

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR SILCOTT MEADOWS HOMEOWNERS ASSOCIATION, INC.

RETURN TO:
Unity Title
9214 Center Street, 3rd Floor
Manassas, VA 20110

THIS DECLARATION is made this 22 day of February, 2005 by M/I HOMES OF DC, LLC, a Delaware limited liability company, its successors or assigns (the "Declarant").

RECITAL

A. M/I HOMES OF DC, LLC, is the owner of certain real property located in Loudoun County, Virginia, being a portion of the real property Declarant acquired by Deed recorded on May 19, 2004 as Instrument No. 20040519-0049074 among the land records of Loudoun County, Virginia, and more particularly described on the plat dated June 20, 2003 and entitled "FINAL SUBDIVISION PLAT SILCOTT MEADOWS, BLUE RIDGE ELECTION DISTRICT, LOUDOUN COUNTY, VIRGINIA," prepared by Paciulli Simmons and Associates (the "Plat") as lots 1 through 21, inclusive.

B. Declarant, in order to provide for the presentation and enhancement of the property values and the orderly development of Silcott Meadows, desires to subject their properties to the covenants, conditions, restrictions, easements, changes, and liens hereinafter set forth, all of which are for the benefit of Declarant and all future lot owners of Silcott Meadows.

WITNESS

NOW, THEREFORE, Declarant hereby declares that all of the lots in Silcott Meadows are and shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, charges and liens hereinafter set forth, as the same may be amended or supplemented from time to time, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property described herein and be binding on all parties having any right, title or interest in the real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to Silcott Meadows Homeowners Association, Inc., a Virginia nonstock corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more

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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 3. "Property" shall mean and refer to the lots in Silcott Meadows.

Section 4. "Lot" shall mean and refer to any parcel of land shown upon any recorded subdivision plat of the Property.

Section 5. "Declarant" shall mean and refer to M/I Homes of DC, LLC, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development, 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 6. "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 the holder of 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.

ARTICLE II

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 member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to a Class A membership when the total outstanding in Class A votes equal the total outstanding of the Class B votes.

ARTICLE III

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed thereof, 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, 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 attorney's 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 improve and maintain the common areas, areas within public right of ways, areas on public utility easements within the Property and such portions of any additional property as may be dictated by the Association, to provide appropriate liability insurance for the protection of the Association and to provide for orderly and uniform refuse collection for all lot owners.

Section 3. Amount and Frequency of Assessments. The amount and frequency of assessments shall be determined by the Board of Directors from time to time subject to the approval of a vote of the majority of the members.

Section 4. Special Assessments. 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 maintenance or repair when available funds on hand are not sufficient. Any special assessment may be rescinded by a majority vote 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. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected in advance on a monthly or quarterly 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 all Lots on the first day of the month following the conveyance of a 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 in the amount of fifteen dollars (\$15.00) of the assessment due and shall bear interest from the due date at a rate of twelve percent (12%) interest per annum or such greater amount as may 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 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. Reserves for Replacements. The Association may establish and maintain a reserve fund for improvements 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 any State or 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 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. The proportional interest of any member in any such reserves shall be considered an appurtenance of his Lot and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Lot to which it appertains and shall be deemed to be transferred with such Lot.

Section 10. Initial Working Fund. The Board of Directors shall levy an "initial" assessment at settlement against the Owner of a Lot who is a Class "A" member at the time of conveyance. Such initial assessment shall be \$200.00 and shall be used for commencing the business of the Association, or any other purpose established by the Board of Directors.

ARTICLE IV Architectural Control.

In order to insure that the intent and purpose of these covenants and restrictions are complied with, an Architectural Control Committee (hereinafter called "the Committee") is hereby established which shall have full authority in enforcing same.

1. The Architectural Control committee shall consist of three (3) members. The initial members shall be named by the Declarant. The permanent address of the Committee shall be 21355 Ridgetop Circle, First Floor, Sterling, Virginia 20166-6503 until changed by action of the Association. Any two (2) of three (3) members may act for the Committee. The membership term of the committee shall be indefinite unless terminated as hereinafter provided. In the event of death or resignation of any member of the committee, the remaining member representing the Declarant shall have full authority to designate a successor. Upon the sale and recordation of the Deed of Conveyance of 100% of the lots in Silcott Meadows, by M/I Homes of DC, LLC, its successors and or assigns, or on December 31, 2010, whichever occurs first, the Association shall have the power to change the membership of the committee and remove or appoint its members. The members of the Committee shall not be entitled to any compensation for services performed hereunder.

