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HOMELAND VILLAGE COMMUNITY ASSOCIATION, INC.

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DECLARATION OF

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COVENANTS, CONDITIONS AND RESTRICTIONS

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TABLE OF CONTENTS

	<u>Page</u>
Article I.	DEFINITIONS
Section 1.01.	Association 2
Section 1.02.	Attached Unit 2
Section 1.03.	Attached Unit Maintenance Areas 2
Section 1.04.	Common Areas and Community Facilities 2
Section 1.05.	Declarant or Developer 2
Section 1.06.	Eligible Mortgage Holder 2
Section 1.07.	Lot 2
Section 1.08.	Member 2
Section 1.09.	Mortgagee 3
Section 1.10.	Owner 3
Section 1.11.	The Project and the Community 3
Section 1.12.	Property 3
Article II.	PROPERTY SUBJECT TO DECLARATION
Section 2.01.	Initial Property Subject to the Declaration 3
Section 2.02.	Additions 4
Article III.	PROPERTY RIGHTS
Section 3.01.	Member's Easements of Enjoyment 4
Section 3.02.	Limitations 6
Section 3.03.	Delegation of Use 6
Article IV.	MEMBERSHIP AND VOTING RIGHTS
Section 4.01.	Membership 6
Section 4.02.	Voting Rights 6
Article V.	COVENANT FOR MAINTENANCE ASSESSMENTS
Section 5.01.	Annual Maintenance Assessments 7
Section 5.02.	Special Maintenance Assessments 9
Section 5.03.	Reserves for Replacements. 10
Section 5.04.	Maximum Annual Maintenance Assessments 10
Section 5.05.	Increase in Maximum Annual Maintenance Assessment 10
Article VI.	SUPPLEMENTARY ATTACHED UNIT MAINTENANCE ASSESSMENTS
Section 6.01.	Annual Supplementary Attached Unit Maintenance Assessments 11
Section 6.02.	Special Attached Unit Maintenance Assessments 12
Section 6.03.	Reserve for Repairs and Replacements of the Attached Unit Maintenance Areas 12
Section 6.04.	Maximum Annual Supplementary Attached Unit Maintenance Assessments 12
Section 6.05.	Increase in Maximum Annual Supplementary Attached Unit Maintenance Assessments 13

	<u>Page</u>
Article VII. COMMENCEMENT OF ANNUAL ASSESSMENTS	
Section 7.01. Commencement of Annual Assessments for Class A Members	13
Section 7.02. Assessment of Declarant	13
Section 7.03. Exempt Property	14
Article VIII. REMEDIES OF ASSOCIATION FOR NON-PAYMENT OF ASSESSMENTS	
Section 8.01. Non-Payment of Assessments	14
Section 8.02. Assessment Certificates	14
Section 8.03. Acceleration of Installments	15
Section 8.04. Priority of Lien	15
Section 8.05. Additional Default	16
Article IX. ARCHITECTURAL CONTROL	
Section 9.01. Architectural Change Approval	16
Section 9.02. Initiation and Completion of Approved Changes	17
Section 9.03. Certificate of Compliance	17
Section 9.04. Covenant Committee Rules and Regulations; Appeal of Covenant Committee Decision	17
Article X. USE RESTRICTIONS; EASEMENTS	17
Section 10.01. Permitted Uses	18
Section 10.02. Prohibited Uses and Nuisances	18
Section 10.03. House Rules, Etc.	21
Section 10.04. Enforcement - Right to Remove or Correct Violations	21
Section 10.05. Exemptions	22
Section 10.06. Declaration of Easements and Rights	22
Section 10.07. Transcontinental Gas Line Easement	25
Article XI. MAINTENANCE	
Section 11.01. Lot Maintenance	25
Section 11.02. Maintenance of Storm Water Detention Basin	25
Article XII. INSURANCE	
Section 12.01. Optional Coverage	26
Section 12.02. Required Coverage	26
Section 12.03. Repair and Reconstruction of Common Areas and Community Facilities After Fire or Other Casualty	27
Article XIII. PARTY WALLS AND PARTY FENCES	
Section 13.01. General Rules of Law to Apply	29
Section 13.02. Sharing of Repair and Maintenance and Destruction by Fire or Other Casualty	29
Section 13.03. Repairs of Damage Caused by One Owner	29
Section 13.04. Weatherproofing	30
Section 13.05. Encroachments	30
Section 13.06. Other Changes	30
Section 13.07. Right to Contribution Runs with Land	30
Section 13.08. Dispute	30

LIBER 7 2 6 5 FOLIO 7 6 5

	<u>Page</u>
Article XIV. MANAGEMENT	
Section 14.01. Management Agent	30
Section 14.02. Duration of Management Agreement	31
Article XV. GENERAL PROVISIONS	
Section 15.01. Limitation of Liability	31
Section 15.02. Enforcement	31
Section 15.03. Severability	32
Section 15.04. Duration and Amendment	32
Section 15.05. Successors of Declarant	32
Section 15.06. FHA-VA Approvals	32
Section 15.07. Rights of the Maryland-National Capital Park and Planning Commission	32
Section 15.08. Consents	33
Section 15.09. Additional Rights of Mortgagees - Notice	35
Section 15.10. Casualty Losses	35
Section 15.11. Condemnation or Eminent Domain	36
Section 15.12. Changes Required by Lenders	36
Section 15.13. Taxes and Assessments	36
Section 15.14. No Dedication to Public Use	36
Section 15.15. Incorporation by Reference on Resale	36
Section 15.16. Declarant Reserved Rights	36
Section 15.17. Perpetuities	37
Section 15.18. Captions and Gender	37

EXHIBITS

Exhibit "A"	Description of Lots and Common Areas - Phase I
Exhibit "B"	Description of Common Areas - Phase I
Exhibit "C"	Description of Benefited Property

HOMELAND VILLAGE COMMUNITY ASSOCIATION, INC.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by THE ARTERY ORGANIZATION, INC., a corporation formed and existing under the laws of Maryland, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property described in Article II hereof and desires to create and develop thereon a residential community with Common Areas and Community Facilities (as defined in Section 1.04) for the benefit of said community; and

WHEREAS, the Declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of said Common Areas and Community Facilities; and to this end, desires to subject the real property described in Article II hereof to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which are for the benefit of said property and the subsequent owners thereof; and

WHEREAS, the Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an association to which should be delegated and assigned the powers and duties of maintaining and administering the Common Areas and Community Facilities, administering and enforcing the within covenants and restrictions and collecting and disbursing the charges and assessments hereinafter created; and

WHEREAS, the Declarant has formed the Homeland Village Community Association, Inc., as a non-profit corporation without capital stock under the laws of the State of Maryland for the purposes of carrying out the powers and duties aforesaid.

NOW, THEREFORE, the Declarant hereby declares that the real property described in Article II hereof is and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to the covenants, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens (hereinafter sometimes referred to as "Covenants and Restrictions") hereinafter set forth, all of which are declared and agreed to be in aid of a plan for improvement of said property, and shall be deemed to run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant, its successors and assigns, and any person acquiring or owning an interest in said property and improvements, including, without limitation, any person, group of persons, corporation, trust or other legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation.

ARTICLE I
DEFINITIONS

Section 1.01. "Association" shall mean and refer to Homeland Village Community Association, Inc., a nonstock corporation, its successors and assigns.

Section 1.02. "Attached Unit" shall mean and refer to each and every Lot within the Property upon which there is constructed a dwelling unit which is physically attached to one or more other dwelling units.

Section 1.03. "Attached Unit Maintenance Areas" shall mean and refer to those portions of the Attached Units, and the Common Areas and Community Facilities (or Common Elements in the case of Attached Units which are condominium units) adjacent to or benefiting the dwellings of the Attached Units, the maintenance of which is funded, in whole or in part, by the Supplementary Attached Unit Maintenance Assessments established in Article VI.

Section 1.04. "Common Areas" and "Community Facilities" shall mean and refer to all real and personal property owned or leased by the Association or otherwise available to the Association (including the improvements thereto) for the common use and enjoyment of the Owners. The Common Areas to be owned by the Association at the time of the conveyance of the first Lot are more particularly described on the legal description attached hereto and made a part hereof as Exhibit "B".

Section 1.05. "Declarant" or "Developer" shall mean and refer to The Artery Organization, Inc., a Maryland corporation, formed and existing under the laws of Maryland, its successors and assigns; provided, however, that the rights, reservations, easements, interests, exemptions, privileges and powers of the Declarant shall not inure to the benefit of or burden the successors and assigns of the Declarant except to the extent that any of the rights, reservations, easements, interests, exemptions, privileges or powers of the Declarant are specifically assigned or transferred to any such successor or assign by an instrument in writing.

Section 1.06. "Eligible Mortgage Holder" shall mean a holder of a first mortgage on a Lot who has requested notice from the Association of amendments to the Association documents or notice of other significant matters which would affect the interests of the mortgagee.

Section 1.07. "Lot" shall mean and refer to any (i) plot of land shown upon any recorded subdivision map of the Property upon which it is intended that a dwelling unit be constructed (including, without limiting the generality of the foregoing, single-family lots, townhouse lots and land upon which back-to-back, fourplex or similar type homes are constructed); (ii) any condominium unit within the Property which is to be devoted to residential use, and (iii) any apartment unit within the Property which is to be devoted to residential use; provided, however, that no Lot shall be counted twice in any situation where it may fall within more than one of the descriptions herein contained.

Section 1.08. "Member" shall mean and refer to every person, group of persons, corporation, trust or other legal entity, or any combination thereof, who holds any class of membership in the Association.

Section 1.09. "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 deed of trust. "First Mortgage", as used herein, shall mean 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"), Government National Mortgage Association ("GNMA"), 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, or any other organization or entity which has a security interest in any Lot.

In the event any mortgage is insured by the Federal Housing Administration ("FHA") or guaranteed by the Veterans Administration ("VA"), then as to such mortgage the expressions "mortgagee" and "institutional mortgagee" include the FHA or the VA, as the circumstances may require, acting, respectively, through the Federal Housing Commissioner and the Commissioner of Veterans Benefits or through other duly authorized agents.

Section 1.10. "Owner" shall mean and refer to the record owner, whether one or more 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 1.11. The "Project" and the "Community", as used in this Declaration, means that certain community being developed by the Declarant (or affiliates, successors and assigns of the Declarant) in Montgomery County, Maryland, known as "HOMELAND VILLAGE".

Section 1.12. "Property" shall mean and refer to all real property described in Article II hereof, and such additions thereto as may hereafter be brought within the jurisdiction of the Association pursuant to the provisions of Article II.

Whenever in this Declaration any action is required to be taken by a specified percentage of "each class of the then Members" of the Association, then such action shall be required to be taken separately by the specified percentage of the then outstanding Class A members of the Association and by the specified percentage of the then outstanding Class B members of the Association. Whenever in this Declaration any action is required to be taken by a specified percentage of the "then Members" of the Association, then such action shall be required to be taken by the specified percentage of the then outstanding cumulative membership of the Association.

ARTICLE II PROPERTY SUBJECT TO DECLARATION

Section 2.01. Initial Property Subject to the Declaration. The real property which is, and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented,

used, occupied and improved subject to this Declaration is located in Montgomery County, State of Maryland, and is more particularly described on Exhibit "A" attached hereto and by this reference made a part hereof.

Section 2.02. Additions. So long as there are Class B members of the Association, additional property may be annexed to the above-described property by the Declarant without the consent of the Class A members of the Association, if any, for a period of seven (7) years from the recordation of this Declaration. Following the lapse or surrender of the Class B memberships as provided for in Article III of this Declaration, additional property may be annexed to the above-described property without the consent of the Class A members of the Association, if any, so long as such additional property is part of the property described to contain 52.4 acres of land in the Eighth Election District of Montgomery County, Maryland, more particularly described in a certain Deed recorded the tenth day of December, 1984, in Liber 6612 at folio 051 among the Land Records for Montgomery County, Maryland, provided that such annexation occurs within seven (7) years from the recordation of this Declaration. The scheme of the within Covenants and Restrictions shall not, however, be extended to include any such additional property unless and until the same is annexed to the real property described on Exhibit "A" as hereinafter provided.

