a written request for

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a statement of account is not processed within 14 days after the Conservancy's receipt of the request, all unpaid assessments that became due before the date of such request shall be subordinate to the lien of any institutional holder of a first mortgage on the Unit that acquired its interest after requesting such statement.

Chapter 3

Tools for Creating Community

Achieving the goal of making Willowsford a truly special place to live requires more than just providing opportunities for stakeholders to share ideas, suggestions, and desires. It also requires specialized staffing, a creative process, and good communication.

3.1. Executive Director

The Conservancy Board shall fund the position of "**Executive Director**," or "**ED**," whose role it is to provide leadership for the overall planning, development, implementation, and continuing evaluation of programs, activities, and services to carry out the Conservancy's mission. The ED may be an employee or an independent contractor, and may be retained on a full or part-time basis, as the Conservancy Board determines appropriate.

The ED's specific responsibilities may include the following:

- (a) creating accessible opportunities for residents and members of the greater community to participate in and volunteer their time and skills for Conservancy events and activities;
- (b) working with volunteers and staff members and cooperating with the Conservancy Board to implement the Conservancy's community building objectives;
- (c) coordinating, promoting, and facilitating community-wide cultural, artistic, musical, athletic, and social events and activities;
- (d) conducting governance educational programs and contracting for and coordinating continuing education programs and opportunities; and

- (e) seeking out new opportunities for building community life and spirit while appreciating diversity.

The ED's responsibilities may also include those agreed upon by the ED and the Conservancy Board, so long as such responsibilities do not hinder, limit, or otherwise interfere with the fulfillment of the ED's responsibilities outlined above.

The ED shall be entitled to attend and participate in Conservancy Board meetings; however, in the case of discussions regarding the ED's employment or performance, the ED may be excluded from Conservancy Board meetings.

3.2. Youth Board

The Conservancy Board may establish and fund a "**Youth Board**" comprised of community residents between the ages of 11 and 17 to serve as a liaison between the youth of Willowsford and the Conservancy Board. The purpose of the Youth Board is to serve as a voice for the youth of Willowsford, engaging them in seeking ways to improve and enhance the community for themselves, their peers and others while building their leadership skills and helping them to serve as a positive force in the community.

The Youth Board should be representative of those it seeks to serve. The members of the Youth Board shall be selected by the Conservancy Board from candidates solicited through Community-wide publications, emails, and other methods designed to reach residents of Willowsford. In selecting members of the Youth Board, the Conservancy Board shall endeavor to include youth who represent a wide variety of backgrounds, ages, hobbies, organizational affiliations, and residence locations within Willowsford.

Tools for Creating Community

The Executive Director, if any, shall serve as an ex officio member of the Youth Board, and the Youth Board shall cooperate with and assist the Executive Director in the performance of its duties.

The Conservancy Board may adopt and amend administrative rules to ensure the successful formation, selection, operation, and continuity of the Youth Board, including terms of service of the Youth Board.

3.3. Community Education and Orientation

Those who understand the structure and governance of Willowsford and their rights and responsibilities in Willowsford have a greater capacity to participate in civic life and in the affairs of the community. Therefore, the Conservancy may establish education, training, and orientation programs to facilitate and encourage such understanding. The Conservancy may utilize any method it deems appropriate to achieve this goal, including a community website or intranet, learning centers, new resident welcome and orientation programs, coordinated activities with local schools, seminars, audio/video recordings, pamphlets and other publications.

The focus of community education activities may include such things as general community orientation, community structure and governance, including the nature, extent, and purpose of the covenants, rules, and regulations; charter clubs and volunteer opportunities; and opportunities to participate in and affect the community's evolution and growth.

The Conservancy may also coordinate with nationally recognized organizations such as the Urban Land Institute or the Community Associations Institute to offer programs regarding community governance and operation and invite qualified speakers to provide community governance instruction and workshops.

3.4. Lifelong Learning Opportunities

The Conservancy may provide for or facilitate continuing education opportunities for persons of all ages based on level of interest, availability of instructors, and cost. Continuing education opportunities should reflect the diverse interests of Willowsford (*e.g.*, exercise, health and wellness, gardening, wildlife, nature conservation, and recreation, among others).

3.5. Volunteerism

In recognition of the fact that volunteerism benefits both Willowsford and the larger community, the Founder desires to promote a strong volunteer ethic among residents of Willowsford. Therefore, one of the Conservancy's roles is to encourage and facilitate the organization of volunteer groups and activities within Willowsford. To accomplish this end, the Conservancy may grant incentives for volunteering, such as exemptions from specific program fees and public recognition of distinguished volunteers and their achievements. The Conservancy also may cooperate with and support outside organizations, such as recreational leagues or cultural organizations, by sponsoring or helping to promote the organization's events. Additionally, the Conservancy may compile and maintain a data bank of volunteer opportunities and needs and people interested in volunteering, to help match volunteers with activities in which their interests and skills will be of assistance.