2. No building, including but not limited to, sheds, barns or detached garages, swimming pool, structure, fence, utility yard, screen planting, external flues or other improvements shall be erected, placed or altered on any premises until the building plans, grading plans showing the location of such improvements on the site have been approved in writing as to the conformity and harmony of the external design and external materials. No exterior color change shall be allowed unless written approval for such changes has been obtained from the Architectural Control committee. The Committee, in approving or disapproving such plans shall take into consideration the location of such building, etc. with respect to the topography finish, ground elevation and neighboring structures. Easements for installation and maintenance of utilities, and drainage facilities are reserved as shown on the recorded plat and over the front of each lot.

3. As a part of the above requirement, an owner of a lot prior to commencement of

construction of improvements shall submit to the Committee, requesting approval thereof, two sets of working drawings of the proposed structures showing, at a minimum, floor plans, elevations of all views of the structure, exterior finishes, roofing type, landscaping, driveway location, culvert type and size, exact location of the structure on the lot and fence or wall.

4. In the event the Committee fails to approve or disapprove such plans, designs, specifications or location within forty-five (45) days after submitted, or in any event, if no suit to enjoin the erection of such building, improvement or making of alterations has been commenced prior to the completion thereof, such approval will not be required and covenant three (3) shall be deemed to have been fully complied with.

5. Notwithstanding any provisions of this Declaration to the contrary, the provisions of this Article IV shall not be applicable to the Declarant as long as any Lot in the Property is owned by the Declarant.

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:

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. No purchaser of a lot shall be allowed to subdivide a lot as to produce a greater number of smaller lots.
2. All buildings of every kind shall meet building and zoning codes of the County of Loudoun and the Commonwealth of Virginia.
3. No garage, garage apartment, barn, stable, or other outbuilding shall be constructed or erected upon said premises prior to construction of the main dwelling house.
4. A dwelling house, or any other improvement, once begun, shall be completed including landscaping and exterior painting, in no more than nine (9) months after construction has begun.
5. No noxious, illegal or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No signs or billboards shall be erected or maintained on the premises unless approved in advance by the Committee, except one sign of not more than five (5) square feet advertising tile property for sale or rent, or signs used by a builder to advertise the property

during the construction and sales. No trade materials or inventories may be stored upon the premises and no trucks, tractors, recreational vehicles, house trailers, boats or equipment may be stored or regularly parked on the premises except in garages or sheds to be approved by the Committee.

6. No business of any nature may be operated without the prior written consent of the Association, and must comply with the Code of the County of Loudoun, Virginia.

7. No trailer, basement (unless said basement is a part of a residence erected at the same time) tent, shack, other out building or any temporary structure shall be erected or placed on any lot covered by these covenants, except as specifically permitted herein, and in no event shall be used as a residence.

8. The lots shall not be used for storage of displaced buildings, lumber or materials of any nature, except insofar as is necessary during the actual construction of buildings upon the lot where stored.

9. No animals, livestock, or poultry of any kind other than household pets shall be kept or maintained on any lot. Such allowable pets may not be kept for boarding, breeding, or maintained for any commercial purposes whatsoever.

10. The owner of any lot shall provide adequate off street parking for the parking of motor vehicles owned by such owner. Owners of lots agree not to park their motor vehicles on the street in the development.

11. Each lot owner shall keep his lot free from tall grass, undergrowth, dead trees, trash and rubbish, and properly maintain it so as to present a pleasing appearance, and shall maintain the proper contour of the land in order to prevent erosion. In the event a lot owner does not properly maintain his lot as above provided in the option of the Committee hereinabove mentioned, then the Committee may recommend that the Association have the required work done. If done by the Association, the cost thus incurred shall be paid by the owner within thirty (30) days.

12. No existing trees whose diameter four feet above ground level is over six inches shall be cut on any lot without the permission of the Committee. This item does not pertain to the lots in Section III that are deemed agricultural.

13. No fill, dirt, muck or rock shall be removed from any lot conveyed, nor shall the elevation thereof be changed in any manner, if by so doing, it shall result in a detriment to adjacent lots. No property owner shall obstruct, divert, or alter by unnatural means, the flow of water or any watercourse existing on the land of said subdivision or additions thereto, without providing equal or better substitute drainage facilities. No lake or pond shall be constructed, filled or altered without the prior written consent of the Committee.