Any annexations made pursuant to this Article, or otherwise, shall be made by recording a Supplementary Declaration of Covenants, Conditions and Restrictions among the Land Records for Montgomery County, Maryland, which Supplementary Declaration shall extend the scheme of the within Declaration of Covenants, Conditions and Restrictions to such annexed property. Such annexations need not be made by the Declarant; provided, however, that any such annexation made prior to January 1, 1991, accomplished by persons other than the Declarant, shall have the written consent of the Declarant.

So long as any Lot is encumbered by a deed of trust or mortgage which is guaranteed by the Veterans Administration, no annexation shall be made pursuant to this Article, or otherwise, except following a determination by the Veterans Administration that the annexation conforms to a general plan for the development of the Community previously approved by the Veterans Administration or, if no such general plan was approved by the Veterans Administration, except following the prior written approval of the Veterans Administration.

Any Supplementary Declaration of Covenants, Conditions and Restrictions made pursuant to the provisions of this Article may contain such complementary or supplemental additions and modifications to the covenants and restrictions set forth in the within Declaration as may be considered necessary by the maker of such Supplementary Declaration of Covenants, Conditions and Restrictions to reflect the different character or use, if any, of the annexed property.

ARTICLE III PROPERTY RIGHTS

Section 3.01. Member's Easements of Enjoyment. Every Member shall have a non-exclusive right and easement of enjoyment, in common with others, in and to the

Common Areas and Community Facilities, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable and uniform admission and other fees for the use of any Community Facilities;

(b) the right of the Association to suspend the voting rights and rights to use of the Common Areas and Community Facilities by a Member for any period during which any assessment against his Lot remains unpaid and for a period not to exceed thirty (30) days for any infraction of the published rules and regulations of the Association;

(c) the right of the Association to dedicate or transfer all or any part of the Common Areas or Community Facilities to any public agency, authority, or utility for such purposes as are consistent with the purpose of this Declaration and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless two-thirds (2/3) of each class of the then Members consent to such dedication or transfer, at any special meeting of the Members duly called for such purpose; provided, that any such dedication or transfer shall also be subject to the limitations provided for in Sections 15.06, 15.07 and 15.08 of this Declaration;

(d) the right of the Association to limit the number of guests of Members;

(e) the right of the Association to establish uniform rules and regulations pertaining to the use of the Common Areas and Community Facilities and to reasonably limit the number of guests of Members who use such Common Areas and Community Facilities;

(f) the right of the Association to provide for the exclusive use by Members of certain designated parking spaces within the Common Areas;

(g) the right of the Association, the Declarant, utility companies and other owners with respect to the easements established in Section 10.06 hereof.

(h) the right of the Association, in accordance with its Articles of Incorporation and Bylaws, and with the consent of a majority of each class of the Members, voting separately, to borrow money for the purpose of improving the Common Areas and Community Facilities in a manner designed to promote the enjoyment and welfare of the Members and in aid thereof to mortgage any of the Common Areas and Community Facilities.

(i) the right of the Association to take such steps as are reasonably necessary to protect the property of the Association against mortgage default and foreclosures; provided, however, that the same are in conformity with the other provisions of this Declaration.

(j) the right of the Association, acting by and through its Board of Directors, to grant easements, licenses or other rights of use to the Common Areas and Community Facilities to persons or entities who are not Members for such consideration

and on such terms and conditions as the Board of Directors may from time to time consider appropriate; provided, however, that no such easements, licenses or other rights of use shall be unreasonably and permanently inconsistent with the rights of Members to the use and enjoyment of the Common Areas and Community Facilities.

Section 3.02. Limitations.

(a) Any other provision of this Declaration to the contrary notwithstanding, the Association shall have no right to suspend the right of any Member of the Association to use any private streets and roadways located upon the Common Areas for both vehicular and pedestrian ingress and egress to and from his Lot and for parking.

(b) Any other provision of this Declaration to the contrary notwithstanding, the Association shall have no right to suspend the right of any Member of the Association to use the Common Areas and Community Facilities for necessary, ordinary and reasonable pedestrian ingress and egress to and from his Lot or to suspend any easement over the Common Areas or Community Facilities for storm water drainage, electrical energy, water, sanitary sewer, natural gas, telephone service or similar utilities and services to the Lots.

Section 3.03. Delegation of Use. Any Member may delegate, in accordance with the Bylaws and Rules and Regulations of the Association, his right of enjoyment to the Common Areas and Community Facilities to the members of his family, his tenants, guests, invitees, or contract purchasers who reside on the Property.

ARTICLE IV
MEMBERSHIP AND VOTING RIGHTS

Section 4.01. Membership. Every Owner shall be deemed to have a membership in the Association. With the exception of the Declarant, no Owner, whether one or more persons, shall have more than one (1) membership for each Lot owned. In the event the Owner of a Lot is more than one person or an entity, votes and rights of use and enjoyment shall be as provided herein.

Section 4.02. Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. With the exception of the Declarant, every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who is an Owner of any Lot which is part of the premises described in Article II of this Declaration, or which otherwise becomes subject by the covenants set forth in this Declaration to assessment by the Association, shall be a Class A member of the Association; provided, however, that any such person, group of persons, corporation, partnership, trust or other legal entity who holds such interest solely as security for the performance of an obligation shall not be a Class A member solely on account of such interest. Each Class A member shall be entitled to one (1) vote for each Lot in which such Member holds the interest required for Class A membership. Unless otherwise agreed to by the Owner of a Lot and his lessees, voting rights with respect to Lots which are leased shall be as follows: on economic issues and assessments, the votes shall be cast by the Owner; on Board elections and issues concerning the use and

enjoyment of the Common Areas or Community Facilities, the votes shall be cast by the tenants residing on the Lot. When more than one person or entity holds such interest in any Lot, the vote for such Lot shall be exercised as those persons or entities themselves determine and advise the Secretary.

Class B. There shall initially be one thousand, one hundred ten (1,110) Class B memberships in the Association. This number shall be decreased by three (3) votes for each Class A membership existing at any one time. The Class B member shall be the Declarant, its nominee or nominees, and shall include every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who shall obtain any Class B membership by specific assignment from the Declarant. The Class B member shall be entitled to one (1) vote for each Class B membership. Each Class B membership shall lapse and become a nullity on the first to happen of the following events:

- (i) thirty (30) days following the date on which the total authorized, issued and outstanding Class A memberships equals two hundred seventy-eight (278); or
- (ii) on January 1, 1991; or
- (iii) upon the surrender of said Class B memberships by the then holder thereof for cancellation on the books of the Association.

Upon the lapse or surrender of any of the Class B memberships as provided for in this Article, the Declarant shall thereafter remain a Class A member of the Association as to each and every Lot from time to time subject to the terms and provisions of this Declaration in which the Declarant then holds the interest otherwise required for Class A membership.

The Members of the Association shall have no preemptive rights, as such Members, to acquire any memberships of this Association that may at any time be issued by the Association except as may be specifically provided in this Article. Membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

ARTICLE V
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 5.01. Annual Maintenance Assessments. Except as assessments of the Declarant are limited by the provisions of Section 7.02 of this Declaration, each person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who becomes a fee owner of a Lot within the Property (i.e., each Class A member of the Association), by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay the Association, in advance, a monthly sum (herein elsewhere sometimes referred to as "maintenance assessments") equal to one twelfth (1/12) of the Member's proportionate share of the sum required by the Association, as estimated by its Board of Directors, to meet its annual expenses, including, but in no way limited to, the following:

(a) the cost of all operating expenses of the Common Areas and Community Facilities and the services furnished to or in connection with the Common Areas and Community Facilities, including charges by the Association for any services furnished by it; and

(b) the cost of necessary management and administration of the Common Areas and Community Facilities, including fees paid to any Management Agent; and

(c) the amount of all taxes and assessments levied against the Common Areas and Community Facilities; and

(d) the cost of liability insurance on the Common Areas and Community Facilities and the cost of such other insurance as the Association may obtain on behalf of the Association; and

(e) the cost of utilities and other services which may be provided by the Association, whether for the Common Areas and Community Facilities or for the Lots, or both; and

(f) the cost of maintaining, replacing, repairing, and landscaping the Common Areas and Community Facilities, including, without limiting the generality of the foregoing, both (i) the Common Areas and Community Facilities from time to time owned by the Association; and (ii) landscaped areas along and within certain public rights-of-way within the Community and the various entrance walls, entry strips and signs located within the Property; and

(g) the cost of maintaining, replacing, repairing, and landscaping of any storm water detention basins and drainage systems or the like located upon the Common Areas and the cost of the maintenance of all pathways upon the Property, together with such equipment as the Board of Directors shall determine to be necessary and proper in connection therewith; and

(h) the cost of funding all reserves established by the Association, including, when appropriate, a general operating reserve and a reserve for replacements.

Notwithstanding anything contained in this Section 5.01 to the contrary, costs and expenses related to the care, upkeep and maintenance of the Attached Unit Maintenance Areas shall be payable from funds collected as Annual Supplementary Attached Unit Maintenance Assessments, and shall not be payable from funds collected as Annual Maintenance Assessments.

The Board of Directors shall determine the amount of the maintenance assessment annually, but may do so at more frequent intervals should circumstances so require. Upon resolution of the Board of Directors, installments of annual assessments may be levied and collected on a quarterly, semi-annual or annual basis rather than on the monthly basis hereinabove provided for. Any Class A member may prepay one or more installments on any annual maintenance assessment levied by the Association, without premium or penalty.

The Board of Directors shall prepare or cause the preparation of an annual operating budget for the Association which shall provide, without limitation, for the management, operation and maintenance of the Common Areas and Community Facilities. The Board of Directors of the Association shall make reasonable efforts to fix the amount of the annual maintenance assessment against each Lot for each assessment period at least thirty (30) days in advance of the beginning of such period and shall, at that time, prepare a roster of the Lots and the annual maintenance assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner upon reasonable notice to the Board. Written notice of the annual maintenance assessments shall thereupon be sent to all members. The omission by the Board of Directors, before the expiration of any assessment period, to fix the amount of the annual maintenance assessment hereunder for that or the next period, shall not be deemed a waiver or modification in any respect of the provisions of this Article or a release of any Class A member from the obligation to pay the annual maintenance assessment, or any installment thereof, for that or any subsequent assessment period; but the annual maintenance assessment fixed for the preceding period shall continue until a new maintenance assessment is fixed. No Class A member may exempt himself from liability for maintenance assessments by abandonment of any Lot belonging to him or by the abandonment of his right to the use and enjoyment of the Common Areas and Community Facilities.

This Declaration does not contemplate that the Association shall have any responsibility for the maintenance or repair of the dwellings or their appurtenances and the responsibility and duties of the Association for maintenance and repairs shall be limited to the Attached Unit Maintenance Areas and the Common Areas and Community Facilities. The Owner of any Lot shall, at his own expense, maintain his Lot and dwelling, and any and all appurtenances thereto in good order, condition and repair and in a clean, sightly and sanitary condition at all times, provided that the Association shall be responsible for maintaining any portion of a Lot constituting an Attached Unit Maintenance Area. If the aforementioned maintenance is not properly performed by any Owner, the Association shall have the right to perform such maintenance and assess the Owner for the cost of the same; provided, however, the Association shall afford the Owner reasonable notice and an opportunity to rectify the situation prior to entry.