3.6. Charter Clubs

The Conservancy Board may establish or support the establishment of "charter clubs" to encourage or facilitate the gathering of people to pursue common interests or hobbies. A charter shall confer privileges and impose responsibilities on the club and its members. For example, the Conservancy Board may grant privileges such as financial, administrative or technical support, material support, and liability insurance coverage.

Tools for Creating Community

The Conservancy Board may grant charters to any group of individuals who share a particular field of interest. The Conservancy may provide initial or ongoing funding to a charter club and/or require that club members pay dues, use or consumption fees, or otherwise obtain funding for club expenses. However, the Conservancy shall not sponsor or provide funding for promotion of specific events or activities of a charter club unless the Conservancy Board, in its discretion, determines that such events or organizations provide a general benefit to the entire Community.

3.7. Community Participation

A key to building a sense of community is listening to the community and appreciating the need for input from all stakeholders, whether the Founder, owners, residents, or builders. In that regard, the Conservancy shall strive to:

- create and maintain an inclusive environment for all who wish to participate in its activities and programs;
- provide an orderly, regular, and informative communication system;
- provide opportunities for all stakeholders to provide input on community activities and Conservancy programs;
- respect the value of each individual as well as the value and the importance of the community;
- appreciate diversity of thought and of people;
- establish community traditions that will engender pride in Willowsford;
- foster a sense of belonging;
- motivate property owners and residents to participate by offering a variety of life-enriching opportunities;
- provide meaningful opportunities to connect with the greater community; and
- make a significant contribution to the quality of life at Willowsford.

In all dealings among and between stakeholders and the Conservancy, participants are expected to:

- be informed;
- act with civility;
- communicate constructively; and
- strive to act in the best interest of the community as a whole and make a meaningful contribution to the community.

3.8. Cooperation with Other Organizations

The Conservancy may contract with other entities and organizations, including the Association and the Founder, to provide assistance with and facilities for the Conservancy's activities, services, and programs. The Conservancy may partner with local schools, businesses, and other organizations and solicit in-kind contributions to facilitate any of its activities.

Chapter 4

Scope, Duration, and Amendment of Community Covenant; Assignment of Status and Rights

Although the Conservancy's sphere of influence is not limited to Willowsford, the Founder anticipates that the primary support for and participation in the Conservancy's programs and activities will come from those who live in Willowsford. This Chapter explains the procedures for expanding Willowsford and for modifying this Community Covenant to reflect changing needs and desires as Willowsford is developed and matures.

4.1. Expansion of Willowsford

So long as the Founder owns any property described on Exhibit A or B to this Community Covenant, the Founder may expand Willowsford to include all or any portion of the property described on Exhibit B by recording an amendment, supplement, supplementary declaration, plat, deed of dedication, or similar instrument in the Office of the Clerk of the Circuit Court of Loudoun County, Virginia, or such other place designated as the official location for filing documents affecting title to real estate in Loudoun County, describing the additional property and declaring the intent to submit it to the terms of this Community Covenant. No consent of any Person shall be required other than the owner of the property being submitted to this Community Covenant, if not the Founder. The Conservancy may expand Willowsford in the same manner, except that so long as the Founder has any rights under this paragraph, such expansion shall be subject to the written consent of the Founder, as evidenced by its execution of such amendment.

Any amendment or supplement to the Charter which submits additional property to the terms of the Charter shall also be effective to amend this Community Covenant.

The Founder's right to expand Willowsford under this section shall expire when all property

described in Exhibit B has been submitted to this Community Covenant or 40 years after this Community Covenant is recorded, whichever is earlier. Until then, the Founder may transfer or assign this right to any Person who is the developer of at least a portion of the real property described in Exhibit A or B to this Community Covenant. Any such transfer shall be described in a recorded instrument executed by the Founder.

Nothing in this Community Covenant shall require the Founder or any successor to submit additional property to this Community Covenant.

4.2. Term and Termination

This Community Covenant is intended to and shall be effective and enforceable in perpetuity. However, if Virginia law limits the period of effectiveness, this Community Covenant shall be effective for a minimum of 21 years from the date it is recorded. After 21 years, this Community Covenant shall be extended automatically for successive 10-year periods unless owners of at least 80% of the Units then subject to this Community Covenant (or the highest percentage permitted by Virginia law, if lower than 80%) sign a document stating the intent to terminate this Community Covenant and such document is recorded in the Office of the Clerk of the Circuit Court of Loudoun County, Virginia, or such other place designated as the official location for filing documents affecting title to real estate in Loudoun County within the year before any extension. In such case, this Community Covenant shall terminate on the date specified in the termination document.

