## SUGARLAND RUN HOMEOWNERS ASSOCIATION, INC. Declarations of Covenants, Conditions and Restrictions

I. Paragraph numbered 3, PERMITTED USES, of the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163) and paragraph numbered 3, PERMITTED USES, of the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414) shall be amended by adding the italicized language shown below (*example*):

No Lot, or any portion thereof, shall be used for any purpose other than a single family residence. No dwelling or any portion thereof shall be used or occupied for revolving use, transient, or hotel purposes or in any event leased or licensed for an initial period of less than six months unless the Owner also occupies the dwelling as the Owner's primary residence during the time of a transient guest stay.

- II. Paragraph numbered 4, PROHIBITED USES, of the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163) and paragraph numbered 4, PROHIBITED USES, of the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414) shall be amended by adding the italicized language shown below (*example*) and striking the language shown below as stricken (*example*):
- (c) No facilities, including poles and wires, for the transmission of electricity, telephone messages and the like shall be placed or maintained above the surface of the ground on any Lot, and no external or outside antennas of any kind shall be permitted or maintained, except customary household television antenna. Except to the extent required by federal regulation and any customary household television antenna installed prior to the recordation of these Amendments, no antenna for the transmission or reception of radio or television signals, freestanding satellite dishes, and freestanding exterior television, over-the-air reception devices, "ham radio" or other antennas shall be erected or permitted on any building or lot or other parcel of the Properties except upon approval of the Architectural Committee. Installation of antenna permitted by federal regulation shall be without the prior approval of the Architectural Committee. The Association may adopt reasonable rules that are consistent with applicable federal statutes and regulations.
- III. Paragraph numbered 4, PROHIBITED USES, of the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163) and paragraph numbered 4, PROHIBITED USES, of the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414) shall be amended by adding the italicized language shown below (*example*) and striking the language shown below as stricken (*example*):
- (k) Use of a Lot for any purpose other than that of a single family residence shall not be permitted without the specific written approval of the Architectural Committee. The Architectural Committee, in its discretion, upon consideration of the circumstances of each case, and particularly the effect on surrounding Property, may permit a Lot, or any improvement thereon,

to be used in whole or part for some purpose other than a single family residence. No such use shall be permitted, however, unless it is considered, by the Architectural Committee, to be compatible with a high quality residential neighborhood and such use is in compliance with all Loudoun County ordinances. No lot shall be used for any business, including a home day care operation, commercial, manufacturing, mercantile, storing, vending or other non-residential activity; provided, however, that an Owner may maintain an office or home business in the dwelling or any unit constructed on such Owner's Lot: if (i) such Owner has obtained approvals for such use as may be required by the relevant local and state government agencies; (ii) such offices or business does not generate a significant number of visits or have a significant impact on traffic or significant interference with the residents' parking usage (as determined by the Architectural Committee) by clients, customers, or other persons related to the business; (iii) no equipment, inventory or other items related to the business are stored, parked or otherwise kept on such Owner's Lot outside of an approved Structure; and (iv) such Owner has obtained approvals for such Structure from the Architectural Committee.

IV. Paragraph numbered 10, DURATION, of the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163) and paragraph numbered 10, DURATION, of the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414) shall be amended by adding the italicized language shown below (*example*) and striking the language shown below as stricken (*example*):

The Restrictions contained in this Declaration shall run with and bind the Property, shall inure to the benefit of and shall be enforceable by BCBC, and the Owner of any Lot included in the Property, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded; after which time said covenants shall be automatically extended for successive periods of ten years. The Declaration may not be amended in any respect [except with regard to the annexation of additional properties as set forth in Section 1 (b) hereof] except by the execution of an instrument signed by not less than seventy five percent (75%) of the Owners of the Lots, which instrument shall be filed for recording among the Land Records of Loudoun County, Virginia, or in such other place of recording as may be appropriate at the time of the execution of such instrument, provided that any amendment made prior to December 31, 1975 shall require written approval of BCBC. After twenty (20) years from the date this Declaration is recorded, this Declaration may be amended and/or terminated in its entirety by an instrument signed by agreement of not less than sixty seven fifty one percent (67%) (51%) of the Owners of the Lots. which instrument shall be filed for recording among the Land Records of Loudoun County, Virginia, or in such other place of recording as may be appropriate at the time of execution of such instrument. Such agreement may be obtained by any of the following methods (or any combination thereof): (i) the signatures of the Lot Owners, which need not be acknowledged before a notary public, or (ii) by electronic means, or other means, in accordance with procedures adopted by the Board of Directors which are consistent with the requirements of Virginia statutory law as the same may be amended from time to time. Written notice of the proposed amendment shall be provided to every Owner at least ninety (90) days in advance of any action taken, pursuant to Article II, Section 3 and 4 of the Declaration (recorded beginning in Book 524 at Page 140). Any amendment becomes effective upon its proper recording

with a certification of the President that the requirements of this Section regarding the agreement of Members have been met.