Section 5.02. Special Maintenance Assessments. In addition to the regular maintenance assessments authorized by this Article, the Association may levy in any assessment year a special maintenance assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, extraordinary repair or replacement of a capital improvement located upon, or forming a part of the Common Areas and Community Facilities, including the necessary fixtures and personal property related thereto, or for such other purpose as the Board of Directors may consider appropriate; provided, however, that any such assessment shall have the assent of the Members representing a majority of the then Class A members of the Association and a majority of the then Class B members of the Association. A meeting of the Members shall be duly called for this purpose. The Association may also levy a special maintenance assessment against any Member to reimburse the Association for costs incurred in bringing a Member and his Lot into compliance with the provisions of this Declaration (including any supplements or amendments hereto), the Articles of Incorporation or Bylaws of the Association, and any Rules or Regulations promulgated by the Association. Such special maintenance

assessment may only be levied upon an affirmative vote of the Board of Directors and after a notice and opportunity for a hearing has been provided to the Member.

Section 5.03. Reserves for Replacements. The Association shall establish and maintain a reserve fund for repairs and replacements of the Common Areas and Community Facilities 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 with 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 reserve for replacement of the Common Areas and Community Facilities may be expended only for the purpose of affecting the replacement of the Common Areas and Community Facilities, major repairs, equipment replacement, and for start-up expenses and operating contingencies of a non-recurring nature relating to the Common Areas and Community Facilities. 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 5.04. Maximum Annual Maintenance Assessments. The initial maximum annual maintenance assessment for each of the Lots to which Class A membership is appurtenant shall not exceed the sum of Four Hundred and Twenty Dollars (\$420.00) per annum. Except as provided to the contrary in Sections 6.04 and 7.02, the annual maintenance assessment shall be levied at a uniform rate for each Lot to which Class A membership is appurtenant.

Section 5.05. Increase in Maximum Annual Maintenance Assessment.

(a) From and after January 1, 1987, the maximum annual maintenance assessment for all Class A memberships hereinabove provided for may be increased by the Board of Directors of the Association, without a vote of the Class A membership, by an amount equal to ten percent (10%) of the maximum annual assessment for the preceding year plus the amount by which any ad valorem real estate taxes and casualty and other insurance premiums payable by the Association have increased over amounts payable for the same or similar items for the previous year.

(b) From and after January 1, 1987, the maximum annual maintenance assessment for all Class A memberships hereinabove provided for may be increased above that established by the preceding paragraph by a vote of the Members, as hereinafter provided, for the next succeeding year, and thereafter, at the end of such year, for each succeeding year. Any increase in maintenance assessments made pursuant to this paragraph shall have the assent of a majority of the then Class A members of the Association and a majority of the then Class B members of the Association. A meeting of the Members shall be duly called for this purpose.

ARTICLE VI
SUPPLEMENTARY ATTACHED UNIT
MAINTENANCE ASSESSMENTS

Section 6.01. Annual Supplementary Attached Unit Maintenance Assessments.

Except as assessments of the Declarant are limited by the provisions of Section 7.02 of this Declaration, in addition to the maintenance assessments provided for in Article V of this Declaration, and not in lieu thereof, each person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who becomes a fee owner of an Attached Unit within the Property, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay the Association, in advance, a monthly sum (herein elsewhere sometimes referred to as "Supplementary Attached Unit Maintenance Assessments") equal to one twelfth (1/12) of the Member's proportionate share of the sum required by the Association, as estimated by its Board of Directors, to meet its annual expenses of maintaining the green space, private streets and roadways, as well as the street lights located therein, and for performing such maintenance and repairs upon the Attached Unit Maintenance Areas as the Association may from time to time elect to perform, including, but not necessarily limited to, the following:

(a) the cost of maintaining, replacing and repairing the Attached Unit Maintenance Areas, in whole or in part, including, without limitation, landscaping, grass cutting and trimming, snow removal, parking area striping, street lighting and the like; and

(b) the cost of funding a separate reserve to be established by the Association for the non-recurring repair and replacement of the Attached Unit Maintenance Areas, in whole or in part.

The Board of Directors shall determine the amount of the annual Supplementary Attached Unit Maintenance Assessments annually, but may do so at more frequent intervals should circumstances so require. Upon resolution of the Board of Directors, installments of annual Supplementary Attached Unit Maintenance Assessments may be levied and collected on a quarterly, semi-annual or annual basis rather than on the monthly basis hereinabove provided for. Any Class A member so obligated may prepay one or more installments on any annual Supplementary Attached Unit Maintenance Assessment levied by the Association, without premium or penalty.

The Board of Directors shall prepare, or cause the preparation of an annual maintenance budget for the Attached Unit Maintenance Areas. The Board of Directors of the Association shall make reasonable efforts to fix the amount of the annual Supplementary Attached Unit Maintenance Assessment against each Attached Unit for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Attached Units and the annual Supplementary Attached Unit Maintenance Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Attached Unit owner upon reasonable notice to the Board. Written notice of the annual Supplementary Attached Unit Maintenance Assessments shall thereupon be sent to the members who own Attached Units. The omission by the Board of Directors, before the expiration of any assessment period, to fix the amount of the annual Supplementary Attached Unit Maintenance Assessment hereunder for that or the next period, shall not

be deemed a waiver or modification in any respect of the provisions of this Article or a release of any Class A member so obligated from the obligation to pay the annual Supplementary Attached Unit Maintenance Assessment, or any installment thereof, for that or any subsequent assessment period; but the annual Supplementary Attached Unit Maintenance Assessment fixed for the preceding period shall continue until a new Supplementary Attached Unit Maintenance Assessment is fixed. No Class A member so obligated may exempt himself from liability for Supplementary Attached Unit Maintenance Assessments by abandonment of any Attached Unit belonging to him or by the abandonment of his right to the use and enjoyment of the Attached Unit Maintenance Areas.

Section 6.02. Special Attached Unit Maintenance Assessments. In addition to the regular annual Supplementary Attached Unit Maintenance Assessments authorized by this Article, the Association may levy in any assessment year a special Attached Unit Maintenance Assessment or Assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, extraordinary repair or replacement of a capital improvement located upon, or forming a part of, the Attached Unit Maintenance Areas; provided, however, that any such special Attached Unit Maintenance Assessment shall have the assent of the then owners of not less than a majority of the Attached Units and a majority of the then Class B members of the Association.

Section 6.03. Reserve for Repairs and Replacements of the Attached Unit Maintenance Areas. The Association shall establish and maintain a separate reserve fund for repairs and replacements (in whole or in part) of the Attached Unit Maintenance Areas by the allocation and payment periodically to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund 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 reserve for repairs and replacements of the Attached Unit Maintenance Areas may be expended only for the purpose of affecting the repairs and replacement (in whole or in part) of the Attached Unit Maintenance Areas (including, without limitation, the repair and replacement of any private streets and roadways, parking areas, street lights and sidewalks constructed upon the Attached Unit Maintenance Areas) and for operating contingencies of a non-recurring nature relating to the Attached Unit Maintenance Areas. The Association may establish such other reserves for such other purposes associated with the Attached Unit Maintenance Areas 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 to his Attached Unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Attached Unit to which it appertains and shall be deemed to be transferred with such Attached Unit.

Section 6.04. Maximum Annual Supplementary Attached Unit Maintenance Assessments. The initial maximum annual Supplementary Attached Unit Maintenance Assessment for each of the Attached Units shall not exceed the sum of Three Hundred Dollars (\$300.00) per annum. Except as provided to the contrary in Section 7.02, the annual Supplementary Attached Unit Maintenance Assessment shall be levied at a uniform rate for each Attached Unit.

Section 6.05. Increase in Maximum Annual Supplementary Attached Unit Maintenance Assessments.

(a) From and after January 1, 1987, the maximum annual Supplementary Attached Unit Maintenance Assessment hereinabove provided for may be increased by the Board of Directors of the Association, without a vote of the then Owners of the Attached Units, by an amount equal to ten percent (10%) of the maximum annual Supplementary Attached Unit Maintenance Assessment for the preceding year.

(b) From and after January 1, 1987, the maximum annual Supplementary Attached Unit Maintenance Assessment hereinabove provided for may be increased above that established by the preceding paragraph by a vote of the then owners of the Attached Units, as hereinafter provided, for the next succeeding year and, thereafter, at the end of such year, for such succeeding year. Any change made pursuant to this subparagraph shall have the assent of a majority of the then owners of the Attached Units and a majority of the then Class B members of Attached Units of the Association. A meeting of the Members shall be duly called for this purpose.

ARTICLE VII
COMMENCEMENT OF ANNUAL ASSESSMENTS

Section 7.01. Commencement of Annual Assessments for Class A Members. Except as may be otherwise resolved by the Board of Directors of the Association, the annual maintenance assessment for each Class A membership shall commence on the date a deed for the Lot to which such Class A membership is appurtenant is delivered by the Declarant to the Member. Except as may be otherwise resolved by the Board of Directors of the Association, the annual Supplementary Attached Unit Maintenance Assessment for each Class A membership appurtenant to an Attached Unit shall also commence on the date a deed for the Attached Unit to which such Class A membership is appurtenant is delivered by the Declarant to the Member. The first monthly installment of each such annual assessment shall be made for the balance of the month during which a deed for the Lot is delivered to the Member and shall become due and payable and a lien on the date a deed for the Lot is delivered to the Member. Except as herein elsewhere provided, the monthly installments of each such annual assessment for any Lot for any month after the first month shall become due and payable on the first day of each successive month.

Section 7.02. Assessment of Declarant. Anything in this Declaration to the contrary notwithstanding, and so long as the Declarant shall agree with the Association that the Declarant shall fund the operating deficits actually incurred by the Association on an annual basis, any regular or special assessment levied by the Association for any Lot without an occupied dwelling held by the Declarant or by the maker of any Supplementary Declaration made pursuant to Section 2.02 of this Declaration shall be in an amount equal to twenty-five percent (25%) of the assessment levied by the Association against Lots held by the Class A members. Declarant Lots upon which an occupied dwelling is situated shall pay full assessments. Assessments for Lots held by the Declarant shall commence upon the recordation of this Declaration, with respect to

Lots described in Exhibit "A", and shall commence upon the recordation of any Supplementary Declaration with respect to Lots described therein.

Section 7.03. Exempt Property. No portion of the Common Areas or Community Facilities shall be subject to assessment of any kind by the Association.

ARTICLE VIII
REMEDIES OF ASSOCIATION FOR NON-PAYMENT OF ASSESSMENTS

Section 8.01. Non-Payment of Assessments. Any assessment levied pursuant to this Declaration, or any installment thereof, which is not paid on the date when due shall be delinquent and shall, together with interest thereon and the cost of collection thereof, as hereinafter provided, thereupon become a continuing lien upon the Lot or Lots belonging to the Member against whom such assessment is levied and shall bind such Lot or Lots in the hands of the then owners, their heirs, devisees, personal representatives and assigns; provided, however, that the requirements of the Maryland Contract Lien Act have been substantially fulfilled. The personal obligation of the Member to pay such assessment shall, in addition, remain his personal obligation for the statutory period and a suit to recover a money judgment for non-payment of any assessment levied pursuant to this Declaration, or any installment thereof, may be maintained without foreclosing or waiving the lien herein created to secure the same.

Any assessment levied pursuant to this Declaration, or any installment thereof, which is not paid within ten (10) days after it is due, may, upon resolution of the Board of Directors, bear interest at a rate not to exceed the maximum legal rate permitted from time to time in the State of Maryland, and may, by resolution of the Board of Directors, subject the Member obligated to pay the same to the payment of such penalty or "late charge" as the Board may fix, and the Association may bring an action at law against the Member personally obligated to pay the same, or foreclose on the lien against the Lot or Lots then belonging to said Member in the manner now or hereafter provided for the foreclosure of mortgages, deeds of trust or other liens on real property in the State of Maryland containing a power of sale and consent to a decree, and subject to the same requirements, both substantive and procedural, or as may otherwise from time to time be provided by law, in either of which events interest, costs and reasonable attorneys' fees of not less than twenty percent (20%) of the sum claimed shall be added to the amount of each assessment.