14. All telephone, electric, and other utility lines and connection between the main utility lines and the residences or other buildings on each lot shall be concealed and located underground so as not to be visible.

15. No exterior television or radio antenna or satellite dish or dish of any sort shall be erected or maintained on any lot without the written consent of the Committee.

16. No clothing, laundry, or wash shall be aired or dried on any outside portion of the lots in any area.

17. The discharge of firearms of any size and caliber is prohibited within this subdivision.

18. The construction and fencing of swimming pools and tennis courts shall be subject to the approval of the Committee, meet all county standards, and shall be located in a manner so as not to detract from the general appearances of the lot or subdivision.

19. All boundary fences on the lots shall be approved by the Committee, and shall be constructed of wood, stone or shrubbery. Such fence shall be limited to four (4) feet in height.

20. Each lot owner shall be responsible for this pro rata share of the cost of maintaining the entrance sign and sign easement area to be located on both of the lots fronting on Silcott Springs Road/ Route 690. (Lots 1 and 21) This charge or cost applicable to each lot shall be included in the Homeowner's assessments.

21. Notwithstanding any provisions of this Declaration to the contrary, the provisions of this Article V shall not be applicable to the Declarant as long as any Lot in the Property is owned by the Declarant.

ARTICLE VI

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 vote of the Members. The amendment instrument shall be recorded among the Land Records of Loudoun County, Virginia. 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 the Class A member, should there be a Class A member.

Notwithstanding anything to the contrary herein contained, the Declarant reserves the right to amend this Declaration without the consent of any Owners 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 Veterans Administration, The Federal National Mortgage Association, The Federal Home Loan Mortgage Corporation, or Loudoun County, Virginia; (ii) make non-material or corrective changes; (iii) reflect the relocation of boundary lines between the roadway and any Lots or among any Lots, provided however that an approved resubdivision of the affected property is properly recorded.

Section 6. FHA-VA Approvals. Provided that there are then Class B memberships of the Association outstanding, and should any Lot be encumbered by a deed of trust guaranteed by the Veterans Administration or Federal Housing Administration, then neither the members, the Board of Directors nor the Association shall, by act or omission, take any of the following actions without the prior written consent or approval of the Federal Housing Administration or the Veterans Administration:

(a) make any annexation or additions of property;

(b) abandon, partition, 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, easements and the like for public utilities or for other purposes consistent with the use of the Common roadway by the members of the Association shall not be considered a transfer within the meaning of this Section 6;

(c) abandon or terminate this Declaration;

(d) modify or amend any material provisions of this Declaration, the Bylaws or the Articles of Incorporation of the Association; or

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

Section 7. 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 First Mortgagees of record on the Lots:

(a) abandon or terminate this Declaration;

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

(c) 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;

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

(e) 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 Roadway;

Section 8. Additional Rights of Mortgagees - Notice. The Association shall promptly notify the First Mortgagee 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 First Mortgagee 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 First Mortgage on the Lot which is the subject matter of such suit or proceeding.

Section 9. 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 7 and 8 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 10. 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 genders and the singular shall include the plural.

ARTICLE VIII

Refuse Collection

1. Refuse collection. Collection of refuse on a regular basis to each of the lots affected by these covenants may be provided for and contracted by the Association which shall have the authority to promulgate reasonable rules and regulations regarding the same. The cost, if any, of such collection shall be borne by the Association from the assessments collected and provided for as provided in article IV herein.

ARTICLE IX

Common Area

A non-exclusive easement for the use and enjoyment of the common areas, as more particularly described on the Plat is reserved to the Declarant, its successors and assigns and to the persons who are, from time to time, members of the Silcott Meadows Homeowners Association.


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 maintain the Common roadway, 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.


IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this instrument on February 22, 2005.

M/I HOMES of DC, LLC,
a Delaware limited liability company

By: 
Thomas P. Dunn
Area President

STATE OF VIRGINIA
COUNTY OF Loudoun:

Acknowledged before me, the undersigned Notary Public by Thomas P. Dunn, Area President of M/I HOMES of DC, LLC, a Delaware limited liability company this 22nd day of February, 2005.


Notary Public

My Commission expires: 1/31/2009