#### SUGARLAND RUN HOMEOWNERS ASSOCIATION, INC.

#### **Declaration**

- I. Article I, DEFINITIONS, Section 1 of the Declaration (recorded beginning in Book 524 at Page 140) shall be amended by adding the italicized language shown below (*example*):
- (c) "Common Areas" shall mean and refer to those areas of land designated "Common Area" and/or "Green Area "on any recorded subdivision plat of The Properties but shall not include any area designated "Townhouse Common Area". "Common Areas" include the real property described in Exhibit B attached hereto and made a part hereof, which shall be owned by the Association at the time of the conveyance of the first Lot by the Developer to an Owner. Said areas are intended to be devoted to the common use and enjoyment of the members of the Association as herein defined and are not dedicated £or use by the general public, *subject to Article IV*, *Section 2 of this Declaration*.
- II. Article I, DEFINITIONS, Section 1 of the Declaration (recorded beginning in Book 524 at Page 140) shall be amended by adding the italicized language shown below (example):
- (l) "Property Owners' Association Act" hereinafter, "POAA" shall mean and refer to the Virginia Code, Title 55.1, Subtitle IV, Chapter 18, as may be amended.
- III. Article I, Section 1 of the Declaration (recorded beginning in Book 524 at Page 140) shall be amended by adding the italicized language shown below (*example*):
- (m) "Virginia Nonstock Corporation Act" shall mean and refer to the Virginia Code, Title 13.1, Chapter 10, as may be amended.
- IV. Article I, Section 1 of the Declaration (recorded beginning in Book 524 at Page 140) shall be amended by adding the italicized language shown below (example):
- (n) "Declarations" shall mean and refer to the Declaration (recorded in the Land Records of Loudoun County, Virginia, beginning in Book 524 at Page 140), the Declaration of Covenants, Conditions and Restrictions (recorded in the Land Records of Loudoun County, Virginia, beginning in Book 524 at Page 163) and the Declaration of Covenants, Conditions and Restrictions (recorded in the Land Records of Loudoun County, Virginia, beginning in Book 524 at Page 414).
- V. Article I, Section 1 of the Declaration (recorded beginning in Book 524 at Page 140) shall be amended by adding the italicized language shown below (*example*):
- (o) "Governing Documents" shall mean and refer to the Declarations, as defined herein, the Bylaws of Sugarland Run Homeowners Association, Inc. and the Articles of Incorporation of Sugarland Run Homeowners Association, Inc.

## VI. Article II of the Declaration (recorded beginning in Book 524 at Page 140) shall be amended by adding the italicized language shown below:

### Section 3. <u>Electronic Voting</u>.

- (a) Notwithstanding any other provision of this Declaration, the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163), the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414), the Bylaws of Sugarland Run Homeowners Association, Inc. and the Articles of Incorporation of Sugarland Run Homeowners Association, Inc., the Board of Directors may, by Resolution, authorize obtaining the agreement of the members or the votes of the members, electronically or by other equivalent means and outside of a meeting, in accordance with the requirements set forth in the POAA, as may be amended, on the following matters:
  - (1) voting by Owners on any matter for which agreement of the Members is required pursuant to the Declaration (recorded beginning in Book 524 at Page 140), Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163), Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414), the Bylaws of Sugarland Run Homeowners Association, Inc. and the Articles of Incorporation of Sugarland Run Homeowners Association, Inc.; and/or
  - (2) voting by Owners to amend the Bylaws or Articles of Incorporation; and/or
  - (3) *voting by Owners to elect Directors; and/or*
  - (4) the electronic transmission of a proxy form, pursuant to Section 13.1-847 and Section 13.1-848 of the Virginia Nonstock Corporation Act.
- (b) A Member voting electronically before the meeting shall be deemed present at such meeting for quorum purposes.
- (c) The Board of Directors may establish such reasonable procedures with regard to obtaining agreement and/or votes electronically as it sees fit. However, if any Member does not have the capability or desire to conduct business using electronic transmission, the Board of Directors shall make reasonable accommodation, at its expense, for such Member to vote without use of such electronic means.