To the extent requested in writing to do so by any such mortgagee, the Association shall notify the holder of the first mortgage on any Lot for which any assessment levied pursuant to this Declaration becomes delinquent for a period in excess of sixty (60) days and in any other case where the Owner of such Lot is in default with respect to the performance of any other obligation hereunder for a period in excess of sixty (60) days, but any failure to give such notice shall not affect the validity of the lien for any assessment levied pursuant to this Declaration, nor shall any such failure affect any of the priorities established in this Article.

Section 8.02. Assessment Certificates. The Association shall upon demand at any time furnish to any Member liable for any assessment levied pursuant to this Declaration (or any other party legitimately interested in the same) a certificate in writing signed by an officer of the Association, setting forth the status of said

assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid. A charge not to exceed Ten Dollars (\$10.00) may be levied in advance by the Association for each certificate so delivered.

Section 8.03. Acceleration of Installments. Upon default in the payment of any one or more monthly installments of any assessment levied pursuant to this Declaration, the entire balance of said assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

Section 8.04. Priority of Lien. The lien established by this Declaration shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

- (a) general and special assessments for ad valorem real estate taxes on the Lot; and
- (b) the liens of any deeds of trust, mortgage instruments or encumbrances duly recorded on the Lot prior to the assessments provided for in this Declaration or duly recorded on said Lot after receipt of a written statement from the Board of Directors reflecting that payments on account of any such assessments were current as of the date of recordation of said deed of trust, mortgage instrument or encumbrance.

Notwithstanding any other provision of this Declaration to the contrary, the lien of any assessment levied pursuant to this Declaration upon any Lot, as in this Article provided, shall be subordinate to the lien of any deed of trust, mortgage or other encumbrance duly recorded on such Lot and made in good faith and for value received and shall in no way affect the rights of the holder of any such deed of trust, mortgage or other encumbrance; provided, however, that such subordination shall apply only to assessments, and installments thereof, which have become due and payable prior to a sale or transfer of the Lot pursuant to a foreclosure of such deed of trust, mortgage or other encumbrance, or any deed, assignment or other proceeding or arrangement in lieu of foreclosure. Any holder of any deed of trust, mortgage or other encumbrance duly recorded on the Lot and made in good faith and for value received who comes into possession of the Lot pursuant to foreclosure of such deed of trust, mortgage or other encumbrance, or any deed, assignment or other proceeding or arrangement in lieu of foreclosure, and any other purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid maintenance assessments levied against the Lot which accrue prior to the time such holder comes into possession of the Lot or prior to the foreclosure sale, except for claims for a proportionate share of such unpaid maintenance assessments resulting from a reallocation of such unpaid maintenance assessments among the Lots upon the Property. Such foreclosure, deed, assignment or other proceeding or arrangement in lieu of foreclosure shall not, however, relieve the purchaser at any foreclosure sale from any liability for any maintenance assessments thereafter becoming due, or from the lien herein created to secure the payment of such maintenance assessments, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein.

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

recording of such amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

The Board of Directors may, in its sole and absolute discretion, extend the provisions of this Section to the holders of mortgages (or in the indebtedness secured thereby) not otherwise entitled thereto.

Section 8.05. Additional Default. Any recorded first mortgage secured on a Lot in the Property shall provide that any default by the mortgagor in the payment of any assessment levied pursuant to this Declaration, or any installment thereof, shall likewise be a default in such mortgage (or the indebtedness secured thereby), but failure to include such a provision in any such mortgage shall not affect the validity or priority thereof and the protection extended to the holder of such mortgage (or the indebtedness secured thereby) by Section 8.04 shall not be altered, modified or diminished by reason of such failure.

ARTICLE IX
ARCHITECTURAL CONTROL

Section 9.01. Architectural Change Approval. Except for construction or development by, for or under contract with the Declarant, and except for any improvements to any Lot or to the Common Areas or Community Facilities accomplished by the Declarant concurrently with said construction and development, and except for purposes of proper maintenance and repair, no building, fence, wall or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made (including change in color) until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography and conformity with the design concept for the Property by the Board of Directors of the Association, or by a covenant committee composed of three (3) or more representatives appointed by the Board of Directors of the Association ("Covenant Committee"). In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Design approval by the Covenant Committee or by the Board shall in no way be construed as to pass judgment on the correctness of the location, structural design, suitability of water flow or drainage, location of utilities, or other qualities of the item being reviewed. The Board or the Covenant Committee shall have the right to charge a reasonable fee for reviewing each application in an amount not to exceed Fifty Dollars (\$50.00). Any exterior addition to or change or alteration made without application having first been made and approval obtained as provided above shall be deemed to be in violation of this covenant and the addition, change or alteration may be required to be restored to the original condition at the Owner's cost and expense. In any event, no such exterior addition to or change or alteration shall be made without approvals and permits therefor having first been obtained by the Owner from the applicable public authorities or agencies. Notwithstanding any provision of this Declaration to the contrary, the provisions of this Article IX shall not be applicable to the Declarant or any part of the Property owned by the Declarant.

Section 9.02. Initiation and Completion of Approved Changes. Construction or alterations in accordance with plans and specifications approved by the Covenant Committee pursuant to the provisions of this Article shall be commenced within six (6) months following the date upon which the same are approved by the Covenant Committee (whether by affirmative action or by forbearance from action as provided in Section 9.01), and shall be substantially completed within twelve (12) months following the date of commencement, or within such longer period as the Covenant Committee shall specify in its approval. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Covenant Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required. There shall be no deviations from plans and specifications approved by the Covenant Committee without any prior consent in writing of the Covenant Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Covenant Committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

Section 9.03. Certificate of Compliance. Upon completion of any construction or alterations or other improvements or structures in accordance with plans and specifications approved by the Covenant Committee in accordance with the provisions of this Article, the Covenant Committee shall, at the request of the Owner thereof, issue a certificate of compliance which shall be prima facie evidence that such construction, alteration or other improvements referenced in such certificate have been approved by the Covenant Committee and construction or installation in full compliance with the provisions of this Article and with such other provisions and requirements of this Declaration as may be applicable.

Section 9.04. Covenant Committee Rules and Regulations; Appeal of Covenant Committee Decision. The Covenant Committee may from time to time adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted for approval and may publish such statements of policy, standards, guidelines and/or establish such criteria relative to architectural styles or details, or other matters, as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of this Declaration. The decisions of the Covenant Committee shall be final except that any Member who is aggrieved by any action or forbearance from action by the Covenant Committee may appeal the decision of the Covenant Committee to the Board of Directors and, upon the request of such Member, shall be entitled to a hearing before the Board of Directors. Two thirds (2/3) of the Board of Directors shall be required to reverse the decision of the Covenant Committee.

ARTICLE X
USE RESTRICTIONS; EASEMENTS

In addition to all other covenants contained herein, the use of the Property and each Lot therein is subject to the following:

Section 10.01. Permitted Uses. 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, except that a professional office may be maintained in a dwelling, provided that such maintenance and use is limited to the person actually residing in the dwelling and, provided, further, that such maintenance and use is in strict conformity with the provisions of any applicable zoning law, ordinance or regulation. As used in this Section, the term "professional office" shall mean rooms used for office purposes by a member of any recognized profession, including doctors, dentists, lawyers, architects and the like, but not including medical or dental clinics. The terms "dwelling" or "dwelling unit", as used in this Declaration, shall include a townhouse, apartment unit, condominium unit, or detached dwelling or any other dwelling. Nothing contained in this Article, or elsewhere in this Declaration, shall be construed to prohibit the Declarant from the use of any Lot, dwelling, Common Areas or Community Facilities, or improvement thereon, for promotional or display purposes, or as "model homes", a sales and/or construction office, or the like, and the Declarant shall have an easement for access to such facilities. The right of the Declarant to maintain and carry on such activities shall include specifically the right to utilize the community center or other Community Facilities, if any, as model and sales offices. Nothing contained in this Article or elsewhere in this Declaration shall be construed to prohibit the use of any portion of the Property as an office for the rental or management of dwellings located within the Property.

Section 10.02. Prohibited Uses and Nuisances. Except for the activities of the Declarant during the construction or development of the Community, or except with the prior written approval of the Board of Directors or the Association or the Covenant Committee, or as may be necessary in connection with reasonable and necessary repairs or maintenance to any dwelling or upon the Common Areas:

(a) No noxious or offensive trade or activity shall be carried on upon any Lot or within any dwelling or any other part of the Property, nor shall anything be done therein or thereon which may be or become an annoyance or nuisance to the neighborhood or other Members. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any dwelling or upon the exterior of any other improvements constructed upon any Lot.

(b) The maintenance, keeping, boarding or raising of animals, live-stock, or poultry of any kind, regardless of number, shall be and is hereby prohibited on any Lot or within any dwelling, or other part of the Property, except that this shall not prohibit the keeping of dogs, cats or caged birds as domestic pets provided they are not kept, bred or maintained for commercial purposes and, provided further, that such domestic pets are not a source of annoyance or nuisance to the neighborhood or other Members. The Board of Directors or, upon resolution of the Board of Directors, the Covenant Committee, shall have the authority, after hearing, to determine whether a particular pet is a nuisance or a source of annoyance to other Members, and such determination shall be conclusive. Pets shall be attended at all times and shall be registered, licensed and inoculated as may from time to time be required by law. Pets shall not be permitted upon the Common Areas unless accompanied by a responsible person and unless they are carried or leashed. The Board of Directors shall have the

right to adopt such additional rules and regulations regarding pets as it may from time to time consider necessary or appropriate.

(c) No burning of any trash and no accumulation or storage of litter, lumber, scrap metals, refuse, bulk materials, waste, new or used building materials, or trash of any other kind shall be permitted on any Lot or other part of the Property.

(d) Except for parking within garages, and except as herein elsewhere provided, no junk vehicle, truck (as defined by the Maryland Department of Motor Vehicles and/or by common usage and practice), unregistered or inoperable motor vehicle (which shall include, without limitation, any vehicle which would not pass applicable state inspection criteria), trailer, recreational vehicle, house trailer, boat or other similar machinery or equipment of any kind or character (except for such equipment and machinery as may be reasonable, customary and usual in connection with the use and maintenance of any dwelling and except for such equipment and machinery as the Association may require in connection with the maintenance and operation of the Common Areas and Community Facilities) shall be kept upon the Property nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out thereon. The Association may, in the discretion of the Covenant Committee, provide and maintain a suitable area designated for the parking of such vehicles or the like.

(e) Trash and garbage containers shall not be permitted to remain in public view except on days of trash collection and after 6:00 p.m. on days prior to trash collection. Trash shall be stored in closed metal containers or containers constructed of other suitable materials. No incinerator shall be kept or maintained upon any Lot.

(f) No Lot shall be divided or subdivided and no portion of any Lot (other than the entire Lot) shall be transferred or conveyed for any purpose. The provisions of this subsection shall not apply to the Declarant and, further, the provisions hereof shall not be construed to prohibit the granting of any easement or right-of-way to any municipality, political subdivision, public utility or other public body or authority, or to the Association, the Declarant or any other person for any purpose.

(g) No tree, hedge or other landscape feature shall be planted or maintained in a location which obstructs sight-lines for vehicular traffic on public streets or on private streets and roadways.

(h) No decorative lawn ornament, no structure of a temporary character, and no trailer, tent, shack, barn, pen, kennel, run, stable, shed or other buildings shall be erected, used or maintained on any Lot at any time.