Scope, Duration and Amendment of Community Covenant; Assignment of Status and Rights

If any provision of this Community Covenant would be unlawful, void, or voidable by reason of any rule restricting the period of time that covenants can affect title to property, that provision shall expire 21 years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

4.3. Amendment

(a) By Founder. In addition to specific amendment rights granted elsewhere in this Community Covenant, the Founder may unilaterally amend this Community Covenant during the Founder Appointment Period.

(b) By the Founder or the Conservancy Board. The Founder or the Conservancy Board (with the Founder's consent during the Founder Appointment Period) may unilaterally amend this Community Covenant if such amendment is necessary (i) to bring any provision into compliance with or adapt to any change in any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; (iii) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure, or guarantee mortgage loans on the Units; or (iv) to satisfy the requirements of any local, state, or federal governmental agency. However, any amendment under this paragraph shall not adversely affect the title to any Unit unless the Unit owner shall consent in writing.

In addition to the above, in the event it is determined that the Conservancy does not have authority under Virginia law to levy Annual Assessments or charge a Community Enhancement Fee under Section 2.3, the Founder or the Conservancy Board (with the Founder's consent during the Founder Appointment Period), without approval of the Unit owners or the Association,

may amend this Community Covenant to comply with the terms of Virginia Property Owners' Association Act (Va. Code §55-508, *et seq.*) or such other provisions of Virginia law as may be required to levy such charges. The Association and each Unit owner acknowledges and agrees that such amendments may require, without limitation, that the Association or the Unit owners become members of the Conservancy and, by accepting a deed conveying title to a Unit, agrees to such amendments and grants to the Founder and the Conservancy Board the authority to amend this Community Covenant as described in this paragraph.

Notwithstanding the above, in no event shall any amendment by the Founder or Conservancy Board under this Section 4.3(b) adversely impact any Unit owner's right to own and occupy his or her Unit or to use such Unit for purposes permissible immediately prior to such conversion.

(c) By Others. Except as otherwise specifically provided above and elsewhere in this Community Covenant, this Community Covenant may be amended only by the Conservancy Board, with the affirmative vote or written consent, or any combination thereof, of Persons entitled to cast at least 51% of the total votes in the Association. In addition, so long as the Founder has rights under subsection (a) above, any such amendment shall also require the Founder's written consent.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(d) Validity and Effective Date. No amendment may remove, revoke, or modify any right or privilege of the Founder without the written consent of the Founder (or the assignee of such right or privilege). Subject to the Founder's unilateral right to amend the Community Covenant during the Founder Appointment

Scope, Duration and Amendment of Community Covenant; Assignment of Status and Rights

Period under Section 4.3(a), no amendment may remove, revoke, or modify any right or privilege of the Consenting Owners without the written consent of the Consenting Owners (or the assignee of such right or privilege).

Any amendment shall become effective upon recording in the Office of the Clerk of the Circuit Court of Loudoun County, Virginia, or such other place designated as the official location for filing documents affecting title to real estate in Loudoun County, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Community Covenant.

As-signor shall become a member of the Conservancy in the place and stead of the withdrawn Member Assignor with a member's interest that is identical in all respects to the interest held by the Member Assignor immediately prior to its withdrawal as a member.

4.4. Assignment of Status and Rights.

The Founder and any one or more of the Consenting Owners may freely assign its or their status and rights as the Founder or as a Consenting Owner, as the case may be, under the Governing Documents to any Founder Affiliate, or to any one or more Persons that, directly or indirectly through one or more Affiliates of such other Person or Persons, takes title to any portion of the property described in Exhibits "A" or "B" for the purpose of development and/or sale. Any such assignment shall be made in a recorded instrument signed by the applicable parties, and upon and after any such assignment, references in the Governing Documents to the Founder and Consenting Owners shall mean the respective assignee or assignees, as applicable, and its or their successors and assigns.

With respect to any of the assignors mentioned above that is a member of the Conservancy (a "**Member Assignor**"), concurrently with such assignment, (a) the Member Assignor shall be deemed withdrawn as a member, (b) the Member Assignor's interest, as a member, shall terminate, and (c) the assignee of the Member

IN WITNESS of the foregoing, Loudoun Conservancy, L.L.C., a Virginia limited liability company, has executed this Community Covenant this 21st day of December, 2016.

FOUNDER: LOUDOUN CONSERVANCY, L.L.C., a Virginia limited liability company

By: *Richard D. DiBella* [SEAL]
Name: RICHARD D. DiBELLA
Its: founder

COMMONWEALTH OF VIRGINIA

COUNTY OF LOUDOUN

I Matthew D. Kroll, a notary public in and for the Commonwealth of Virginia, do certify that Richard D. DiBella, founder of LOUDOUN CONSERVANCY, L.L.C., a Virginia limited liability company, whose name is signed to the foregoing Community Covenant, has acknowledged the same before me in my county aforesaid.