#### Section 4. <u>Use of Technology</u>.

- (a) Notwithstanding any other provision of this Declaration, the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163), the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414), the Bylaws of Sugarland Run Homeowners Association, Inc., (i) any notice required to be sent or received or (ii) any signature, vote, agreement, consent, or approval required to be obtained or any provision of the POAA may be accomplished using the most advanced technology available at that time if such use is a generally accepted business practice. This Section shall govern the use of technology in implementing the provisions of this Declaration, the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163), the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414), the Bylaws of Sugarland Run Homeowners Association, Inc. and the Articles of Incorporation of Sugarland Run Homeowners Association, Inc, or any provision of the POAA, as may be amended, dealing with notices, signatures, votes, consents, agreements or approvals.
- (b) Electronic transmissions and other equivalent methods. The Association, Owners, and those entitled to occupy a Lot, may perform any obligation or exercise any right under this Declaration, the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163), the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414), the Bylaws of Sugarland Run Homeowners Association, Inc. and the Articles of Incorporation of Sugarland Run Homeowners Association, Inc. or any provision the POAA, as may be amended, by use of any technological means providing sufficient security, reliability, identification, and verifiability as determined in the sole discretion of the Board of Directors. Acceptable technological means shall include, without limitation, electronic transmission over the Internet, or the community or other network, whether by direct communication, Intranet, telecopies, or electronic mail.
- (c) Signature requirements. An electronic signature meeting the requirements of applicable law shall satisfy any requirement for a signature under any this Declaration, the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163), the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414), the Bylaws of Sugarland Run Homeowners Association, Inc. and the Articles of Incorporation of Sugarland Run Homeowners Association, Inc. or any provision the POAA, as may be amended.
- (d) Acknowledgement not required. Subject to other provisions of law, no action required or permitted by this Declaration, the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 163), the Declaration of Covenants, Conditions and Restrictions (recorded beginning in Book 524 at Page 414), the Bylaws of Sugarland Run Homeowners Association, Inc. and the Articles of Incorporation of Sugarland Run Homeowners Association, Inc. or any provision the POAA, as may be amended, need be acknowledged before a notary public if the identity and signature of each person can otherwise be authenticated to the satisfaction of the Board of Directors.

(e) This Section shall not apply to (i) any documents that must be recorded in the public land records that require an original signature and (2) any notice related to an enforcement action by the Association, an assessment lien, or foreclosure proceedings in enforcement of an assessment lien.

## VII. Article IV, Section 2 of the Declaration (recorded beginning in Book 524 at Page 140) shall be amended by adding the italicized language shown below:

(f) the right of the Board of Directors to grant licenses or other rights to use the Common Areas or any facilities situated thereon to persons or entities who are not Owners or residents of a Lot within the Property for such consideration and on such terms and conditions as the Board, in their sole discretion, may, from time to time, consider appropriate. The Board of Directors shall consider the following: (i) the availability of and the ability to use and enjoy the Common Area or any facilities situated thereon by the Owners and residents of a Lot within the Property; (ii) the term to be granted, not to exceed one year, which must be decided upon annually by the Board of Directors; and (iii) that any licenses or other rights to use the Common Areas or any facilities situated thereon granted to persons or entities who are not Owners or residents of a Lot within the Property must provide that the license or other right may be terminated without payment of a termination fee: (i) without cause on no more than ninety (90) days' written notice or (ii) with cause no more than thirty (30) days' written notice.

## VIII. Article V of the Declaration (recorded beginning in Book 524 at Page 140) shall be amended by adding the italicized language shown below (*example*) and striking the language shown below as stricken (*example*):

Section 3. <u>Basis and Maximum of Monthly Assessments</u> *Installments*. On the first day of the month following the conveyance of the Common Areas to the Association and until January l of the year immediately following such conveyance, the monthly assessment *installment* imposed upon each Class A member of the Association shall be at the rate of Ten Dollars and Fifty Cents (\$10.50) per lot, the monthly assessment *installment* imposed upon each Living Unit in a Multifamily Structure owned by a Class B member shall be at the rate of Five Dollars and Twenty five Cents (\$5.25) per Living Unit, and the monthly assessment *installment* imposed upon each lot or Living Unit owned by the Class C member shall be at the rate of Five Dollars and Twenty-five Cents (\$5, 25) per lot or Living Unit. The monthly assessment *installment* may be increased as hereinafter provided in Section 5 of this Article V.

The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the monthly assessment *installment* for any year in an amount not in excess of the maximum, and may provide for the payment of such assessment on an annual basis, rather than in monthly installments, if the amount of such annual assessment does not exceed Forty Dollars (\$40.00), provided that it shall be an affirmative obligation of the Association and its Board of Directors, to fix such assessments at an amount sufficient to maintain and operate the Common Areas and facilities; and provided further than that the monthly assessment *installment* imposed upon a Living Unit owned by a Class B member and the monthly assessment *installment* imposed on a Lot or Living Unit owned by the Class C member shall

always equal fifty percent (50%) of the monthly assessment *installment* imposed on a Lot owned by a Class A member.