(i) Except for entrance signs, directional signs, signs for traffic control or safety, community "theme areas" and such promotional sign or signs as may be maintained by the Declarant or the Association, no signs or advertising devices of any character shall be erected, posted or displayed upon, in or about any Lot or dwelling, provided, however, that one sign not exceeding two (2) square feet in area and not illuminated may be attached to a dwelling where a professional office (as herein elsewhere in this Declaration defined) is maintained, and provided, further, that one temporary real estate sign not exceeding six (6) square feet in area may be erected upon any Lot or attached to any dwelling placed upon the market for sale or rent. Any

such temporary real estate sign shall be removed promptly following the sale or rental of such dwelling.

(j) Except for hoses and the like which are reasonably necessary in connection with normal lawn maintenance, no hose, water pipe, sewer pipe, gas pipe, drainage pipe, television cable or other similar transmission line shall be installed or maintained upon any Lot above the surface of the ground.

(k) No play equipment, including, without limitation, basketball backboards, basketball hoops and other equipment associated with either adult or juvenile recreation, shall be attached in any manner to the front or sides of any dwelling.

(l) No structure, planting or other material shall be placed or permitted to remain upon any Lot which may damage or interfere with any easement for the installation or maintenance of utilities, or which may unreasonably change, obstruct or retard direction or flow of any drainage channels.

(m) No outside television aerial or radio antenna, or other aerial or antenna for either reception or transmission, shall be maintained upon the Property except that such arials or antennae may be erected and maintained within the dwellings located upon the Property.

(n) Vegetable gardens shall be maintained only within that portion of a Lot that is screened from public view.

(o) Lawn furniture and play equipment shall be maintained only within that portion of a Lot that is screened from public view.

(p) No equipment or machinery (including, without limitation, equipment or machinery for use in connection with the maintenance of any dwelling) shall be stored in the front, rear or side yard on any Lot.

(q) No garbage or trash containers shall be kept on the front or side yard of any Lot and garbage and trash containers kept or maintained in the rear yards of any Lots shall be screened from public view at all times.

(r) No Member shall make any private or exclusive or proprietary use of any of the Common Areas except with the specific approval of the Covenant Committee and then only on a temporary basis, and no Member shall engage or direct any employee of the Association on any private business of the Member during the hours such employee is employed by the Association, nor shall any Member direct, supervise or in any manner attempt to assert control over any employee of the Association.

(s) Any fence constructed upon the Property shall not extend forward of the front building line of the dwelling on the Lot upon which any such fence is erected. No fence shall be more than six feet (6') in height. Chainlink and other wire fencing is specifically prohibited.

(t) Bed sheets, plastic sheets, newspapers, or other similar window treatments shall not be hung or placed in or on any window on any dwelling located on any Lot.

(u) Children's play and similar equipment shall not be allowed to remain overnight within any front yard of any Lot or within the Common Areas.

(v) No drying or airing of any clothing, bedding or similar materials shall be permitted outdoors and within any Lot other than within rear yards and between the hours of 8 a.m. and 5 p.m. on Monday through Friday and 8 a.m. and 1 p.m. on Saturdays (except when any such days shall fall upon a holiday) and clothes-hanging devices such as lines, reels, poles, frames, etc., shall be stored out of sight other than during the times aforementioned.

Section 10.03. House Rules, Etc. There shall be no violation of any reasonable rules for the use of the Common Areas and Community Facilities or "house rules" or other Community rules and regulations not inconsistent with the provisions of this Declaration which may from time to time be adopted by the Board of Directors of the Association and promulgated among the membership by them in writing, and the Board of Directors is hereby and elsewhere in this Declaration authorized to adopt such rules.

Section 10.04. Enforcement - Right to Remove or Correct Violations. In the event any violation or attempted violation of any of the covenants or restrictions contained in Article IX or Article X or rules and regulations adopted by the Board of Directors from time to time, shall occur or be maintained upon any Lot, or in the event of any other conduct in violation of any of the provisions or requirements of Article IX or Article X or rules and regulations adopted by the Board of Directors from time to time, then the same shall be considered to have been undertaken in violation of this Declaration and without the approval of the Board of Directors or the Covenants Committee required herein, and, upon written notice from the Board of Directors or the Covenants Committee, such violation shall be promptly removed or abated. In the event the same is not removed, or the violation is not otherwise terminated or abated, within fifteen (15) days (or such shorter period as may be required in any such notice) after notice of such violation is delivered to the Owner of the Lot upon which such violation exists, or to the Member responsible for such violation if the same shall be committed or attempted on premises other than the Lot owned by such Member, then the Association shall have the right, through its agents and employees (but only after a resolution of the Board of Directors or the Covenants Committee) to enter upon such Lot and to take such steps as may be necessary to remove or otherwise terminate or abate such violation and all costs incurred by the Association related to the endorsement of the covenants and restrictions contained in Article IX and Article X (including reasonable attorneys' fees) may be assessed against the Lot upon which such violation occurred and when so assessed, a statement for the amount thereof shall be rendered to the Owner of said Lot, at which time the assessment shall become due and payable and may thereafter become a continuing lien upon such Lot, provided the requirements of the Maryland Contract Lien Act are substantially fulfilled, such assessment shall be a binding personal obligation of the Owner of such Lot, in all respects (and subject to the same limitations) as provided in Article VIII of this Declaration.

The Association shall have the further right, through its agents, employees or committees, subsequent to reasonable notice provided to the Owner, to enter upon and inspect any Lot at any reasonable time for the purpose of ascertaining whether any violation of the provisions of this Article or any of the other provisions or requirements of this Declaration exist on such Lot; and neither the Association nor any such agent or employee shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

Section 10.05. Exemptions. None of the foregoing restrictions shall be applicable to the activities of:

(a) Declarant, its officers, employees, agents or assigns, in their development, marketing and sale of Lots or other parcels within the Property; or

(b) To the Association, its officers, employees and agents, in connection with the proper maintenance, repair, replacement and improvement of the Common Areas and Community Facilities.

Section 10.06. Declaration of Easements and Rights. The following easements and rights are hereby declared or reserved:

(a) Declarant reserves the right to grant easements, both temporary and permanent, to all public authorities and utility companies over any part of the Common Areas and Community Facilities.

(b) Each Lot within the Property is hereby declared to have an easement, not exceeding one foot (1') in width, over all adjoining Lots and Common Areas for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, roof overhangs, gutters, architectural or other appendages, draining of rainwater from roofs, or any other similar cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment, settlement or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful misconduct of said Owner or Owners. In the event a structure on any Lot is partially or totally destroyed and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

(c) There is hereby reserved unto the Declarant [and to such other party(ies) as the Declarant may specifically, and in writing, assign such rights], for the benefit of the real property described on Exhibit "C" attached hereto and made a part hereof ("Benefited Property"), a blanket easement upon, across and under the Property (provided such easement does not encroach upon any building within the Property or unreasonably interfere with the use and enjoyment of the Property), for vehicular and pedestrian ingress and egress, curb cuts, slope easements, as well as for the installation, replacement, repair and maintenance of all utilities, including, but not limited to, water, sewer, drainage, storm water detention and/or siltation, gas, cable television, telephones and electricity, and further including the right to connect to and use any such utilities which may exist or be located upon the Property from time to time. By virtue of this easement, it shall be expressly permissible to erect and maintain the necessary poles, pipes, lines and other equipment on the Property, to affix and maintain electrical or telephone wires and conduits, sewer and water drainage lines, on, above, or below any portion of the Property, including any improvements constructed thereon, and to have construction vehicles, equipment and the like exercise the aforesaid right of ingress and egress over the Property. Further, there is hereby reserved for the benefit of the Benefited Property a right of any owner (or its tenant, licensee, occupant or other party entitled to occupy any dwelling unit within the Benefited Property) of

any dwelling within the Benefited Property to use any recreational or other similar facilities that may, from time to time, be located within the Property; provided, however, that: (i) as a condition precedent to the exercise of such rights, the intention to use such facility(ies) is specifically made by the Declarant pursuant to a written instrument recorded among the Land Records of Montgomery County, Maryland, and that such election, once made, shall not be revoked without the consent of the Declarant as well as at least seventy-five percent (75%) of the members of the Association; and (ii) the right to exercise such benefits, if not previously elected as provided in the immediately preceding provisions of (i) above, may be waived by the Declarant by a specific written waiver recorded among the Land Records of Montgomery County, Maryland, and that such election, once made, may not be revoked without the express prior written consent of at least seventy-five percent (75%) of the members of the Association and the Declarant; and (iii) if the rights contemplated by the provisions of (i) above are elected, then the parties benefiting from such rights to use the recreational facilities shall be obligated to pay their pro-rata share of the cost of maintaining, operating and repairing such facilities, which share shall be computed by multiplying the total of such bona fide costs times a fraction, the numerator of which shall be the number of completed dwelling units owned by the party from whom such contribution is sought and the denominator shall be the total number of completed dwelling units entitled to use such recreational facilities. The computation contemplated by the immediately preceding sentence shall be made at each time a contribution for such costs is sought. The elections contemplated by (i) and (ii) above may be made at any time and from time to time with respect to all or less than all of the facilities involved and, without limiting the generality of the foregoing, an election may be made under (i) above with respect to some facilities and pursuant to (ii) above with respect to others. There is further reserved unto the Declarant the right to erect entry features, promotional and other similar items within the Property provided they do not unreasonably interfere with the use, operation and enjoyment of the Property. There is further reserved unto the Declarant the right to grant specific easements, both temporary and permanent, to any person or entity, including all public authorities and utility companies, over any part of the Property in furtherance of the blanket easement created by this subsection (c). Further, without limiting the generality of the foregoing, the Declarant reserves the right to unilaterally execute and record such additional easements and agreements as may be necessary in order to give effect to the foregoing easements and other rights, which additional easements and other agreements need not be consented to or joined in by any party having an interest in the Property; provided, however, that if requested by the Declarant, any party having an interest in the Property shall promptly join in and execute such confirmatory easements and other agreements.

(d) An easement is hereby reserved to Declarant to enter the Common Areas during the period of construction and sale on the Property, and to maintain such facilities and perform such operations as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of residences, including, without limitation, a business office, sales office, storage area, construction yards, signs, displays and model units.

(e) Declarant also reserves the right to enter into the Common Areas for the purpose of carrying out any obligations it may have, or assume, with respect to the curing of any defects in workmanship or materials in the Property or the improvements thereon. There is further reserved unto the Declarant and its agent(s) a

non-exclusive easement over, across and through all of the Common Areas for the purpose of access, the storage of building supplies and materials and equipment and, without any limitation, for any and all purposes reasonably related to the completion of the development, construction and repair of the Property.

(f) For a period of ten (10) years from the date of conveyance of the first Lot, the Declarant reserves a blanket easement and right on, over and under the Property to maintain and to correct drainage of surface water in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary, following which the Declarant shall restore the affected property to its original condition as near as practicable. The Declarant shall give reasonable notice of intent to take such action to all affected Owners, unless in the opinion of the Declarant an emergency exists which precludes such notice.

(g) The rights and duties with respect to sanitary sewer and water, electricity, gas and telephone lines and facilities shall be governed by the following:

(i) Whenever water, sanitary sewer, electricity, gas, or telephone connections, lines, cables or any portion thereof, are or have been installed within the Property, the Owner of any Lot, or the Association shall have the right, and are hereby granted an easement to the extent necessary therefor, to enter upon or have a utility company enter upon any portion of the Property in which said installations lie, to repair, replace and generally maintain said installations.

(ii) The right granted in Subparagraph (i) above shall be only to the extent necessary to entitle the property of the Owner or Association serviced by said installation to its full and reasonable use and enjoyment, and provided further that anyone exercising said right shall be responsible for restoring the surface of the easement area so used to its condition prior to such use.

(iii) In the event of a dispute between Owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to its Board of Directors, who shall decide the dispute, and the decision of the Board shall be final and conclusive as to the parties.