Given under my hand this 12th day of December, 2016.



[Signature]
Notary Public

My commission expires: 3/31/19

[Consenting Owner signature on following page]

In witness of the foregoing, the undersigned Consenting Owner, as the owner of all or a portion of the property described on Exhibit "A" attached hereto, hereby consents to and approves the within and foregoing Community Covenant this 8th day of December, 2016.

CONSENTING OWNER:

WILLOWSFORD OPERATIONS, L.L.C.,
a Virginia limited liability company

By: [Signature] [SEAL]
Name: Stanley F. Settle, Jr.
Its: Authorized Agent

COMMONWEALTH OF VIRGINIA

COUNTY OF LOUDOUN

I Matthew Kroll, a notary public in and for the Commonwealth of Virginia, do certify that Stanley F. Settle, Jr., Authorized Agent of WILLOWSFORD OPERATIONS, L.L.C., a Virginia limited liability company, whose name is signed to the foregoing Community Covenant, has acknowledged the same before me in my county aforesaid.

Given under my hand this 8th day of December, 2016.



[Signature]
Notary Public

My commission expires: 3/31/19

EXHIBIT "A"
Submitted Land

Lots 1-39, inclusive, and Parcels A, B, C, D, and E, The Grange At Willowsford, Section 1A, as shown and described on that certain Record Plat entitled "Record Plat The Grange At Willowsford, Section 1A," recorded as Instrument Number 20110324-0019085 among the land records of Loudoun County, Virginia; and

Lots 1, 2, 3, and 4, as duly dedicated, platted, and recorded by "Plat Showing Boundary Line Adjustment of the Property of Willowsford Greens, L.L.C. into The Greens at Willowsford, Lots 1, 2, 3, 4, and Parcel A" prepared by Urban, Ltd. and recorded as Instrument Number 20101217-0081720, among the land records of Loudoun County, Virginia; and

Lots 1-59, inclusive, Section 2A, The Grove at Willowsford, as duly dedicated, platted, and recorded by that certain plat recorded as Instrument Number 20110629-0038638, among the land records of Loudoun County, Virginia; and

All other properties described in Exhibit "A" to that certain Supplement to Community Covenant for Willowsford, recorded on June 30, 2011, as Instrument Number 20110630-0039309, among the land records of Loudoun County, Virginia.

LESS AND EXCEPT:

All that certain parcel of land fronting on Braddock Road (Rt. 705), more particularly known and described as New Parcel 1, containing 25.7727 acres of land more or less, as shown and depicted on that certain plat dated Sept. 2010 and revised through November 18, 2010, prepared by Urban, Ltd., of Annandale, Virginia, and recorded among the land records of Loudoun County, Virginia as Instrument Number 20101217-0081721; and

Lots 1 – 42, inclusive, The Greens at Willowsford, Section 2, as shown and depicted on that certain plat entitled "Record Plat The Greens at Willowsford, Section 2," dated March 2011, prepared by Urban, Ltd., of Annandale, Virginia, and recorded among the land records of Loudoun County, Virginia as Instrument Number 20130403-0028240; and

Parcels A, C, D, E, F, G, H, I, and P1, inclusive, The Greens at Willowsford, Section 2, as shown and depicted on that certain plat entitled "Record Plat The Greens at Willowsford, Section 2," dated March 2011, prepared by Urban, Ltd., of Annandale, Virginia, and recorded among the land records of Loudoun County, Virginia as Instrument Number 20130403-0028240.

EXHIBIT "B"
Land Subject to Future Submission to Community Covenant

The parcels described by Loudoun County tax assessment PIN numbers:

202-15-9451-000	287-39-8584-000
202-15-8894-000	288-30-4785-000
202-16-1713-000	
202-25-9133-000	249-25-6798-000
202-26-1965-000	249-25-7370-000
202-26-5694-000	249-35-4240-000
245-29-8714-000	251-35-7390-000
245-30-5548-000	251-47-1506-000
245-49-5908-000	288-20-0549-000
246-30-6292-000	288-27-3837-000
201-26-8038-000	288-28-6286-000
	288-28-7328-000
284-26-1171-000	289-28-8071-000
284-46-4323-000	289-30-7204-000
243-20-0865-000	289-40-4854-000
244-19-8085-000 (Residue Parcel)	289-40-4925-000
244-45-3850-000	289-46-3009-000
	290-48-0329-000
286-27-9903-000	327-28-4120-000
287-18-6526-000	327-30-0787-000
287-29-3809-000	288-39-5623-000

And any property lying and being within two miles of any portion of the perimeter boundary of any of the above-described parcels or the property described on Exhibit "A."

Note to clerk and title examiners:

This Community Covenant is not intended to create an encumbrance on title to the property described in this Exhibit "B." Such title may be encumbered only with the consent of the owner by filing an amendment in accordance with Chapter 4.