Section 4. Special Assessments for Capital Improvements. In addition to the monthly assessment *installment* authorized by Section 3 of this Article V, the Association may levy in any assessment year a special assessment (which must be fixed at one uniform rate for each Lot owned by a Class A member and a similar uniform rate for each Living Unit in a Multifamily Structure owned by a Class B member and for each Lot or Living Unit owned by the Class C member equal to one half of the uniform rate for each Lot owned by a Class A member) applicable to that year only, for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting.

Section 5. Change in Maximum of Monthly Assessments <u>Installments</u>. From and after the first day of the calendar month immediately following the conveyance of the first Lot to an Owner, the Board of Directors of the Association may, without a vote of the members of the Association, prospectively increase the maximum of the monthly assessments <u>installment</u> (fixed by Section 3 hereof) to an amount which is the greater of (i) five percent (5%) above the monthly assessments <u>installment</u> for the previous December or (ii) the monthly assessment <u>installment</u> fees stated in the first paragraph of Section 3 of this Article V.

The Association may prospectively increase the maximum of assessments above the amount permitted pursuant to the preceding sentence, provided that any such change shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting.

The monthly assessment *installment* imposed on a Living Unit owned by a Class B member and the monthly assessment *installment* imposed on a Lot or Living Unit owned by the Class C member shall always equal fifty percent (50%) of the monthly assessment *installment* imposed on a Lot owned by a Class A member.

Section 7. <u>Date of Commencement of Monthly Assessments Installments: Due Dates.</u> The monthly assessments *installment* as to all Lots shall commence on the first day of the month following the conveyance of the Common Areas to the Association.

The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. <u>Duties of the Board of Directors.</u> In the event of any change in the monthly assessments *installment* as set forth herein, the Board of Directors of the Association shall fix the

date of commencement and the amount of the assessment *installment* against each Lot or Multifamily Structure for each assessment *installment* period at least thirty days in advance of such date or period and shall, at that time, prepare a roster of the Lots and Multifamily Structures and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Assessment shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid, or the amount of any unpaid assessment. A reasonable charge may be made by the Association for the issuance of such certificate. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-payment of Assessment. The Personal Obligation of the Owner. The Lien. Remedies of the Association. If any assessment or assessment installment is not paid on the date when due (being the dates specified in Section 7 hereof), then such assessment or assessment installment shall be deemed delinquent, and shall, together with such interest thereon and cost of collection thereof as are hereinafter provided, continue as a lien on the Lot which shall bind such Lot in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns. In addition to such lien rights, the personal obligation of the then Owners to pay such assessments, however, shall remain his personal obligation and shall not pass to his successors in title (other than as a lien on the land) unless expressly assumed by them.

If any assessment installment is not paid withing sixty (60) days of the date being due, the remaining total of unpaid assessment installments shall be deemed due and payable through the end of the fiscal year or term of the assessment without further action of the Board.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum and the Association may bring legal action against the Owner personally obligated to pay the same or may enforce or foreclose the lien against the property; and in the event a judgment is obtained, such judgment shall include interest on the assessments above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action. No Owner of a Lot may waive or otherwise escape liability for the assessments provided for herein by non-use or the Common Areas or abandonment of his or its Lot.

# IX. Article X, GENERAL PROVISIONS, of the Declaration (recorded beginning in Book 524 at Page 140) shall be amended by adding the italicized language shown below (*example*) and striking the language shown below as stricken (*example*):

Section 1. <u>Duration and Amendment</u>. The covenants and restrictions of this Declaration run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot or Multifamily Structure subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded; after which time said covenants shall be automatically extended. for

successive periods of ten (10) years each unless an instrument signed by Owners holding not less than two thirds (2/3) of the votes of the membership has been recorded, agreeing to change said covenants and restrictions in whole or in part; provided, however, that no such agreement to change shall be effective unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken. Unless specifically prohibited herein, this Declaration may be amended by an instrument signed by Owners holding not less than Ninety percent (90%) of the votes of the membership at any time until the end of the initial twenty (20) year term of this Deed and thereafter by an instrument signed by agreement of the Owners holding not less than seventy five fifty one percent (75%) (51%) of the votes of the membership. Such agreement may be obtained by any of the following methods (or any combination thereof): (i) the signatures of the Lot Owners, which need not be acknowledged before a notary public, or (ii) by electronic means in accordance with procedures adopted by the Board of Directors which are consistent with the requirements of Virginia statutory law as the same may be amended from time to time. Written notice of the proposed amendment shall be provided to every Owner at least ninety (90) days in advance of any action taken, pursuant to Article II, Section 4 of this Declaration. Any amendment becomes effective upon its proper recording with a certification of the President that the requirements of this Section regarding the agreement of Members have been met.