(h) The Association shall have an easement to enter any portion of the Property for the performance of its duties hereunder; provided that such easement shall not entitle the entry within the interior portion of any dwelling located on the Property, but (by way of illustration only and not in limitation of the rights granted herein) shall permit the entry into fenced, or other similar areas of the Property.

(i) With respect to any step, patio, deck, downspout, drain or other similar structure that may benefit any Lot and is constructed by the Declarant and which may encroach upon any portion of the Common Area, there is hereby reserved for the benefit of the Lot for which such step, patio, deck, downspout, drain or other structure serves, a perpetual easement for the location, maintenance, repair and use of such structure or items within the Common Area, but only to the extent the Declarant's original construction thereof encroaches within the Common Area. The Owner of the

Lot benefiting from such easement agrees to maintain such structure or item and to indemnify and hold the Association harmless from any loss, liability or damage arising out of or resulting from the use, enjoyment and benefit of the easement granted hereby.

Section 10.07. Transcontinental Gas Line Easement. A portion of the Common Area is subject to several easements in favor of the Transcontinental Pipe Line Company. These easements are depicted on the Development Plan and are recorded among the Land Records of Montgomery County in Liber 1984 at folio 48, Liber 2116 at folio 276, Liber 2894 at folio 40 and Liber 3937 at folio 372. No construction, planting, fencing, or other similar activities in the easement areas shall be commenced in violation of the terms and conditions of these easements.

ARTICLE XI
MAINTENANCE

Section 11.01. Lot Maintenance. Except as otherwise specifically provided in this Declaration, each Owner shall keep each Lot owned by him, and all improvements therein or thereon, in good order and repair and free of debris, in a manner and with such frequency as is consistent with good property management. In the event an Owner of any Lot in the Property shall fail to maintain the Lot and the improvements situated thereon, the Board of Directors or its agent shall have the right to enter upon said Lot to correct drainage and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon. All costs related to such correction, repair, maintenance or restoration shall become a lien upon such Lot, and such lien may be enforced in the same manner as an annual assessment levied in accordance with Article V hereof. Any such lien shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect such 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 any such lien 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.

The Owner(s) of a condominium unit which is within the Property is responsible for the maintenance of that unit according to the provisions of the Declaration of Condominium submitting the unit to the condominium regime.

Section 11.02. Maintenance of Storm Water Detention Basin. In addition to other maintenance responsibilities of the Association with respect to the Common Areas and Community Facilities, the Association shall operate, maintain and repair any storm water detention basins or similar facilities located within the Common Areas. Such operation, maintenance and repair shall be pursuant to and in accordance with any rules or regulations promulgated by any state, county or other governmental agency.

ARTICLE XII
INSURANCE

Section 12.01. Optional Coverage. The Board of Directors of the Association, or its duly authorized agent, shall have the authority (but not the obligation) to obtain insurance for all or any of the dwellings located on the Property, unless the Owners thereof have supplied proof of adequate coverage to the Board of Directors' satisfaction, against loss or damage by fire or other hazards in an amount sufficient to cover the full replacement cost (less a reasonable deductible) of any repair or reconstruction work in the event of damage or destruction from any insured hazard. The insurance proceeds payable on account of loss or damage to the dwelling shall be applied to repair or restoration of the damaged property in substantial conformity to the original plans and specifications.

Section 12.02. Required Coverage. The Board of Directors of the Association, or its duly authorized agent, shall be required to obtain, maintain and pay the premiums, as a common expense, upon a policy of property insurance covering all insurance improvements to the Common Areas and Community Facilities (except land, foundation, excavation and other items normally excluded from coverage) including fixtures and building service equipment, to the extent that they are a part of the Common Areas or Community Facilities of the Association, as well as common personal property and supplies.

The insurance policy shall afford, as a minimum, protection against loss or damage by fire and other perils normally covered by the standard extended coverage endorsement, as well as all other perils which are customarily covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard "All Risk" endorsement, where such is available. The policy shall be in an amount equal to one hundred percent (100%) of the current replacement cost of the Common Areas or Community Facilities (less a deductible deemed reasonable by the Board of Directors) and shall name the Association as the named insured.

Each hazard insurance policy must be written by a hazard insurance carrier which has a current rating by Best's Insurance Reports of B/VI or better (or its equivalent). Hazard insurance policies are also acceptable from any insurance carrier which has a financial rating by Best's Insurance Reports of Class V, provided it has a general policyholder's rating of at least "A". Each insurer must be specifically licensed or authorized by law to transact business within the State of Maryland. The policy contract shall provide that no assessment may be made against the mortgagees, and that any assessment made against others may not become a lien on the mortgaged premises superior to the first mortgage.

All policies of hazard insurance must contain or have attached the standard mortgagee clause commonly acceded by private institutions as mortgage investors in the area in which the mortgaged premises are located. The mortgagee clause must provide that all property insurance policies must provide an Agreed Amount and Inflation Guard Endorsement, if available, and a Construction Code Endorsement if the Common Areas and Community Facilities in the Association are subject to a construction code provision which would become operative and require changes to undamaged portions of the building(s), thereby imposing significant costs in the event of partial destruction of the project by an insured peril.

If any portion of the Common Areas or Community Facilities are in a special flood hazard area, as defined by the Federal Emergency Management Agency, the Board of Directors of the Association, or its duly authorized agent, shall be required to obtain, maintain and pay, as a common expense, the premiums upon a "master" or "blanket" policy of flood insurance on Common Area buildings and Community Facilities. The policy shall be in an amount deemed appropriate, but not less than the maximum coverage available under the NFIP for all buildings and other insurable property within any portion of the Common Areas and Community Facilities located within a designated flood hazard area or one hundred percent (100%) of current replacement cost of all such buildings and other insurable property.

The Association shall maintain comprehensive general liability insurance coverage covering all of the Common Areas and Community Facilities, public ways of the project, and other areas that are under its supervision (including, but not limited to, commercial spaces, if any, owned by the Association, whether or not they are leased to third parties). Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location and use. However, such coverage shall be for at least One Million Dollars (\$1,000,000.00) for bodily injury and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insured for property damage, bodily injuries and deaths of persons in connection with the operation and maintenance or use of the Common Areas and Community Facilities, and legal liability arising out of lawsuits related to employment contracts in which the Association is a party. Such insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association or other Owners. Such policies must provide that they may not be canceled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Association.

Blanket fidelity bonds shall be required to be maintained by the Association for all officers, directors, managers, trustees, employees and volunteers of the Association and all other persons handling or responsible for funds held or administered by the Association, whether or not they receive compensation for their services. Where the Association has delegated some or all of the responsibility for the handling of funds to a management agent, such management agent shall be covered by its own fidelity bond. Except for fidelity bonds that a management agent obtains for its personnel, all other bonds should name the Association as an obligee and should have their premiums paid as a common expense by the Association. The total amount of fidelity coverage required shall be sufficient to cover the maximum funds that will be in the custody of the Association or management agent at any time, but must at least equal the sum of three (3) months' assessments on all Lots within the Property, plus the Association's reserve funds. The bonds shall provide that they cannot be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Association and to all Eligible Mortgage Holders.

Section 12.03. Repair and Reconstruction of Common Areas and Community Facilities After Fire or Other Casualty. Except as hereinafter provided (and inconsistent herewith), in the event of damage to or destruction of any portion of the Common Areas and Community Facilities covered by insurance payable to the Association as a result of fire or other casualty, the Board of Directors shall arrange for the prompt

repair and restoration thereof, and the Board of Directors or the Insurance Trustee (as hereinafter defined), as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration, as provided below.

The Insurance Trustee may rely upon a certificate of the Board of Directors which certifies whether or not the damaged Property is to be reconstructed or repaired. The Board of Directors, upon request of the Insurance Trustee, shall deliver such certificate as soon as practicable.

Immediately after a casualty causing damage to the Common Areas and Community Facilities for which the Association has the responsibility of maintenance, repair, and/or replacement, the Board of Directors shall obtain reliable and detailed estimates of the cost to place the damaged portions of the Common Areas and Community Facilities in as good a condition as existed before the casualty. Such costs may include professional fees and premiums for such bonds as the Board of Directors desire.

In the event of reconstruction or repair (as estimated by the Board of Directors) which shall exceed Fifty Thousand Dollars (\$50,000.00), all proceeds of insurance shall be paid over to a trust company or bank having trust powers and authorized to engage in the trust business in the State of Maryland (hereinafter the "Insurance Trustee"), selected by the Board of Directors and shall be paid out from time to time as the reconstruction and repair progresses in accordance with the provisions of an Insurance Trust Agreement and which contains, inter alia, the following provisions:

(a) the reconstruction or repair shall be in the charge of an architect or engineer, who may be an employee of the Association, and hereinafter called the "Architect";

(b) any restoration or repair of the project shall be performed substantially in accordance with the Declaration and the original plans and specifications, unless other action is approved by at least fifty-one percent (51%) of the Eligible Mortgage Holders (based upon one vote for each first mortgage owned), and two thirds (2/3) of the owners (other than the Declarant);

(c) each request for an advance of the proceeds of insurance shall be made to the Insurance Trustee and shall be accompanied by a certificate from the Architect and Board of Directors to the effect that (i) all work then completed has been performed in accordance with the plans and specifications; and (ii) the amount requested to be advanced is required to reimburse the Board of Directors for payments previously made by the Board of Directors or is due to the contractor responsible for the restoration or repair, or to subcontractors, materialmen, laborers, engineers, architects or to other persons responsible for services or materials in connection with such restoration or repair, or for fees or the like necessarily incurred in connection with the same; and (iii) when added to amounts previously advanced by the Insurance Trustee, the amount requested to be advanced does not unreasonably exceed the value of the work done and materials delivered to the date of such request;

(d) each request for an advance of the proceeds of insurance shall be accompanied by satisfactory waivers of liens covering that portion of the repair or reconstruction for which payment or reimbursement is being requested, together with

appropriate evidence from a title insurance company or the like to the effect that there has not been filed with respect to the Common Areas, or any part thereof, any mechanics' or other lien, or notice of intention to file the same, which has not been dismissed, bonded, or satisfied of record;

(e) the fees and expenses of the Insurance Trustee, as agreed upon by the Board of Directors and the Insurance Trustee, shall be paid by the Association as a common expense, and such fees and expenses may be deducted from any insurance proceeds in the hands of the Insurance Trustee, pro rata, as the reconstruction or repair progresses;

(f) such other provisions not inconsistent with the provisions hereof as the Board of Directors or the Insurance Trustee may reasonably require.

Upon completion of the reconstruction or repair and payment in full of all amounts due on account thereof, any proceeds of insurance then in the hands of the Insurance Trustee shall be paid to the Board of Directors if such funds relate to Common Areas, or (ii) to the Owner of any Lot to which any such proceeds may relate.

ARTICLE XIII
PARTY WALLS AND PARTY FENCES

The rights and duties of the Owners of Lots with respect to party walls and party fences shall be governed by the following:

Section 13.01. General Rules of Law to Apply. Each wall or fence which is constructed as a part of the original construction on the Property and any part of which is placed on the dividing line between separate Lots, shall constitute a party wall or party fence, and with respect to such wall or fence, each of the adjoining Owners shall assume the burdens, and be subject to an easement for that portion of a party wall or party fence on his Lot, and be entitled to the benefits of these restrictive covenants and, to the extent not inconsistent herewith, the general rules of law regarding party walls and party fences and of liability for property damage due to negligence or willful acts or omissions, shall apply thereto.

Section 13.02. Sharing of Repair and Maintenance and Destruction by Fire or Other Casualty. If any such party wall or party fence is damaged or destroyed by fire or other casualty or by some cause other than the act of one of the adjoining Owners, his agents, or family (including ordinary wear and tear and deterioration from lapse of time), then, in such event, both such adjoining Owners shall proceed forthwith to rebuild or repair the same to as good condition as formerly, in proportion to their respective use of the party wall or party fence.

