

HISTORY OF THE 4S ACTION GROUP LLC

by Michael Avery

On Thursday, November 11, 2010 William Matson, Counsel to K. Hovnanian's Four Seasons, L.L.C., declarant sent a Memorandum to the Members of the Board of Directors of Four Season's at Charlottesville Community Association summarizing a proposed "Settlement Agreement".

At the men's coffee on Friday, November 12, 2010 this settlement agreement was discussed at length and based on the consensus of those present it contained onerous conditions that were considered unfavorable to the community. The late Dana Argeris suggested we meet with a Charlottesville attorney with whom he was familiar.

On Monday, November 15, residents, Argeris and Michael Avery met with Jim Bowling of St. John, Bowling, Lawrence & Quagliana, LLP a Charlottesville law firm. Mr. Bowling agreed to review the proposed Settlement Agreement and to address the residents of Four Seasons at a future meeting.

On Wednesday, November 17, 2010 a lengthy meeting was held in the ballroom of the Four Seasons Clubhouse. At that meeting the Settlement Agreement was discussed and following a discussion with Mr. Bowling, it was decided to retain him and form a Limited Liability Corporation LLC (4S Action Group) with a twofold purpose: have a voice at any negotiation and obtain a more favorable agreement. The LLC was approved by the State of Virginia and a resident committee was elected by the residents; Michael Avery, who became the Executive Manager, Lon Bishop, Vince Donnelly, Doug Miller and Peggy Tennison. Jack Hargrove had been an initial member but elected to leave the LLC and therefore could not be on the committee. Eighty one households become members with an initial contribution of \$300.00 per household. Over time, legal fees resulted in a need for additional funding of \$100.00 per household. Some previous LLC members elected not to participate in this second round.

From the period of Monday, November 29, 2010 until Sunday April 16, the LLC committee held over 40 meetings, one lasting ten hours, to evaluate and make, along with legal consultation with Mr. Bowling, changes to the Settlement Agreement. Also, during this same period, there were multiple meetings with the homeowner members of the LLC, executives of K Hovnanian, HCLand as well as multiple emails and phone calls with all the relevant parties to discuss changes to the agreement. On Sunday, March 24, at a meeting of homeowner members of the LLC, the final draft of the Settlement Agreement was presented. This was approved by 77% of the members in attendance.

On Sunday, April 16 a HOA Board meeting was called by Drew Main, President of the Four Seasons at Charlottesville Community Association to obtain approval of the Settlement Agreement. On that day, the HOA Board of Directors (not the LLC) met with the residents of Four Seasons to vote on the approval of the Settlement Agreement. They did not receive the 66% required to approve. Subsequent to this, K Hovnanian sent a consent form to the residents (potentially to override the 4/16 vote) to approve the settlement agreement and amendments. They received 86 consents (approximately 72% of the current homeowners) for approval. The HOA Board met on Wednesday, June 8 to obtain formal approval. The Settlement Agreement was filed and established the legality of our current Homeowners Association. On July 31, 2011 the Four Seasons Association of Charlottesville assumed control and established its HOA Board of Directors, in essence the homeowners took charge of its own destiny.

The 4SAction Group was legally, by the State of Virginia, terminated on Monday, October 31, 2011.