

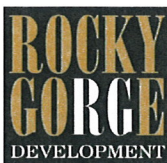
THE ROCKY GORGE COMPANIES HISTORY AND OVERVIEW

The Rocky Gorge Companies, all under the operating control of Christopher S. Dormont, have developed and built over 3,000 homes since the mid 1980's in approximately 40 communities. In addition, Rocky Gorge has developed approximately 2,500 building lots, which were sold to other builders. Rocky Gorge has built townhomes, multi-family and single family homes in a variety of styles and price ranges in Arlington, Alexandria, Fairfax, Prince William, Loudoun, Montgomery, Prince George's and Baltimore Counties and the City of Falls Church. In September, 2004 Rocky Gorge sold its homebuilding operation to Hovnanian Enterprises, Inc. Rocky Gorge Development was formed to continue the business with the acquisition and development of residential land.

Rocky George Development has assembled a team of professionals with recognized leadership in the areas of land planning and entitlements, land acquisition and development, marketing and finance. We are often described as a "niche" developer, looking for voids in the market and responding with products and pricing strategies that generally differentiate us from most of the competition. As a medium sized developer, Rocky Gorge is extremely nimble in adjusting to meet the changing needs of the marketplace.



From our early years at Avenel and The Kentlands, Rocky Gorge has established a reputation for innovative design, quality construction and customer satisfaction. The Northern Virginia and Suburban Maryland Builders Associations have awarded twenty "Finest for Family Living" awards for homes built by Rocky Gorge. This experience serves us well in the land development process.



The following summary of Rocky Gorge communities illustrates the scope of our residential capabilities.

Rocky Gorge Recent Residential Communities

- Arora Hills – Clarksburg, MD – Rezoned 375 acres to a yield of 1,200 units, sold property to Beazer/Artery JV, bought back 115 SFD and 150 SFA finished lots for home construction by RGH.
- Balk Hill – Prince George's County, MD a 310-acre property planned and rezoned by RGH for 326 conventional ¼ and ½ acres lots and a 393-unit neo-tradition village. Sold the entire site to D.R. Horton, Inc.
- Seneca Brook – Montgomery County, MD Purchased 18 finished lots for construction of SFD homes sold in the \$450,000 to \$500,000 range.
- Goshen Park – Montgomery County, MD Purchased 15 raw lots for construction of SFD homes sold in the \$425,000 to \$500,000 range.
- Village Town Center – Montgomery County, MD – Purchased 56 finished townhouse lots (20' x 40' rear load garage) from Artery.
- Oak Grove – Sterling, VA – Purchased raw ground, developed and built 240 20' x 40' town homes, with a detached garage.

Residential Communities

- Dunbarton Hills – Prince George’s County, MD – RGD developed 162 SFD lots for Ryan Homes and Washington Homes.



- Fairwood – Prince George’s County – Purchased 20 acres from Rouse Company for construction of 157 townhouses.



- Mainstreet Condominiums – Alexandria, VA – Built and sold four 4-story buildings with structured parking, total 200-units.
- Fairfax Gateway – Fairfax, VA – Rezoned 6 acre property for development of forty-seven 24’ wide townhouses, sale prices in the \$600,000’s. Sold lots to KHOV.



RYAN
GEORGE
HOMES

Fairfax Gateway

- Victory Lakes – Manassas, VA – Purchased 83-finished SFD lot for construction of homes from the \$500’s.



- Rivergate Pointe – Fort Washington, MD – Building 15 exclusive homes along the Potomac River sold from the mid-\$600’s to over \$1 million.
- Arora Hills – Clarksburg, MD – Purchased finished lots to build 150 single family detached and 115 townhouses.
- Southdown Shores - Anne Arundel County, MD – An “off balance sheet” land development transaction with Washington Homes. RGH purchased 34-engineered SFD lots via contract assignment from Washington Homes for lot development and eventual re-sale to them.
- Emerson Park - Northeast Washington, DC – This 6-acre site is located approximately 2000’ from the Fort Totten Metro Station. The property was rezoned in 2005 for medium density residential uses. The approved PUD consists of 75-townhomes and 16-duplex units.



RYAN
GEORGE
HOMES

EMERSON PARK
TYPICAL UNIT STREETSCAPE

Rocky Gorge Development Current Residential Communities

- Balk Hill at Regent Park, Prince George's County Maryland – A year after the entire 300 acres were sold to D.R. Horton, RGD structured a repurchase of approved lots committed to Ryan Homes. D.R. Horton could focus on its home building, while RGD developed lots for Ryan Homes in the same community. Rocky Gorge planned this project and remained part of the team which built one of the most popular and successful developments in the County this decade.



- Piney Grove Estates, Charles County, Maryland – 178 single family lots being developed for Ryan Homes. Model opened July 2009. Ryan has introduced new product at Piney Grove, which is positioned in the market's sweet spot! Piney Grove will be our next success story.
- Aris T. Allen Boulevard – City of Annapolis, Maryland – This 23 acre site is platted for 17-single family detached and 31-single family attached units. This is an approved project in a City with a very high barrier to entry.
- Willow Bend – City of Frederick, Maryland – 194 fee simple town home community. Originally a rental project, phase I of this conversion project was the sales leader in its market through 2008. Phase II continues to be operated as a rental community.

- Waverly View, City of Frederick, Frederick, MD – Creative purchase at foreclosure sale of this 91 acre Planned Neighborhood Development, approved for 240 apartments and 564 for-sale residential units. To raise development capital, developer recently won approval of \$18,000,000 in bond finance through creation of special taxing district.