Section 13.03. Repairs of Damage Caused by One Owner. If any such party wall or party fence is damaged or destroyed through the act of one adjoining Owner or any of his agents or guests or members of his family (whether or not such act is negligent or otherwise culpable) so as to deprive the other adjoining Owner of the full use and enjoyment of such wall or fence, then the Owner responsible for such damage shall forthwith proceed to rebuild and repair the same to as good condition as formerly, without cost to the adjoining Owner.

Section 13.04. Weatherproofing. Notwithstanding any other provision of this Article, any Owner who by his negligent or willful act causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 13.05. Encroachments. If any portion of a party wall shall encroach upon any adjoining Lot, or upon the Common Areas or Community Facilities, by reason of reconstruction, settlement or shifting of any building, or otherwise, a valid easement for the encroachment and for the maintenance of the same as long as the building stands shall exist.

Section 13.06. Other Changes. In addition to meeting the other requirements of these restrictive covenants, and of any building code or similar regulations or ordinances, any Owner proposing to modify, make additions to or rebuild his residence in any manner which requires the extension or other alteration of any party wall or party fence, shall first obtain the written consent of the adjoining Owner.

Section 13.07. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 13.08. Dispute. In the event of a dispute between Owners with respect to the repair or rebuilding of a party wall or party fence or with respect to the sharing of the cost thereof, then, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to its Board of Directors who shall decide the dispute, and the decision of such Board of Directors shall be final and conclusive upon the parties.

ARTICLE XIV
MANAGEMENT

Section 14.01. Management Agent. The Board of Directors may employ for the Association a professional management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing.

(a) to establish (with the approval of the Board of Directors of the Association) and provide for the collection of the annual maintenance assessments, the annual townhouse maintenance assessments and any other assessments provided for in this Declaration and to provide for the enforcement of liens therefor in a manner consistent with the law and the provisions of this Declaration; and

(b) to provide for the care, upkeep, maintenance and surveillance of the Common Areas and Community Facilities; and

(c) to designate, hire and dismiss such personnel as may be required for the good working order, maintenance and efficient operation of the Common Areas and Community Facilities; and

(d) to promulgate (with the approval of the Board of Directors of the Association) and enforce such rules and regulations and such restrictions or requirements, "house rules" or the like as may be deemed proper respecting the use of the Common Areas and Community Facilities; and

(e) to provide such other services (including legal and accounting services) for the Association as may be consistent with law and the provisions of this Declaration.

When professional management has been previously required by any Eligible Mortgage Holder, any decision to establish self-management by the Association shall require the consent of sixty-seven percent (67%) of the Owners and the approval of fifty-one percent (51%) of the votes of lots subject to eligible holder mortgages.

Section 14.02. Duration of Management Agreement. Any management agreement entered into by the Association shall provide, inter alia, that such agreement may be terminated for cause by either party upon thirty (30) days' written notice thereof to the other party. The term of any such management agreement shall not exceed one (1) year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one (1)-year periods.

ARTICLE XV
GENERAL PROVISIONS

Section 15.01. Limitation of Liability. The Association shall not be liable for any failure of any services to be obtained by the Association or paid for out of the common expense funds, or for injury or damage to person or property caused by the elements or resulting from water which may leak or flow from any portion of the Common Areas or Community Facilities, or from any wire, pipe, drain, conduit or the like. The Association shall not be liable to any Member for loss or damage, by theft or otherwise, of articles which may be stored upon the Common Areas or Community Facilities. No diminution or abatement of assessments, as herein elsewhere provided for, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Areas or Community Facilities, or from any action taken by the Association to comply with any of the provisions of this Declaration or with any law or ordinance or with the order or directive of any municipal or other governmental authority.

Section 15.02. 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, easements, liens, charges or other obligations or terms now or hereafter imposed by the provisions of this Declaration, including, without limitation, any rule or regulation lawfully promulgated by the Board of Directors pursuant to Article X herein, 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. If the Association, or any Owner or Mortgagee of any Lot, successfully brings an action to extinguish a violation or otherwise enforce the provisions of this Declaration or the Articles of Incorporation or Bylaws of the Association, the costs of such action, including legal fees, shall become a binding, personal obligation of the Owner committing or responsible for such violation, and such costs shall also be a lien upon the Lot of such Owner, provided that the provisions of the Maryland Contract Lien Act have been substantially fulfilled.

Section 15.03. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions, which shall remain in full force and effect.

Section 15.04. Duration and Amendment. Except where permanent easements or other permanent rights or interests are herein created, the covenants and restrictions of the Declaration shall run with and bind the land for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first thirty (30)-year period by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners, and thereafter, by an instrument signed by the Owners of not less than fifty percent (50%) of the Lots. Any amendment must be recorded.

Section 15.05. Successors of Declarant. Any and all rights, reservations, easements, interests, exemptions, privileges and powers of the Declarant hereunder, or any part of them, may be assigned and transferred (exclusively or non-exclusively) by the Declarant by instrument in writing, without notice to the Association.

Section 15.06. FHA-VA Approvals. Provided that any Lot subject to this Declaration is then encumbered by a deed of trust or mortgage which is insured by FHA or guaranteed by VA, and further provided that there are then Class B memberships of the Association outstanding, 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 and the Veterans Administration, as circumstances may require:

- (a) change the basic organization of the Association including the merger, consolidation, or dissolution of the Association; or
- (b) dedicate, convey, or mortgage the Common Areas; or
- (c) annex additional properties (other than an annexation by the Declarant as provided in Section 2.02); or
- (d) otherwise materially modify or amend any provision of this Declaration, the Bylaws or the Articles of Incorporation of the Association.

Section 15.07. Rights of the Maryland-National Capital Park and Planning Commission ("Commission" herein). Any other provision of this Declaration or the Bylaws or Articles of Incorporation of the Association to the contrary notwithstanding, 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 of the Commission, which consent shall not be unreasonably withheld or delayed:

(a) abandon, partition, dedicate, subdivide, encumber, sell or transfer any of the Common Areas or Community Facilities; 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 Areas and Community Facilities by the Members of the Association shall not be considered a transfer within the meaning of this Section; or

(b) abandon or terminate the Declaration; or

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

(d) 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; or

(e) substantially modify the method of determining and collecting assessments as provided in this Declaration.

The Commission shall have the right to bring action for any legal or equitable relief necessary to enforce the rights and powers granted to the Commission hereunder.

Section 15.08. Consents. Any other provision of this Declaration or the Bylaws or Articles of Incorporation of the Association to the contrary notwithstanding, neither the Members, the Board of Directors nor the Association shall, by act or omission, take any of the following actions:

(a) abandon, partition, alienate, release, hypothecate, dedicate, subdivide, encumber, sell or transfer any of the Common Areas or Community Facilities directly or indirectly owned by the Association unless at least fifty-one percent (51%) of the Eligible Mortgage Holders (based upon one vote for each first mortgage owned) and Lot Owners representing sixty-seven percent (67%) of the votes in the Association have given their prior written approval; 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 Areas and Community Facilities by Members of the Association shall not be considered a transfer within the meaning of this Section; or

(b) abandon or terminate this Declaration unless at least sixty-seven percent (67%) of the Eligible Mortgage Holders (based upon one vote for each first mortgage owned) and Lot Owners representing ninety percent (90%) of the votes of the Association have given their prior written approval; or

(c) unless the prior written consent of fifty-one percent (51%) of the Eligible Mortgage Holders (based upon one vote for each first mortgage owned) and the requisite number of Lot Owners as provided in Section 15.04 of this Declaration has been obtained, modify or amend any material provision of this Declaration, which establish, provide for, govern or regulate any of the following:

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- (i) voting rights;
- (ii) assessments, assessment liens or subordination of such liens;
- (iii) reserves for maintenance, repair and replacement of the Common Areas;
- (iv) insurance or fidelity bonds;
- (v) rights to use of the Common Areas by any Owner, except in accordance with Section 2.01(b);
- (vi) responsibility for maintenance and repairs;
- (vii) expansion or contraction of the property subject to this Declaration or the addition, annexation or withdrawal of property to or from this Declaration, except in accordance with Section 15.05;
- (viii) boundaries of any Lot;
- (ix) a decision by the Association to establish self management when professional management had been previously required by an Eligible Mortgage Holder;
- (x) leasing of Lots;
- (xi) imposition of any restrictions on the rights of an Owner to sell or transfer his or her Lot;
- (xii) restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents;
- (xiii) any provisions which expressly benefit mortgage holders, Eligible Mortgage Holders or insurers or guarantors.

An addition or amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. An Eligible Mortgage Holder who receives a written request to approve such a non-material additions or amendments who fails to submit a response within thirty (30) days shall be deemed to have approved such request.

(d) substantially modify the method of determining and collecting assessments against an Owner or his Lot as provided in this Declaration, unless at least sixty-seven percent (67%) of the first mortgagees (based upon one vote for each first mortgage owned) or Owners (other than the Declarant) of the individual Lots in the Association have given their prior written approval; or

(e) waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of buildings or structures on the Lots, the exterior maintenance of buildings or structures on the Lots, the maintenance of the Common Areas, party walkways or common fences and driveways, or the upkeep of lawns and plantings within the Property unless at least sixty-seven percent (67%) of the first mortgagees (based upon one vote for each first mortgage owned) or Owners (other than the Declarant) of the individual Lots in the Association have given their prior written approval; or

(f) fail to maintain insurance in accordance with Section 11.02 of this Declaration unless at least fifty-one percent (51%) of the Eligible Mortgage Holders (based upon one vote for each first mortgage owned) and sixty-seven percent (67%) of the Owners have given their prior written approval; or

(g) use hazard insurance proceeds for losses to any Association Common Area for other than the repair, replacement or reconstruction of such Common Area or property, unless at least fifty-one percent (51%) of the Eligible Mortgage Holders (based upon one vote for each first mortgage owned) and sixty-seven percent (67%) of the Owners have given their prior written approval.

Section 15.09. Additional Rights of Mortgagees - Notice. The Association shall promptly notify all Eligible Mortgage Holders who hold first mortgages on any Lot for which an assessment levied pursuant to the Declaration, or any installment thereof, becomes delinquent for a period in excess of sixty (60) days and the Association shall promptly notify any Eligible Mortgage Holder who holds a first mortgage on any Lot with respect to which any default in any other provision of this Declaration remains uncured for a period in excess of sixty (60) days following the date of such default. Any failure to give any such notice shall not affect the validity or priority of any Eligible Mortgage Holder 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 holder of the first mortgage on the Lot which is the subject matter of such suit or proceeding.

Any first mortgagee of any Lot may pay any taxes, utility charges or other charge levied against the Common Areas and Community Facilities which are in default and which may or have become a charge or lien against any of the Common Areas and Community Facilities and any such first mortgagee may pay any overdue premiums on any hazard insurance policy or secure new hazard insurance coverage on the lapse of any policy, with respect to the Common Areas and Community Facilities. Any first mortgagee who advances any such payment shall be due immediate reimbursement of the amount so advanced from the Association.

Section 15.10. Casualty Losses. In the event of substantial damage or destruction to any of the Common Areas or Community Facilities, the Board of Directors of the Association shall give prompt written notice of such damage or destruction to the Eligible Mortgage Holders who hold first mortgages of record on the Lots. No provision of this Declaration or the Articles of Incorporation or the Bylaws of the Association

shall entitle any Member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such Member of any insurance proceeds paid or payable on account of any damage or destruction of any of the Common Areas or Community Facilities.

Section 15.11. Condemnation or Eminent Domain. In the event any part of the Common Areas and Community Facilities is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Association shall give prompt written notice of any such proceeding or proposed acquisition to the Eligible Mortgage Holders who hold first mortgages of record on the Lots. No provision of this Declaration or the Articles of Incorporation or the Bylaws of the Association shall entitle any Member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such Member of the proceeds of any condemnation or settlement relating to a taking of any of the Common Areas and Community Facilities.

Section 15.12. Changes Required by Lenders. Notwithstanding any provision to the contrary contained in the Articles of Incorporation or Bylaws of the Association or this Declaration, the Declarant shall have and hereby reserves the right to make modifications, additions or deletions to the Declaration, the Articles of Incorporation and the Bylaws of the Association if such modifications, additions or deletions are required by VA, FHA, FHLMC or FNMA. The Declarant further reserves the right to waive in writing any exemption, right or privilege granted or reserved to the Declarant by this Declaration or the Articles of Incorporation or the Bylaws of the Association.

Section 15.13. Taxes and Assessments. It is the intent of this Declaration that inasmuch as the interests of each Owner to use and enjoy the Common Areas is an interest in real property appurtenant to each Lot, the value of the interest of each owner in such Common Area shall be included in the assessment for each such Lot and as a result, any assessment directly against such Common Area should be of a nominal nature reflecting that the full value of the same should be included in the several assessments of the various Lots.

Section 15.14. No Dedication to Public Use. Nothing herein contained shall be construed as a dedication to public use or as an acceptance for maintenance of any Common Areas or Community Facilities by any public or municipal agency, authority, or utility and no public or municipal agency, authority or utility shall have any responsibility or liability for the maintenance or operation of any of the Common Areas or Community Facilities.

Section 15.15. Incorporation by Reference on Resale. In the event any Owner sells or otherwise transfers any Lot, any deed purporting to effect such transfer shall contain a provision incorporating by reference the covenants, restrictions, servitudes, easements, charges and liens set forth in this Declaration.

Section 15.16. Declarant Reserved Rights. No amendment to this Declaration may remove, revoke or modify any right, reservation or privilege of the Declarant without the prior written consent of the Declarant or any successors or assignees (pursuant to Section 15.05) of the Declarant.

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satisfactory photographic
reproduction.

Section 15.17. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawfully void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

Section 15.18. 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.

IN WITNESS WHEREOF, The Artery Organization, Inc., a Maryland corporation, being the DECLARANT herein, has caused this Declaration of Covenants, Conditions and Restrictions to be signed this 22 day of August, 1986, by Stephen R. Stahl, as of the day and year first above written.

ATTEST:

THE ARTERY ORGANIZATION, INC.,
a Maryland corporation

Margaret Neff
(Assistant) Secretary
MARGARET NEFF
[CORPORATE SEAL]

By: *Stephen R. Stahl*
(Vice) President
STEPHEN R. STAHL

STATE OF MARYLAND *

*

to wit:

COUNTY OF Montgomery *

*

I HEREBY CERTIFY that on this 22nd day of August, 1986, before the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Stephen R. Stark, who acknowledged himself/herself to be the (Vice) President of The Artery Organization, Inc., a Maryland corporation, and that he/she as such (Vice) President, being authorized so to do, executed the foregoing and annexed Declaration of Covenants, Conditions and Restrictions on behalf of the aforesaid corporation for the purposes therein contained by signing the name of the said corporation by himself/herself as (Vice) President.

GIVEN under my hand and seal this 22nd day of August, 1986.

W.T. Wheeler
Notary Public
W.T. WHEELER



My Commission Expires: 7-1-92

[NOTARIAL SEAL]

CERTIFICATE

I HEREBY CERTIFY that the foregoing instrument was prepared on behalf of The Artery Organization, Inc., a party named to the above instrument.

ATTEST:

THE ARTERY ORGANIZATION, INC.,
a Maryland corporation

March J. Newfeld
(Assistant) Secretary
MARCH J. NEWFELD
[CORPORATE SEAL]

By: Stephen R. Stark
(Vice) President
STEPHEN R. STARK

Address of Declarant: 5550 Friendship Blvd
Cherry Chase, Md 20815
Title Insurance: -38- TICOR
Address of Property: NIA

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reproduction.

Title Insurer: **LIBER 7265 FOLIO 804**
Tycor Title Insurance Company

Lot 5 - Account No. 8-4-2578326
Lot 6 - Account No. 8-4-2578337
Lot 7 - Account No. 8-4-2578348
Lot 8 - Account No. 8-4-2578350
Lot 9 - Account No. 8-4-2578361
Parcel A Account No. 8-4-2578270

Williamsburg Village
Montgomery County, Maryland
Eighth Election District

Lots numbered 5 through 9, inclusive, and Parcel "A", Block 29, as shown on a plat of subdivision entitled "Williamsburg Village" recorded December 12, 1985 among the Land Records of Montgomery County, Maryland in Plat Book 136 at Plat No. 15737.

SAVING AND EXCEPTING THE FOLLOWING PROPERTY:

Beginning for the same at a point on the northerly right of way line of Homeland Drive as shown on the aforesaid Plat 15737, said point lying on Curve No. 253.59 from the beginning thereof, thence running to cross and include part of Parcel 'A';

1. 12.67 feet along the arc of a curve to the right having a radius of 25.00 feet and a chord of North 19 58'47" West, 12.53 feet to a point; thence
2. North 42 42'11" East, 110.00 feet to a point; thence
3. South 46 24'09" East, 18.00 feet to a point; thence
4. North 43 35'51" East, 53.81 feet to a point; thence
5. South 46 24'09" East, 116.67 feet to a point; said point lying on the North 52 48'21" East, 234.69 foot line as shown on said plat, 99.28 feet from the beginning thereof; thence
6. South 52 48'21" West, 99.28 feet to a point; thence
7. South 55 51'42" West, 59.76 feet to a point; thence
8. 53.59 feet along the arc of a curve to the right having a radius of 130.00 feet and a chord of South 67 40'16" West, 53.21 feet to the place of beginning, containing 20,611.34 Square Feet or 0.4732 of an Acre of Land.

Exhibit "A"

(Description of Lots
and Common Areas - Phase I)

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reproduction by photography or
microfilm.

Williamsburg Village
Montgomery County, Maryland
Eighth Election District

Parcel "A", Block 29, as shown on a plat of subdivision entitled "Williamsburg Village" recorded December 12, 1985 among the Land Records of Montgomery County, Maryland in Plat Book 136 at Plat No. 15737.

SAVING AND EXCEPTING THE FOLLOWING PROPERTY:

Beginning for the same at a point on the northerly right of way line of Homeland Drive as shown on the aforesaid Plat 15737, said point lying on Curve No. 253.59 from the beginning thereof, thence running to cross and include part of Parcel 'A' ;

1. 12.67 feet along the arc of a curve to the right having a radius of 25.00 feet and a chord of North 19 58'47" West, 12.53 feet to a point; thence
2. North 42 42'11" East, 110.00 feet to a point; thence
3. South 46 24'09" East, 18.00 feet to a point; thence
4. North 43 35'51" East, 53.81 feet to a point; thence
5. South 46 24'09" East, 116.67 feet to a point; said point lying on the North 52 48'21" East, 234.69 foot line as shown on said plat, 99.28 feet from the beginning thereof; thence
6. South 52 48'21" West, 99.28 feet to a point; thence
7. South 55 51'42" West, 59.76 feet to a point; thence
8. 53.59 feet along the arc of a curve to the right having a radius of 130.00 feet and a chord of South 67 40'16" West, 53.21 feet to the place of beginning, containing 20,611.34 Square Feet or 0.4732 of an Acre of Land.

Exhibit "B"

(Description of Common Areas - Phase I)

CLEAR'S NOTICE
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microfilm or microfiche
reproduction.

LIBER 7 2 6 5 FOLIO 8 0 6

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microfilm or any photographic
reproduction.

Exhibit "C"

(Description of Benefited Property)

LIBER 7265 FOLIO 807

Loiderdman Associates, Inc.
December 17, 1984
Project No. 68-82-07

DESCRIPTION OF THE PROPERTY OF
HAROLD McEWEN AND ELIZABETH ICKES, TENANTS IN COMMON
LIBER 4899 - FOLIO 416
52.40834 ACRES OF LAND

All of that piece or parcel of land situate, lying and being in the Olney Election District of Montgomery County, MD and being part of a conveyance from Harold McEwen Ickes, et al to Harold McEwen Ickes and Elizabeth Ickes, tenants in common by deed dated November 30, 1976 and recorded among the Land Records of the aforesaid County in Liber 4899 at Folio 416, and being more particularly described as follows:

Beginning for the same at an iron pipe found at the northwest corner of Lot 33 in Block 10 as shown on a plat of subdivision of "Williamsburg Village" recorded in Plat Book 85 as Plat 8921, said iron pipe also being located at the end of the North $10^{\circ}54'05''$ East, 770.00 foot line of the aforesaid plat, and running thence as now surveyed by Loiderdman Associates, Inc.

1. North $07^{\circ}13'14''$ East, 192.84 feet to a point; thence running thence with and along part of the outlines of Plats 9 and 8 of a subdivision entitled "Olney Oaks" and recorded in Plat Book 125 as Plats 14651 and 14650
2. North $52^{\circ}49'16''$ East, 158.85 feet to a point; thence
3. North $62^{\circ}30'52''$ East, 106.03 feet to a point; thence
4. North $55^{\circ}23'26''$ East, 2139.96 feet to a point in MD Route 108; thence running with said road
5. South $46^{\circ}21'43''$ East, 141.29 feet to a point; thence leaving said road and running with part of the outlines of a conveyance from Harold McEwen Ickes, et al to the US Postal Service by deed dated April 2, 1974 and recorded in Liber 4509 at Folio 885
6. South $54^{\circ}31'57''$ West, 412.99 feet to a monument found; thence
7. South $46^{\circ}21'43''$ East, 254.79 feet to a monument found; thence
8. North $43^{\circ}37'06''$ East, 275.09 feet to a monument found; thence continuing on the same course
9. North $43^{\circ}37'06''$ East, 130.00 feet to a point in said MD Route 108; thence running with said road
10. South $46^{\circ}21'43''$ East, 52.47 feet to a point; thence running with the right of way line as shown on Maryland State Road Commission Plat Nos. 44659 and 45083
11. South $43^{\circ}35'57''$ West, 75.74 feet to a point; thence
12. South $46^{\circ}24'09''$ East, 250.00 feet to a point; thence
13. South $36^{\circ}30'11''$ East, 58.17 feet to a point; thence
14. South $44^{\circ}23'44''$ East, 142.79 feet to a concrete monument found; thence leaving said right of way line, and running with and along part of the outlines of a conveyance to Montgomery County, MD (Liber 5548 - Folio 362)

EXHIBIT "C"

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LIBER 7265 FOLIO 808

15. South $45^{\circ}49'46''$ East, 51.76 feet to a point; thence
16. South $43^{\circ}09'49''$ West, 390.91 feet to a point; thence
17. South $46^{\circ}50'11''$ East, 393.23 feet to a point; thence running with and along part of the outline of Parcel '5' in Block 'A' of a subdivision entitled "James N. Barnsley's Addition to Olney" recorded in Plat Book 91 as Plat 9939, and along part of the outline of Block 'C' as shown on a plat recorded in Plat Book 4 as Plat 316
18. South $09^{\circ}03'11''$ West, 359.31 feet to a point; thence running with and along the north line of Block '10' of "Williamsburg Village" recorded in Plat Book 46 as Plat 3247 and the aforesaid Plat 8921
19. North $89^{\circ}20'23''$ West, 2535.90 feet to the place of beginning, containing 32.40834 Acres of Land.

Subject to any and all easements, rights of way or covenants of record.

SAVING AND EXCEPTING ALL OF THE PROPERTY DESCRIBED ON EXHIBITS "A" AND "B" HERETO.

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